



REAL
BOLD.
REAL
FOOD.

Tasty Bite Eatables Limited

This year's report is dedicated to the Paris Accord on Climate Change

MISSION STATEMENT

To be a **Socially Responsible Company** that will provide **Consumer Delight**

by offering

Great Taste, Good Value & Real Convenience

achieved through

**Manufacturing & Marketing
Natural, Convenient & Specialty Foods**

in a

Knowledge Driven, Energetic & Fun

work environment





CORPORATE INFORMATION

DIRECTORS

Mr. Ashok Vasudevan
Chairman

Mr. Ravi Nigam
Managing Director

Mr. Masahiro Sumitomo
Additional Director
(Appointed on February 10, 2016)

Mr. Kavas Patel
Independent Director

Dr. V. S. Arunachalam
Independent Director

Mrs. Sucharita Hegde
Independent Director
(Appointed on October 12, 2015)

Mrs. Meera Vasudevan
Director (till February 10, 2016)

Mr. K P Balasubramaniam
(till May 18, 2015)

Mr. Sohel Shikari
Alternate Director
(Alternate to Mr. Ashok Vasudevan)

COMPANY SECRETARY

Ms. Minal Talwar

STATUTORY AUDITORS

M/s. Kalyaniwalla & Mistry
Chartered Accountants, Pune

INTERNAL AUDITORS

M/s. Suresh Surana & Associates LLP
Chartered Accountants, Mumbai

SECRETARIAL AUDITORS

Mr. Abhishek Jagdale
Practicing Company Secretary, Pune

REGISTERED OFFICE (w.e.f. January 22, 2016)

201-202, Mayfair Towers, Wakdewadi,
Shivajinagar, Pune – 411 005
Maharashtra
CIN: L15419PN1985PLC037347
Tel No.: 020 3021 6000
Fax No.: 020 3021 6048
Website: www.tastybite.co.in
Email: info@tastybite.com

OLD REGISTERED OFFICE

204, Mayfair Towers, Wakdewadi,
Shivajinagar, Pune – 411 005
Maharashtra

FACTORY

At Post 490, Village – Bhandgaon,
Taluka – Daund, Dist – Pune – 412 214
Maharashtra

REGISTRAR AND TRANSFER AGENT

M/s. Karvy Computershare Pvt. Ltd.
Karvy Selenium, Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032
Tel No.: +91 040-67162222; 1800-345-4001
Email ID: ravi.shukla@karvy.com/
einward.ris@karvy.com

BANKERS

Kotak Mahindra Bank Limited
RBL Bank Ltd
Mizuho Bank Limited
The Bank of Tokyo – Mitsubishi UFJ, Ltd

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32ND ANNUAL GENERAL MEETING

Date	:	Monday, September 19, 2016
Time	:	11:00 a.m.
Venue	:	Hotel Le Meridien, RBM Road, Pune – 411 001

CHAIRMAN'S MESSAGE TO SHAREHOLDERS



IT IS NO LONGER SUFFICIENT FOR COMPANIES TO FOLLOW SUSTAINABLE PRACTICES IF THEY MAKE BUSINESS SENSE. OUR RESPONSIBILITY IS TO MAKE BUSINESS SENSE OUT OF SUSTAINABLE PRACTICES.

Dear Shareholders,

Just three years ago (Annual Report 2012-13), I reported that your Company had crossed Rs. 1 Billion in revenues for the first time in its history. It took the Company 30 years to get there. I am now delighted to inform you that the next Rs. 1 Billion took just three years! For the year ended March 31, 2016, revenues for the Company grew 18% over last year to Rs. 208.5 crores. EBIDTA grew twice as fast at Rs. 34.5 crores resulting in PAT of Rs. 16.9 crores.

This is a good place to be. It is my firm belief that the Company is well-positioned to accelerate its 15-year growth trajectory for both our Consumer and Food Service Business, internationally and in India. A new generation of millennials on the one hand and ageing baby boomers on the

other are framing industry mega trends globally. They continue to offer major opportunities for companies that focus on health & wellness, responsible technologies and ecologically sustainable practices. For Tasty Bite, this has always been a way of life.

Tasty Bite Consumer Business

Perhaps, it is this strategic congruence of company practices and industry trends that created a tailwind for our consumer business. All channels (grocery, club and private label) saw double-digit growth for the year. Despite the vicissitudes of the US economy, the Tasty Bite consumer business grew 21% over last year and at Rs. 130 crores, is 62% of our Company's revenues.

Indian entrées continued their dominant position with over 50% market share in

the US & Canada. Australia & New Zealand maintained revenues.

- Asian entrées were launched in the US this year even as we discontinued Asian noodles.
- Organic rices & grains have now become the fastest growing brand in its category. Both in conventional grocery & in the natural trade, the brand grew in excess of 30%.
- Spice & Simmer, a new range of ready-to-cook products was test marketed in the US during the year and is now being rolled out nationally.

We expect the consumer business will sustain this organic growth trend even as we pursue new markets and new categories. Our 3-year plan envisages the launch of one new category and one new market each year through 2018.



Tasty Bite Food Service Business (TFS)

The TFS business mission is to become the preferred partner of choice to leaders in the food service industry. The business today is entirely domestic and has 2 product categories: Sauces and Frozen Formed Products (FFP). For the year, TFS business grew 10% to Rs. 65 crores representing 31% of the Company's revenues.

- Sauces became the fastest growing category for the Company during the year growing 39% to Rs. 31.3 crores.
- FFP revenues could have grown as fast but at Rs. 33.6 crores was down 7% over last year. This was a disappointment though not unexpected. You might recall my concern in last year's report on the activism of the food regulator in India. This triggered our customers during the year, to delay launches, withdraw a few products from their menus and witness drop in same-store sales. The impact on our revenues was hence inevitable.

The dust has since settled and the industry is limping back though not at the clip we had witnessed before. However, your Company is likely to grow faster than the industry due to several new product introductions and new customer acquisitions in the domestic market.

Kagome

You will recall, that Japanese Food Company Kagome, bought majority equity in our parent company Preferred Brands International. We just completed our first year of this new relationship and are happy to report that the integration proceeded smoothly with several occasions for the teams of both organisations to work together. Benefits to both companies abound. We have been quick to grab these opportunities including access to lower cost capital, adopting processes to enhance quality even further and new market access. For Kagome, we

serve a strategic purpose by increasing their competitiveness through access to a world-class, integrated, manufacturing infrastructure in India. Additionally we provide access to 2 key markets, India and the US.

The Environment

Corporate profits, high employment rates, national GDP growth and global industrialisation, crucial as they are to our very survival, still occupy (on a planetary scale) the lowest levels of Maslow's need hierarchy. The price tag is global warming, energy crisis, water shortage, soaring health care costs and imbalanced growth. This realisation; that we are responsible for both the problem and the solution finally resulted in the signing of the Paris Accord on Climate Change by 195 countries in December last year. This is the largest and arguably the most important treaty in the history of the world. Simply put, the Paris Accord has 3 main aims. They may appear contradictory, but they are also a brave acknowledgment of the inevitability of some consequences:

- (i) Keep temperatures from raising beyond 1.5°C above pre-industrial levels,
- (ii) Build climate change resilience without threatening food production,
- (iii) Make finance flows possible to achieve the above including to developing countries to pursue sustainable practices.

Now comes the hard part. The implementation of this clearly cannot be left to Governments alone. They have taken the most important step, which is signing the treaty. Now their toolkit is limited to enacting laws and providing (dis)incentives.

The baton passes to the corporate sector. It is no longer sufficient for companies to follow sustainable practices if they make business sense. Our responsibility is to make business sense out of sustainable practices.

Now let me get back to Tasty Bite. It's nice to be socially responsible and on trend. But I believe the continued success of your Company will be driven additionally by our ability to stack end to end, successful functional layers that work together sustainably to give us both efficiencies and competitive strength. This integrated approach includes the Tasty Bite organic farm and our network of farmers, our supply chain, our manufacturing facility, our logistics & customer service, the Tasty Bite Research Center, our sales and marketing team in key markets globally and a financial and management control system that knits this all together.

Now imagine this being run by a knowledge-driven, energetic and fun team! It is for this reason that we have decided to dedicate this annual report to the Paris Accord.

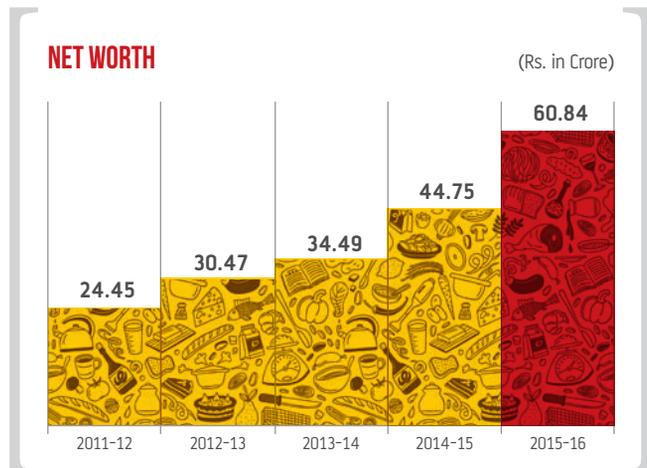
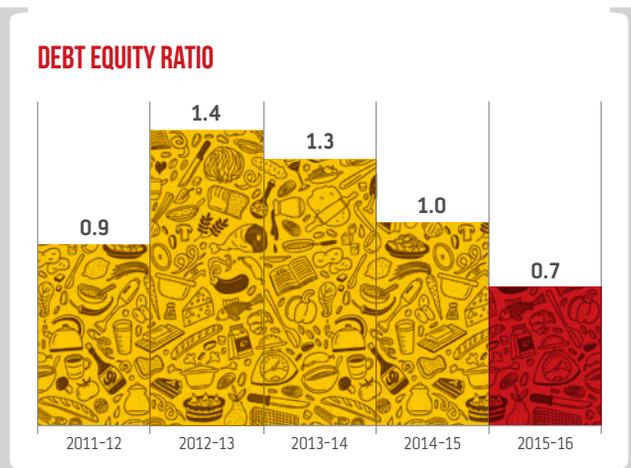
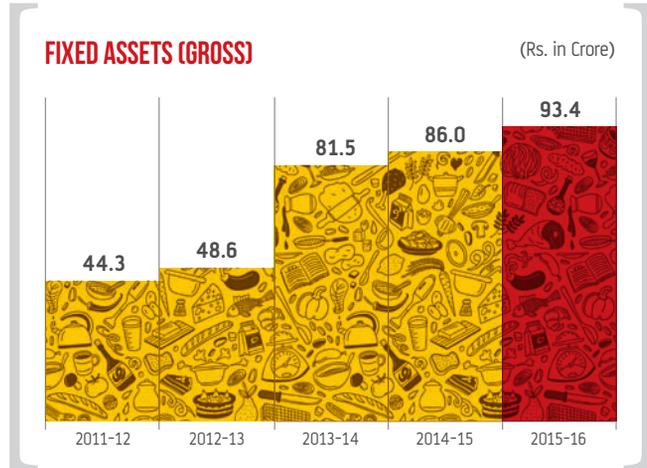
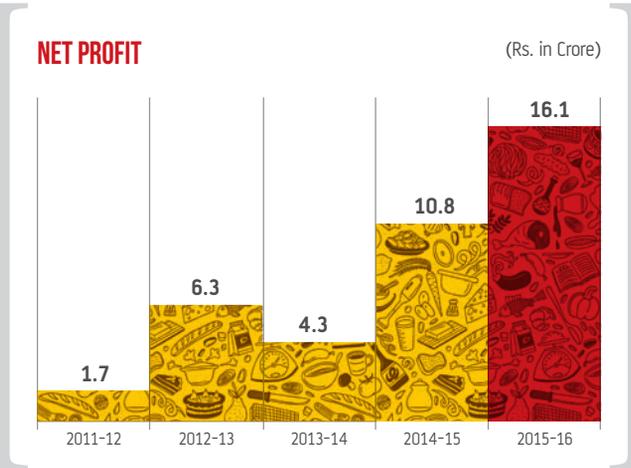
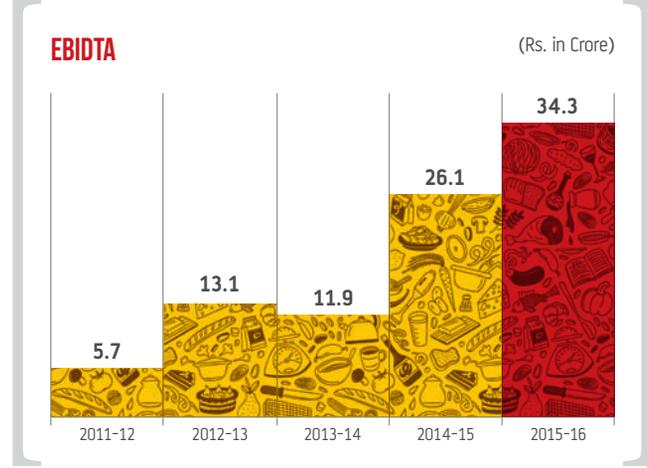
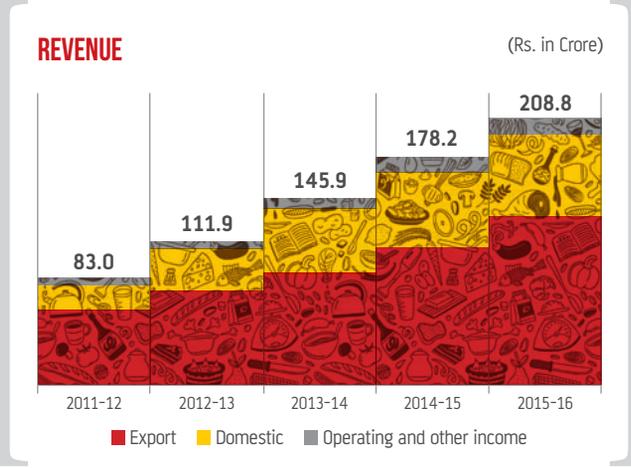
Ashok Vasudevan
Chairman



FINANCIAL PERFORMANCE & KEY TRENDS

(Rs. in Crore)

STATEMENT OF PROFIT AND LOSS	2015-16	2014-15	2013-14	2012-13	2011-12
Net Revenue	208.8	178.2	145.9	111.9	83.0
Gross Profit	85.3	71.5	53.7	47.9	34.4
Operating Profit (Profit before Interest, Tax, Depreciation & Amortisation)	34.3	26.1	11.9	13.1	5.7
Profit Before Tax (PBT)	24.6	16.5	6.3	9.3	2.4
Profit After Tax (PAT)	16.1	10.8	4.3	6.3	1.7
Earnings Per Share of Face Value of Rs. 10	62.8	42.0	16.8	24.6	6.5
Dividend Per Share of Face Value of Rs. 10	2.0	1.0	1.0	1.0	1.0
					(Rs. in Crore)
Balance Sheet	2015-16	2014-15	2013-14	2012-13	2011-12
Cash and Cash Equivalents	7.3	6.2	4.5	9.4	6.2
Fixed Assets (Net)	61.5	61.0	64.2	44.1	31.4
Net Current Assets	24.0	9.6	-2.3	12.9	5.6
Share Capital					
Equity Shares	2.6	2.6	2.6	2.6	2.6
Redeemable Preference Shares	0.6	0.6	0.6	0.6	0.6
Reserves and Surplus					
Reserve for Premium of Preference Share Capital	11.6	11.6	11.6	11.6	11.6
Others	46.1	30.0	19.7	15.7	9.7
Long Term Borrowings	19.74	21.23	23.9	29.1	10.6
Key Ratios	2015-16	2014-15	2013-14	2012-13	2011-12
EBITDA (% of Revenue)	16.5%	14.7%	8.2%	11.7%	6.8%
PAT/Revenue %	7.7%	6.1%	3.0%	5.7%	2.0%
Fixed Assets Turnover Ratio	3.4	2.9	2.3	2.5	2.6
Current Ratio	1.5	1.2	1.0	1.4	1.2
Debt Equity Ratio	0.7	1.0	1.3	1.4	0.9
Return on Capital Employed	34.1%	28.7%	12.6%	20.8%	9.8%
Others	2015-16	2014-15	2013-14	2012-13	2011-12
TBEL Share Price on BSE (Rs. Per Share of Face Value of Rs. 10)	1,690.5	605.0	239.0	139.0	128.0
Market Capitalisation (Rs. in Crore)	433.8	155.2	61.3	35.7	32.8



PRODUCT PORTFOLIO:

GREAT TASTE, GOOD VALUE AND REAL CONVENIENCE

CONSUMER PRODUCTS



FOOD SERVICE PRODUCTS



KNOWLEDGE-DRIVEN, ENERGETIC, AND FUN WORK ENVIRONMENT





BUILDING A SUSTAINABLE ECO SYSTEM

At Tasty Bite being socially responsible means adopting ecologically sound processes and making business sense out of them. We strive to protect the environment while conserving energy and natural resources. This includes setting up our own demonstration organic farm to promote the use of sustainable agricultural practices, harvesting rainwater in-ground that helps enhance the groundwater level in the vicinity, generation of steam using farm waste, the use of wind energy and now investing in a bio-gas facility that will convert our organic food waste into power and farm manure.

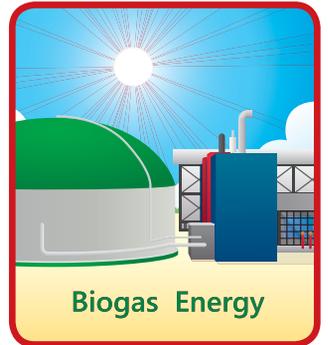
We believe in education and have invested in improving the facilities of our local village school. And of course as a food company, we have extended a small helping hand in cases of natural disaster. All these activities define the value ecosystem of Tasty Bite!

We welcome and endorse the Paris Accord on Climate Change and commit towards building business practices that are both sustainable and efficient.

ORGANIC FARMING AND RAIN WATER HARVESTING



POWER FROM SUSTAINABLE SOURCES



Certificate from Bhandgaon, Gram Panchayat

CUSTOMISED FOOD PACKAGES FOR CHENNAI FLOOD RELIEF



NEWLY BUILT SCHOOL CLASSROOMS FOR ZILLA PARISHAD PRATHMIK SHALA, BHANDGAON



NOTICE

Notice is hereby given that the Thirty-second Annual General Meeting of the Shareholders of Tasty Bite Eatables Limited will be held on Monday, 19th day of September 2016 at 11.00 a.m. at the Hotel Le Meridien Pune, RBM Road, Pune- 411001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for year ended March 31, 2016 and the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend of Re. 1 per share on 59,530 1% Non-Cumulative, Non-Convertible Redeemable Preference shares of Rs.100/- each for the financial year 2015-16.
3. To declare dividend of Rs. 2 per equity share on 25,66,000 Equity shares of Rs. 10 each for the financial year 2015-16.
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 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 from conclusion of this Annual General Meeting till conclusion of next Annual General Meeting and that the Board of Directors be and is hereby authorised to determine the remuneration payable to the said auditors."

SPECIAL BUSINESS:

6. **Regularization of Additional Director Mrs. Sucharita Hegde:**

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

"RESOLVED THAT Mrs. Sucharita Hegde (DIN 01284570), who was appointed as an Additional Director under Independent category with effect from October 12, 2015 on the Board of the Company in terms of Section 161 and 149 of the Companies Act, 2013 ("Act") and read with provisions of Article of Association of the Company and who holds such office upto the date of ensuing Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Act along with requisite deposit, proposing her candidature for the office of a Director, be and is hereby appointed as a director of the Company."

7. **Appointment of Mrs. Sucharita Hegde as an Independent Director for a term of 5 years:**

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") and the Rules framed thereunder, read with Schedule IV to the Act and any other applicable provisions of the Act, Mrs. Sucharita Hegde (DIN 01284570), a non executive director of the Company, who has submitted a declaration that she 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 for a term of 5 years from September 19, 2016 till September 18, 2021, not liable to retire by rotation.

8. **Regularisation of Additional Director Mr. Masahiro Sumitomo:**

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

"RESOLVED THAT Mr. Masahiro Sumitomo (DIN 06745188), who was appointed as an Additional Director



with effect from February 10, 2016 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and provisions of Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Act, along with requisite deposit, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the Company liable to retire by rotation."

9. **Re-appointment of Mr. Ravi Nigam as Managing Director for a period of 5 years:**

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

"RESOLVED THAT pursuant to Sections 196, 203 of the Companies Act, 2013 ("Act") and such other provisions as may be applicable, if any, of the Act, which shall include any statutory modification(s) or re-enactment(s) thereof read with Schedule V of the Act, and such other approvals as may be necessary, Mr. Ravi Nigam (DIN 00024577) be and is hereby re-appointed as the Managing Director of the Company for a period of 5 years with effect from July 20, 2016 upon such terms and conditions, including remuneration, as set out in the statement setting out the material facts to the resolution as per Item No. 9, 10 and 11 of the Notice calling Annual General Meeting, and which is specifically approved and sanctioned with the authority to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include the Nomination and Remuneration Committee of the Board of Directors) to alter and vary the terms and conditions of the said re-appointment and/or agreement including any components of the remuneration, as may be necessary from time to time, (including authority, from time to time, to determine the amount of salary and also the type and amount of perquisites and other benefits payable to Mr. Nigam), in such manner as may be agreed to between the Board and Mr. Nigam.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said re-appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any director(s) and/or officer(s) of the Company to give effect to this resolution."

10. **Fixation of remuneration of Mr. Ravi Nigam as Managing Director for a period of 3 years:**

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

"RESOLVED THAT pursuant to Sections 197, 203 and such other provisions as may be applicable, if any, of the Companies Act, 2013 ("Act"), which shall include any statutory modification(s) or re-enactment(s) thereof read with Schedule V of the Act and subject to the approval of the Central Government or any other statutory authority, if necessary, the consent of the Company be and is hereby accorded for fixation of remuneration of Mr. Ravi Nigam as Managing Director, for a period of 3 years w.e.f. July 20, 2016 and upon such terms and conditions as are set out in the draft agreement to be entered into, between the Company and said Mr. Ravi Nigam, the terms of which are mentioned in the statement setting out material facts annexed herewith, be and is hereby specifically approved with liberty to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include the Nomination and Remuneration Committee of the Board of Directors) to add, alter and vary the terms and conditions of the said appointment and/or Agreement subject to the relevant provisions of the Act.

RESOLVED FURTHER THAT the aforesaid remuneration be considered as the minimum remuneration, notwithstanding that the Company may make losses or inadequate profits during the tenure of the Agreement for a period of 3 years with effect from July 20, 2016.

RESOLVED FURTHER THAT the Board (including the Committees of Directors) be and is hereby authorized to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said remuneration as it may in its sole discretion deem fit and to delegate all or any of

its powers conferred herein to any director(s) and/or officer(s) of the Company to give effect to this resolution."

11. **Ratification of remuneration of Mr. Ravi Nigam as Managing Director for period from April 1, 2016 till July 19, 2016:**

"RESOLVED THAT the remuneration paid to Mr. Ravi Nigam, Managing Director of the Company, during the period April 1, 2016 to July 19, 2016, which has been approved by the Nomination and Remuneration Committee and the Board of Directors and which is more particularly given in the Item no. 9, 10 & 11 of the statement setting out the material facts attached to the Notice calling Annual General Meeting, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include the Nomination and Remuneration Committee of the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said ratification as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any director(s) and/or officer(s) of the Company to give effect to this resolution."

BY ORDER OF THE BOARD OF DIRECTORS
TASTY BITE EATABLES LIMITED

Dated : May 7, 2016
Place : Pune

Ravi Nigam
Managing Director
DIN: 00024577

NOTES:

1. Statement setting out Material Facts pursuant to Section 102(1) of the Companies Act, 2013 in respect of the business under item no 6 to 11 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received 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 total share capital.**
3. Members / Proxies should bring duly-filled Attendance Slips/ Proxy Forms 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, provided the votes are not already cast by remote e-voting facility by first holder.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, August 27, 2016 to Monday, September 19, 2016 (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 18, 2016, 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 26, 2016. 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 26, 2016. 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 Company Secretary 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. The Auditors have issued audit report with unmodified opinion (without any qualification).
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 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. Notice and Annual Report are available on Company's website www.tastybite.co.in.
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 BSE Ltd, National Securities Depositories Ltd (NSDL) and Central Depositories Securities Ltd (CDSL) for financial year 2016-17.
13. Members are requested to notify changes, if any, in their registered addresses and all correspondences, including dividend matters to the Company's Registrar and Transfer Agent (RTA)- M/s. Karvy Computershare Pvt Ltd at Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032. (Unit- Tasty Bite)
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. The amount of the dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (the "Fund") set up by the Government of India.

It may be noted that the dividend for the financial year ended March 31, 2010 (declared on September 16, 2010) which remain unpaid or unclaimed over a period of seven years, is due for transfer by the Company to the Fund on October 22, 2017. Any person/ Member who has not claimed the dividend in respect of the financial year ended March 31, 2010 or any year thereafter, is requested to approach the Company/ Registrar and Transfer Agent of the Company for claiming the same.

Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of seven years from the dates they became first due for payment.

In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends for the financial year ended March 31, 2016 on website of the Company : www.tastybite.co.in.

16. Securities and Exchange Board of India ("SEBI") 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.

17. In support of the "Green Initiative" announced by the Government of India, electronic copies of the Annual Report and this Notice inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent by e-mail to those members whose e-mail addresses have been made available to the Depository Participants/ Company, unless the member has specifically requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of this Notice inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, will be sent to them in the permitted mode.

Members holding shares in physical form are requested to submit their e-mail address to the RTA, duly quoting their Folio number and Members holding shares in electronic form who have not registered their e-mail address with their DP are requested to do so at the earliest so as to enable the Company to send the said documents in electronic form, thereby supporting the green initiative of the MCA.

Please note that the said documents will be uploaded on the website of the Company viz. www.tastybite.co.in and made available for inspection at the registered office of the Company during business hours.

18. 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 and any other rule as may be applicable including amendments thereof, a member may exercise right to vote by electronic means (remote 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 which is approved by Ministry of Corporate Affairs and has also obtained a Certificate from the Standardisation Testing and Quality Certification Directorate, Department of Information Technology, Ministry of Communications and Information Technology, Government of India, as pre prescribed under the Companies (Management and Administration) Amendments Rules, 2015.
- iii. The notice calling AGM is placed on the website of the Company (www.tastybite.co.in) and of the website of the 'Karvy' (<https://evoting.karvy.com>) agency appointed for conducting the voting by electronic means.
- iv. The members who opt to cast their votes by remote e-voting prior to the meeting, may attend the meeting however, shall not be entitled to cast their vote again.
- v. The Board of Directors has appointed Mr. Abhishek Jagdale, Practicing Company Secretary, Pune as the Scrutinizer for conducting e-voting process in fair and transparent manner.
- vi. Members are requested to carefully read the instructions for e-voting before casting their vote.
- vii. The e-voting module shall be disabled for voting on Sunday, September 18, 2016 at 5.00 pm. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently. **The voting right of the shareholders shall be in proportion to their share in the paid up capital of the Company as on the cut-off date (record date) i.e. September 12, 2016 (end of day).**
- viii. The remote 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 15, 2016 - from 9.00 am (IST)
End of e-voting	September 18, 2016 - upto 5.00 pm (IST)

- ix. **Contact details for issues relating to e-voting:** M/s. Karvy Computershare Services Pvt Ltd at Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032;



Toll free no. 1800-345-4001; E-mail- evoting@karvy.com/ srikrishna.p@karvy.com. Or visit FAQ's section available at Karvy's website <https://evoting.karvy.com>.

x. **Details of Scrutinizer:** Mr. Abhishek Jagdale, Practicing Company Secretary has been appointed as Scrutinizer to scrutinize the e-voting process in fair and transparent manner. The Scrutinizer shall within a period of not exceeding 3 working days from conclusion of e-voting period unblock the votes in presence of at least 2 witnesses not in employment of the Company and present his report of votes cast in favour and against the resolutions to Chairman of the Company or any other person as authorized by him.

xi. The procedure and instructions for remote 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 and password mentioned in the email forwarding the Notice of AGM or mentioned on the attendance sheet accompanying the Notice of AGM in case email id is not registered and physical copy of the Annual Report is being received by you. **The said login credentials shall be valid only in case you continue to hold the shares on the cut-off date**). Your Folio No/ DP ID-Client ID will be your User ID. However, if you hold shares in demat form and you are already registered with Karvy for remote e-voting, you shall use your existing User ID and password for casting your vote.

c) Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as on the cut- off date i.e. September 12, 2016, may obtain the User id and password in the manner as mentioned below:

- If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> Event number + Folio No. or DP ID Client ID to 9212993399

Example for NSDL	: MYEPWD <SPACE> IN12345612345678
Example for CDSL	: MYEPWD <SPACE> 1402345612345678
Example for Physical	: MYEPWD <SPACE> XXXX1234567

- If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - Member may call Karvy's toll free number 1-800-3454-001.
 - Member may send an e-mail request to evoting@karvy.com

If the member is already registered with Karvy for remote e-voting, he can use his existing User ID and password for casting the vote without any need for obtaining any new User ID and password.

- d) After entering these details appropriately, click on "LOGIN".
- e) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (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 a secret question and answer of your choice to enable you 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.**

- f) You need to login again with the new credentials.
 - g) On successful login, the system will prompt you to select the Event Number for Tasty Bite Eatables Limited.
 - h) On the voting page you will see the Resolution description and the options "FOR/AGAINST/ABSTAIN" for voting. Enter the number of shares (which represents the 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, as mentioned above. You may also choose the option "ABSTAIN" in case you do not want to cast vote.
 - i) You may then cast your vote by selecting an appropriate option and click on "Submit".
 - j) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, 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).
 - k) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: abhishek@csjagdale.com with a copy to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
 - l) Once the vote on a resolution is casted by a Member, the Member shall not be allowed to change it subsequently. **Further, the Members who have casted their vote through remote e-voting shall not be allowed to vote again at the Meeting.**
 - m) In case of any query pertaining to e-voting, please contact Karvy's toll free no. 1-800-34-54-001 or visit the FAQ's section available at Karvy's website <https://evoting.karvy.com>.
- xii. Any person, who acquires the shares of the Company and becomes a members after dispatch of Notice of AGM (cut-off date for dispatch of Annual Report & Notice is July 29, 2016) and is holding shares as on the cut-off date i.e. September 12, 2016, may obtain the user id and password by sending a request at Karvy's e-mail id evoting@karvy.com/ srikrishna.p@karvy.com or at Company's e-mail id secretarial@tastybite.com or by writing to the Company or Karvy. However, if you are already registered with Karvy for remote e-voting, you shall use your existing User Id and password for casting your vote without any need for obtaining any new User Id or Password.
- xiii. The Scrutinizer shall after the conclusion of the voting at the Annual General Meeting first count the voting at the meeting and then unblock the votes cast through e-voting in the presence of atleast two (2) witnesses not in the employment of the Company and he shall forthwith make a Consolidated Scrutinizers Report of the total votes cast in favour or against, if any, to the Chairman of the Company or person authorised by Chairman who shall countersigned the same.
- xiv. The Scrutinizers decision on the validity of the vote shall be final and binding.
- xv. The Chairman or person authorised by Chairman shall immediately/forthwith declare the result of the voting.
- xvi. 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.



xvii. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company (www.tastybite.co.in) and on website of the Karvy (<https://evoting.karvy.com>) immediately after result is declared by the Chairman and forwarded to Stock Exchanges where the shares of the Company are listed.

19. Brief resume of the director, proposed to be re-appointed vide item No 4 as mentioned in the Notice calling AGM, pursuant to the Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

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

A brief profile of Mr. Ashok Vasudevan is as follows:

Date of Birth & Age	March 9, 1955- 61 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 32 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, 2016 (including Private limited companies and excluding foreign companies)	Preferred Brands Foods (India) Private Limited - 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 was also a Non-Executive Promoter Director of the Company (she resigned w.e.f. February 10, 2016). He does not hold any shares in the Company.

Apart from him, no other Director or Key Managerial Personnel or their relatives are interested in the Resolution.

20. Route map for reaching the venue of AGM is given at the end of the Annual Report.

ANNEXURE TO NOTICE

STATEMENT SETTING OUT MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS

Item No 6 & 7:

Mrs. Sucharita Hegde, was appointed as an Additional Director (Independent category) of the Company w.e.f. October 12, 2015 and she holds office upto the date of this Annual General Meeting. Mrs. Hegde is considered as Independent under Companies Act, 2013 ('Act') and relevant regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter called (LODR) (as amended from time to time).

Brief profile of Mrs. Sucharita Hegde is as follows:

Date of Birth & Age	September 16, 1958- 58 years
Date of Appointment	October 12, 2015
Qualifications	Mrs. Hegde holds a Bachelor of Arts with Honors in Economics. She also holds an Master in Management Studies Degree in Finance from the Jamnalal Bajaj Institute for Management Science
Expertise in specific functional areas	Mrs. Hegde has experience of around 40 years in various fields. She began her career in 1976 managing Finance and Human Resources for all the Fouress group companies. From 1999 onwards she expanded her responsibilities, driving Fouress Engineering to substantial growth, consolidation, quality improvement and ERP initiatives with a particular focus on business strategy. By 2007 she was responsible for the entire Marketing and Operations of five plants of the Fouress Group of Companies.
Directorship in other Companies as on March 31, 2016 (including Private limited companies and excluding foreign companies)	<ol style="list-style-type: none">1. Fouress Marketing (International) Pvt Ltd- Director2. Fouress Engineering (India) Ltd- Director3. Cyberdyne Technologies (India) Pvt Ltd- Director4. The Rubber Products Ltd- Director5. B Fouress Pvt Ltd- Director
Chairmanship/ Membership of Committees of above mentioned Companies	The Rubber products Ltd- Audit Committee Member
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. Mrs. Hegde has provided declaration of her independence as required under section 149(6) of the Companies Act, 2013. In opinion of the Board, Mrs. Hegde 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 7, 2016 which



recommended her appointment as Independent Director for a period of 5 years from September 19, 2016 till September 18, 2021. In terms of section 149, her appointment as Independent Director is being placed before members for approval.

She is interested in the Resolution mentioned in item no 6 & 7. She does not hold any shares in the Company. No other Director or Key Managerial Personnel or their relatives are interested in the Resolution.

Item No 8:

Mr. Masahiro Sumitomo, was appointed as an Additional Director (Non- executive category) of the Company w.e.f. February 10, 2016 and he holds office upto the date this Annual General Meeting.

Brief profile of Mr. Masahiro Sumitomo is as follows:

Date of Birth & Age	February 3, 1961- 55 years
Date of Appointment	February 10, 2016
Qualifications	Mr. Sumitomo holds a Bachelor of Science, Bio. Chemistry degree from Aoyama Gakuin University, Japan.
Expertise in specific functional areas	Mr. Sumitomo has experience in various fields of more than 30 years. His experience includes working and heading various departments such as Quality Control, Process Engineering, Business Development and Corporate Management.
Directorship in other Companies as on March 31, 2016 (including Private limited companies and excluding foreign companies)	Nil
Chairmanship/ Membership of Committees of above mentioned Companies	Nil
Shareholding in the Company	NIL

Mr. Masahiro Sumitomo has provided his consent/ willingness to be regularized as a Director. The matter of regularization of his appointment was placed before the Remuneration & Nomination Committee on May 7, 2016 which recommended his regularization. He shall be liable to retire by rotation.

He does not hold any shares in the Company. No other Director or Key Managerial Personnel or their relatives are interested in the Resolution.

Item No 9, 10 & 11:

Mr. Ravi Nigam was re-appointed as Executive Director, re-designated as Managing Director, of the Company w.e.f. July 20, 2011 for a period of 5 years. The Board of Directors revised the remuneration payable to Mr. Ravi Nigam w.e.f. April 1, 2016 till the expiry of his term on July 19, 2016.

Further, the agreement with Mr. Ravi Nigam in capacity of Managing Director will expire on July 19, 2016 at the end of his tenure. The Board of Directors in their meeting held on May 7, 2016 has considered and approved the re-appointment of Mr. Ravi Nigam, as Managing Director of the Company for a period of five years with effect from July 20, 2016 till July 19, 2021. The Remuneration & Nominations Committee at their meeting held on

May 7, 2016 recommended payment of remuneration for a period of 3 years w.e.f. July 20, 2016. The recommendation was approved by the Board of Directors at their meeting held on May 7, 2016. The appointment and remuneration is subject to the approval by members by way of special resolution at the General Meeting and Central Government, if need be.

The main terms of their appointments are:

1. **Period of appointment** : Approval of shareholders is sought for a period of 5 years starting from July 20, 2016 till July 19, 2021, unless terminated by either side with three months' notice in writing. He shall not be liable to retire by rotation.
2. **Powers** : Subject to the superintendence of the Directors 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 and more specifically described in agreement entered between the Company and him.
3. **Remuneration** : In consideration of the duties and obligations undertaken by him as Managing Director, the Company shall pay him the remuneration as per the terms and conditions detailed herein below. Remuneration is proposed to be fixed for 3 (three) years w.e.f. July 20, 2016 till July 19, 2019, subject to the approval of shareholders at the General Meeting and Central Government, if need be. The proposed remuneration is as follows :

No	Remuneration	Slab (amount in Rs) per annum
1.	Basic salary	Upto Rs. 1.60 crore
2.	Perquisites	<ul style="list-style-type: none"> ● Medical reimbursement upto Rs. 15,000 ● Leave Travel allowance for self, spouse and children for travel to any place in India upto Rs. 75,000. ● Books & periodicals upto Rs. 50,000 ● Petrol upto Rs. 2,25,000 ● Leave encashment as per Company Policy
3.	Other Benefits	<ul style="list-style-type: none"> ● Contribution to Provident Fund as per applicable rules & Company Policy. ● Gratuity as per Company Policy. ● Provision of re-imbursement of telephone bills for use of Company's business shall not be considered as perquisite. ● Medical insurance & Group Accident as per Company policy shall not be considered as perquisite.

** Basic salary may includes city allowance and any other head as considered appropriate by Board.*

The Managing Director shall not be paid any sitting fee for attending the Board and any other Committee meetings.

The other information required is given as follows:

I. GENERAL INFORMATION:

1. Nature of industry : Food Processing consisting of ready to serve products
2. Commencement of commercial production : 1987
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 of the Company in previous 2 financial years :

(Rs. In Lacs)

Particulars	FY 2015-16	FY 2014-15
Total revenue	20,876	17,816
Profit before tax	2,457	1,650
Profit after tax	1,612	1,079

5. Export performance and net foreign collaborations:

(Rs. In Lacs)

Particulars	FY 2015-16	FY 2014-15
F.O.B value of exports	12,265	9,974

6. Foreign investments or collaborators, if any :

There is no direct foreign equity participation. The shareholding of Non-Resident Investors as on March 31, 2016 is 11,308 shares (0.44%).

II. INFORMATION ABOUT THE APPOINTEE :

1. Background & details as per Regulation 36(3) SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 :

Date of Birth & Age	January 6, 1960- 56 years
Date of Appointment	July 20, 2001 as Managing Director
Qualifications	Mr Ravi Nigam holds a Degree in Chemistry and a Master Degree in Rural Management from the Institute of Rural Management, Anand and an Owner President Management Program from the Harvard Business School.
Expertise in specific functional areas	Mr. Nigam has vast domestic and international experience of over 33 years in food processing and agriculture commodities. He worked with Pepsi, L & T, Proctor & Gamble, Tata Exports and Ballarpur Industries.
Directorship in other Companies as on March 31, 2016 (including Private limited companies and excluding foreign companies)	Preferred Brands Foods (India) Pvt Ltd
Chairmanship/ Membership of Committees of above mentioned Companies	Nil
Shareholding in the Company	200 shares (100 jointly with wife - Mrs. Ruby Nigam)

No other Director or Key Managerial Personnel is interested in the Resolution. He is not related to any other director or key managerial personnel in the Company.

2. Past remuneration: Rs. 78.57 lacs in FY 2015-16 (this includes all perquisites, allowances, provident fund and other statutory payments)
3. Recognitions or 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 and Suitability: Mr. Ravi Nigam has proven record of merit as narrated above, and has already turned the Company around from its "sick industrial 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.

III. PROPOSED REMUNERATION :

In consideration of the duties and obligations undertaken by the Managing Director hereinabove, the Company shall pay him the remuneration as per the terms and conditions detailed below for 3 (three) years w.e.f. July 20, 2016 till July 19, 2019, subject to the approval of shareholders at the General Meeting and Central Government, if need be. The proposed remuneration is as follows:

No	Remuneration	Slab (amount in Rs) per annum
1.	Basic salary	Upto Rs. 1.60 crore
2.	Perquisites	<ul style="list-style-type: none"> ● Medical reimbursement upto Rs. 15,000 . ● Leave Travel allowance for self, spouse and children for travel to any place in India upto Rs. 75,000. ● Books & periodicals upto Rs. 50,000. ● Petrol upto Rs.2,25,000. ● Leave encashment as per Company Policy.
3.	Other Benefits	<ul style="list-style-type: none"> ● Contribution to Provident Fund as per applicable rules & Company Policy. ● Gratuity as per Company Policy. ● Provision of re-imbursement of telephone bills for use of Company's business shall not be considered as perquisite. ● Medical insurance & Group Accident as per Company policy shall not be considered as perquisite.

* Basic salary may includes city allowance and any other head as considered appropriate by Board.



In case of absence or inadequacy of profit in any financial year, the aforesaid remuneration and perquisites shall be paid to Mr. Ravi Nigam as minimum remuneration.

IV. DISCLOSURES :

The Board of Directors recommends the resolutions for approval of the members. None of the other Directors and Key Managerial Personnel of the Company, except Mr. Ravi Nigam himself is in anyway, concerned or interested in the said resolutions. Besides remuneration there is no pecuniary relationship directly/ indirectly with Company, Key Managerial Personnel or Directors. Taking into consideration the size of Company, profile, knowledge, skills and responsibilities shouldered by Mr. Ravi Nigam, the remuneration proposed to be paid is commensurate with remuneration package paid to his similar counter parts in other companies and as per industry standards. Above may also be treated as an abstract of the terms and conditions governing the appointment and remuneration of the Managing Director pursuant to Companies Act, 2013 and Listing Obligations.

BY ORDER OF THE BOARD OF DIRECTORS
TASTY BITE EATABLES LIMITED

Dated : May 7, 2016
Place : Pune

Ravi Nigam
Managing Director
DIN: 00024577

DIRECTORS' REPORT

To

The Members,

Your Directors are pleased to present the Thirty-second Annual Report together with Audited Financials Statements for the year ended 31st March 2016.

1. KEY FINANCIAL HIGHLIGHTS

(Rs. Lacs)

Highlights	FY 2015-16	FY 2014-15
Revenue from operations	20,876.23	17,815.72
Profit before Depreciation, Interest and Tax	3,434.96	2,614.59
Profit after tax	1,611.99	1,079.37
Earnings per share (Rs./share - Basic and diluted)	62.79	42.04
Net Fixed Assets	6,145.27	6,096.82
Long term borrowings (excluding current portion)	1,974.35	2,122.52
Appropriations		
Dividend on Preference Shares	0.60	0.60
Dividend on Equity shares	51.32	25.66
Tax on Dividend	10.57	5.25
Profit/ (Loss) transferred to Balance Sheet	4,395.16	2,845.66

2. FINANCIAL PERFORMANCE & OPERATIONS :

Your Company grew at a healthy Y-O-Y rate of 17.2% to achieve revenues of Rs. 208.8 Crore during the year against Rs. 178.2 Crore in the previous financial year. The exports led Consumer Business grew 21.3% to Rs. 130.8 Crore against Rs. 107.8 Crore in the previous year while the Tasty Bite Food Service (TFS) business registered a growth of 10.7% with revenues of Rs. 64.9 Crore against Rs. 58.7 Crore in the previous year.

Tasty Bite continues to retain in position of market leadership in its key markets including the US, Canada, Australia and New Zealand. The Company is also preparing for a launch into new strategic markets such as the United Kingdom and Japan.

Profit after Tax for the year ended at Rs. 16.12 Crore against Rs. 10.79 Crore in FY 15.

3. DIVIDEND:

The Board of Directors at their meeting held on May 7, 2016 recommended a final dividend of Rs. 2 per equity share (20% on the face value of Rs. 10 each), subject to the approval of shareholders at the ensuing Annual General Meeting.

In addition to the above, the Company has provided for a preferential dividend of Rs. 59,530/- on its 59,530 1% non-cumulative, non-convertible Redeemable Preference Shares of Rs. 100/- each for the financial year 2015-16.

The total dividend payout on equity shares would involve a cash outgo of Rs. 51.32 lacs and dividend tax of Rs.10.44 lacs. Dividend payout on preference shares is of Rs.0.60 lacs and dividend tax of Rs. 0.12 lacs.

Upon declaration by the members at the ensuing Annual General Meeting, dividend shall be paid to those members, whose names appear on the Register of Members of the Company after effecting all valid share transfers in physical form lodged with the Company or its Registrar & Transfer Agents on or before Friday, August 26, 2016. In respect of shares held in dematerialized form, dividend will be paid on the basis of particulars of beneficial ownership furnished by Depositories as on the closing hours of business on Friday, August 26, 2016.

4. RESEARCH AND DEVELOPMENT :

Tasty Bite Research Centre (TBRC), located within the factory campus continued to build on its mission to be a centre of excellence in product, process and ingredient innovation. During the course of the year several new innovative products were developed by TBRC keeping in mind the evolving needs of our consumers.

The Department of Science & Industrial Research (DSIR) of the Union Ministry of Science & Technology renewed its accreditation to TBRC during the year till March 2019.

New products developed at TBRC in the last 2 years contributed 21% of the company's revenues.

5. OPEN OFFER BY KAGOME CO LTD :

Pursuant to the acquisition of Preferred Brands International Inc., by Kagome Co Ltd. ("Kagome") a Japanese Company, the ownership structure of the Company was modified. Kagome Co Ltd qualified as an "Acquirer" under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and on April 14, 2015 made an open offer to acquire shares of the Company. The open offer was completed on December 23, 2015. Kagome acquired 300 shares from public for a consideration of INR 1,98,720 amounting to 0.01 % of the Company's total share capital through open offer. The share transfer was completed and Kagome was added as a "promoter" with effect from February 17, 2016. Kagome Co Ltd, hence forms part of Promoter/ Promoter group.

6. FINANCE :

Your Company continues to have stable long term and working capital funding in place. The management is pleased to inform that ICRA Limited has **upgraded** its previously assigned long term rating of ICRA BBB+ (pronounced as ICRA triple B plus) with a stable outlook to ICRA A- (pronounced as ICRA A minus) with stable outlook and short term rating of ICRA A2+ (pronounced as ICRA A two plus) to ICRA A1 (pronounced as ICRA A one).

During the year, Company availed an External Commercial Borrowing (ECB) of USD 3.4 Million from Mizuho Bank Limited (Mizuho), to prepay the Foreign Currency Term Loan availed from Kotak Mahindra Bank Limited (Kotak). Kotak continues to provide working capital facility of Rs. 11.00 Crore to the Company. The Company also established a working capital credit facility of USD 1 Million from Mizuho Bank Limited. The Company continues its relationship with Ratnakar Bank Limited (RBL) for working capital requirements with a facility limit of Rs. 10.00 Crore.

The Company also received approval for an ECB of USD 2.5 Million from The Bank of Tokyo Mitsubishi UFJ, Ltd (MUFG) for expansion of its manufacturing capacity. It has also established a working capital facility of INR 10 crore from MUFG.

The Company continues to successfully repay as per schedule of USD 50,000 per quarter of ECB of USD 1 Million availed from Preferred Brands International Inc. Final payment of this ECB will be completed by December 2016.

Total long term borrowing (excluding current portion) stood at Rs. 19.74 Crore as of 31st March 2016 against Rs. 21.22 Crore as of 31st March 2015.

7. FIXED DEPOSITS :

The Company has not accepted or invited any deposits from the public during the year under review.

8. DIRECTORS :

There were following changes in Board of Directors of the Company during the year under review –

1. Mr. K P Balasubramaniam resigned from directorship of the Company due to other commitments w.e.f. May 18, 2015.
2. Mrs. Sucharita Hegde was appointed as additional director w.e.f. August 15, 2015, however her term as additional director ended on September 14, 2015 at Annual General Meeting and ceased to act as director. She was re-appointed as additional director w.e.f. October 12, 2015. Proposal for her regularization as director and further appointment as Independent Director for a term of 5 years is placed before the members in Notice calling AGM.
3. Mrs. Meera Vasudevan, non-executive director of the Company resigned w.e.f. February 10, 2016 due to reconstitution of Board as agreed with Kagome during global alliance.
4. Mr. Masahiro Sumitomo was appointed as additional director of the Company w.e.f. February 10, 2016. Proposal for his regularization as director is placed before the Members in Notice calling AGM.

All independent directors have provided declaration stating their independence under the provisions of section 149 of Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

In accordance with the provisions of the Companies Act, 2013 and Memorandum and Articles of Association of the Company, Mr. Ashok Vasudevan, retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered himself for reappointment.

Mr. Sohel Shikari was appointed as an Alternate Director to Mr. Ashok Vasudevan during the year due to absence of Mr. Ashok Vasudevan from India. Previously, he acted as an Alternate to Mrs. Meera Vasudevan till she resigned as director from the Board.

● Board evaluation :

Pursuant to provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out evaluation of its own performance, individual performance of the directors as well as the respective Committees. Evaluation of Chairman was also carried out. The manner of evaluation is mentioned in Corporate Governance Report.

- **Remuneration & Evaluation Policy :**

The Board on recommendation of Nomination & Remuneration Committee adopted 'Remuneration and Evaluation Policy' for selection, appointment and remuneration of Directors and Senior Management Personnel. Necessary diversity in the board was ensured. Detailed policy has been stated in Corporate Governance Report.

- **Meetings :**

There were seven (7) Board meetings held during the financial year ended March 31, 2016. These were held on May 13, 2015, August 3, 2015, August 15, 2015, November 9, 2015, February 10, 2016, March 3, 2016 and March 30, 2016. The maximum interval between any two meetings was not more than 120 days. Details of these meetings are stated in Corporate Governance Report.

9. EXTRACT OF ANNUAL RETURN :

The extract of Annual Return as provided under Section 92(3) in Form MGT - 9 is annexed herewith as "Annexure A".

10. DIRECTORS' RESPONSIBILITY STATEMENT :

Directors confirm that :

- (a) in the preparation of the annual financial statements for year ended March 31, 2016, applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (b) they have selected and consistently applied such accounting policies, judgments and estimates that are reasonable and prudent to ensure a true and fair view of the state of affairs of the company at the end of the financial year and of the **profit** of the company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the financial statements on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. CORPORATE GOVERNANCE :

Your Company places great significance to good Corporate Governance as an important step towards building investors' confidence, improve investors' protection and maximize long-term shareholders' value. Accordingly, it has taken adequate steps to ensure that the provisions of Corporate Governance as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the clauses of erstwhile Listing Agreement (till November 30 2015) are complied with.

A certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance is in "**Annexure B**" to this Report. A detailed report on Corporate Governance forms a part of this Annual Report.

12. AUDITORS :

- **Statutory Auditors :**

M/s Kalyaniwalla & Mistry, Chartered Accountants, Pune, retire as the Auditors of the Company at the forthcoming Annual General Meeting and are eligible for re-appointment. The Directors recommend their reappointment to hold such office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Company has received confirmation that their appointment, if made, will be in accordance of the provisions of Companies Act, 2013.

- **Internal Auditor :**

Pursuant to section 138 of Companies Act, 2013, the Company appointed M/s Suresh Surana & Associates LLP, Chartered Accountants as internal auditor for financial year 2016-17. The scope and fee of internal audit is fixed by the Board on recommendation of Audit Committee.

- **Secretarial Auditor :**

Pursuant to section 204 of the Companies Act, 2013, the Company appointed Mr. Abhishek Jagdale, Company Secretary in Practice, Pune as Secretarial Auditor. Based on the Audit Committee recommendations, Board has approved the appointment of Secretarial Auditor for financial year 2016-17. The Secretarial Audit Report is in "**Annexure C**" of this report.

13. WHISTLE BLOWER & VIGIL MECHANISM POLICY :

In compliance with the provisions of Section 177(9) of the Companies Act, 2013, the Company has established Whistle Blower and Vigil Mechanism Policy for its directors and employees to report their genuine concerns and also to deal with the instances of fraud and mismanagements, if any. The details of the Policy are explained in the Corporate Governance Report and the policy is available on the website of the Company www.tastybite.co.in

14. AUDIT COMMITTEE :

In compliance with the provisions of Section 177 of the Companies Act, 2013 and Listing Regulations, the Company has a duly constituted Audit Committee in place. The composition and other relevant details of the Audit Committee are given in the Corporate Governance Report annexed herewith. All suggestions of Audit Committee during the year were accepted by the Board.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

During the year under review, there is nothing to be reported under the heads loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013.



16. SHARE CAPITAL :

The share capital of the Company as on March 31, 2016 stands as under :

Authorised Share Capital	4,400,000 equity shares of Rs. 10/- each	Rs. 44,000,000/-	Rs. 50,000,000/-
	60,000 1% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of Rs. 100/- each.	Rs. 6,000,000/-	
Issued, Subscribed and Paid up capital	2,566,000 Equity shares of Rs. 10/- each fully paid up	Rs. 25,660,000/-	Rs. 31,613,000/-
	59,530 1% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of Rs. 100/- each fully paid up.	Rs. 5,953,000/-	

During the year under review, the Company has neither issued any shares with differential voting rights nor issued sweat equity shares. Further, the Company did not grant any stock options during the year under review. As on March 31, 2016, details of the shares or convertibles held by Directors in the Company are as under.

Name of Director	No. of Equity Shares held	No. of Convertibles held
Mr. Ashok Vasudevan	---- NIL ----	---- NIL ----
Mrs. Meera Vasudevan (till Feb 9, 2016)	---- NIL ----	---- NIL ----
Mr. K. P. Balasubramaniam (till May 18, 2015)	2291*	---- NIL ----
Dr. V. S. Arunachalam	---- NIL ----	---- NIL ----
Mr. Ravi Nigam	200@	---- NIL ----
Mr. Kavas Patel	---- NIL ----	---- NIL ----
Mrs. Sucharita Hegde	---- NIL ----	---- NIL ----
Mr. Masahiro Sumitomo	---- NIL ----	---- NIL ----

*Out of which 1500 as joint holder

@out of which 100 as joint holder

A. SEGMENT WISE OR PRODUCT WISE PERFORMANCE / NATURE OF BUSINESS

The Company operates in one segment: Prepared food consisting ready to serve products and intermediate food products such as prepared meals, frozen formed foods and sauces. There is no change in nature of business of the Company.

17. THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

The Company has been making significant efforts to ensure conservation of energy. The details of energy conservation, technology absorption, research and development and foreign exchange earnings and outgo are as per "**Annexure D**".

18. RISK MANAGEMENT POLICY :

In compliance with the provisions of Section 134 of the Companies Act, 2013, the Company has identified the elements of the risks, industry specific and in general as well, which in the opinion of the Board may threaten the existence of the Company. The Company has developed and implemented a 'Business Contingency Plan for Risk Mitigation' for the Company.

The details of the Business Contingency Plan for Risk Mitigation of the Company are given in the Management Discussion and Analysis.

19. CORPORATE SOCIAL RESPONSIBILITY :

The Company has a policy and a Committee for Corporate Social Responsibility in compliance with the provisions of Companies Act, 2013. The details about the Policy and the Committee are given in Corporate Governance Report annexed to this report. Annual Report on CSR activities is annexed as "**Annexure E**".

As per the provisions of Section 135 of the Companies Act, 2013, every Company falling under the applicability of Corporate Social Responsibility is required to spend 2% of its net profits on the activities given under Schedule VII of the Companies Act, 2013 and CSR policy adopted by the Board of Directors. The Company has spent required amount of Rs. 30.68 Lacs during the financial year 2015-16 on construction of school building in Bhandgaon area and also by providing relief to flood hit Chennai in November - December 2015. Both '*disaster relief*' and '*education*' form a part of CSR Policy of the Company.

- **Chennai Flood Relief project-** Due to heavy rains and flood in November- December 2015, normal life was disturbed to a large extent in Chennai. People in Chennai were struggling for basic need such as food and water. As a socially responsible company, Tasty Bite provided ready-to-eat food packets to flood hit people in Chennai. These ready-to-eat food packets had "Vegetable Masala Rice" in 200 gram packets. 82,080 packs were specially manufactured for this flood relief. These ready-to-eat rice packets could be consumed with or without heating directly. Company has spent Rs. 11.49 lacs on disaster relief.
- **Construction of school building in Bhandgaon area-** The Board and the Committee decided to have a long term vision in alignment with the mission of the Company. The CSR policy of the Company states 'education' as one of the CSR areas of the Company. Hence, this initiative within the local jurisdiction of the Company. The Company has spent Rs. 19.19 lacs on school building construction.

20. STANDALONE FINANCIAL STATEMENTS AND POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES :

During the year under review, the Company neither had a subsidiary company, associate company nor a joint venture company. Hence, comments and details on preparation of financials on standalone basis or report on the performance of subsidiary company or associate company nor a joint venture company are not required to be offered

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

The particulars of contracts or arrangements with related parties in Form AOC - 2 are annexed herewith as "**Annexure F**". The Board hereby informs that all the related party transactions are carried out in the ordinary course of business and on arm's length basis. Further, the Company has duly complied with the Accounting Standard 18 related to transactions with related parties of the Company. The Company has adopted policy on Related Party Transactions and same is posted on website of the Company (www.tastybite.co.in)

22. SIGNIFICANT/ MATERIAL ORDERS PASSED BY COURTS/ REGULATORS IMPACTING GOING CONCERN STATUS OF THE COMPANY :

There are no significant or material orders or awards passed by the Courts or any other Regulators or Tribunals relating to Companies Act, 2013 or Listing Agreement, which would affect the going concern status and Company's future operations.

23. APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL :

- The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16 :

(Rs. in Lacs)

Name of Director	Remuneration of Director (1)	Median remuneration of employees (2)	Ratio (3) =1/2
Mr. Ashok Vasudevan	---- NIL ----	---- NIL ----	---- NIL ----
Mrs. Meera Vasudevan	---- NIL ----	---- NIL ----	---- NIL ----
Mr. K. P. Balasubramaniam	---- NIL ----	---- NIL ----	---- NIL ----
Dr. V. S. Arunachalam	---- NIL ----	---- NIL ----	---- NIL ----
Mr. Ravi Nigam	*78.57	3.21	24.47
Mr. Kavas Patel	---- NIL ----	---- NIL ----	---- NIL ----
Mrs. Sucharita Hegde	---- NIL ----	---- NIL ----	---- NIL ----
Mr. Masahiro Sumitomo	---- NIL ----	---- NIL ----	---- NIL ----

*remuneration including provident fund, gratuity, leave encashment, etc and all other statutory dues.

2. The percentage **increase** in remuneration of each director, *Chief Financial Officer, Company Secretary or Manager*, if any, in the financial year;

Name	Designation	Remuneration in FY 2014-15	Remuneration in FY 2015-16	Increase (in %)
Mr. Ravi Nigam	Managing Director	65.58	78.57	19.80%
Mr. Sohel Shikari	Chief Financial Officer	60.46	76.65	**26.78% (Increase in salary was made effective January 1, 2016)
Ms. Minal Talwar	Company Secretary	6.15	7.94	29%

*** Increase based on cost to company basis inclusive of all perquisites, allowances and statutory dues such as provident fund, gratuity, leave encashment, etc*

3. Number of permanent employees are 202 on the roll of company as on March 31, 2016.
4. The remuneration paid to the employees is in affirmation with Remuneration & Evaluation Policy of the Company.
5. During the year, increase in remuneration of Managing Director was approved by the Board on recommendation of Nomination & Remuneration Committee in February 10, 2016 meeting. The approved increase in salary is within the limit approved by the shareholders in General Meeting on September 10, 2014. Increase in salary is based on performance of the Company, general industry standard, contribution by MD in enhancement of performance of the Company and various other factors considered appropriate by the Board and Remuneration Committee.
6. During the year, increase in remuneration of Chief Financial Officer was also approved by the Board in its meeting held on February 10, 2016 on the recommendation of Nomination & Remuneration Committee and Audit Committee and as per the Remuneration policy. None among the employee received remuneration higher than that of Managing Director (Managerial Personnel).
7. During the year increment was also made in salary of Company Secretary on basis of annual appraisal by the management on proportionate basis and as per the remuneration policy recommended by the Nomination & Remuneration Committee.
8. Average percentile increase in salaries of employees other than the managerial personnel in the last financial year 2016 was 17.87%. Percentile increase in the managerial remuneration in FY 2016 was 16.73%. Increase in remuneration of MD was w.e.f. April 1, 2015 and CFO w.e.f. January 1, 2016. Increase in salary of employees is based on performance of the Company, general industry standard, contribution by employee in enhancement of performance of the Company and various other factors considered appropriate by the Management.
9. The Company does not have a variable pay compensation structure.
10. Statement of employees receiving remuneration under Section 197(12) of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as "**Annexure G**".

11. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase / decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies:

Particulars	Issued capital	Closing Market price per share	Earnings per share	Price Earnings Ratio	Market capitalization (in Crore)
As on 31.03.2015	2,566,000	605.00	42.04	14.39	155.24
As on 31.03.2016	2,566,000	1,690.50	62.79	26.92	433.78
Increase / (Decrease)	NIL	1,085.50	20.75	12.53	278.54
% Increase / (Decrease)	NIL	179.42	49.36	87.07	179.43

The Company made Public Offering in February, 1987 of 7,50,000 equity shares at Rs. 10 each. The market quotation of the Equity shares of the Company as on March 31, 2016 was Rs. 1,690.50 for shares of face value of Rs. 10/- each, representing an increase of 16,805% over the period.

24. INVESTMENTS IN ITS OWN SHARES BY COMPANY, ITS SUBSIDIARIES, ASSOCIATES (ETC) :

The Company during the period under review has not made investments in its own shares. The Company neither has any subsidiary company nor associate company in terms of the provisions of Companies Act, 2013 hence the comments are not required to be offered.

25. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS :

During the period under review, there was no pecuniary relationship or pecuniary transactions between the Company and its Non-Executive Directors.

26. INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013 :

Your Company is an equal opportunity employer and safety of all employees and all other persons while within the premises is of utmost importance to your Company. The Company has been practicing safety of women at workplace as part of its formally adopted Code of Conduct. In order to strengthen it and also in compliance to newly enacted Act for protection of women, your Company has formed Internal Complaints Committee and adopted "Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace". The Committee's mandate is to bring awareness about ensuring safe workplace for women; receive and take appropriate decision on complaints, if any.

The Committee as appointed by the Management consists:

- Ms. Anila Thomas- Presiding Officer
- Ms. Minal Talwar- Member
- Mr. Rajendra Jadhav- Member
- Ms. Suman Bhagwat - Member
- Mr. Kuldeep Joshi- Independent Member

No complaints have been received during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Economic scenario

The Indian economy continues to show signs of strengthening as low oil prices and high real incomes led to increase in private consumption. The real GDP growth in 2015-16 was 7.6% as against 7.2% in 2014-15. Despite a marginal slowdown, the services sector's gross value added rose by 8.4% as against 9.4% in 2014-15. The major growth in gross value added came from the industrial sector that grew by 8.8% against 6.5% especially from the manufacturing sector that grew strongly by 9.5% against 5.5% in 2014-15. During the current fiscal the country's foreign exchange reserves reached an all-time high of USD 361.30 bn as on April, 2016. The country's economic scenario has a positive outlook with GDP growth expected to be 7.6% or higher in 2016-17 with forecast of above normal rainfall (that shall boost agricultural growth) and government's thrust on "make in India", "start-up India" (for boosting entrepreneurship), commitment to fiscal target and improving infrastructure. (Source: RBI: Monetary Policy Report)

The global economy despite signs of recovery is still struggling to gain momentum due to volatility in the global asset markets, lack of momentum in advanced economies and global geopolitical uncertainty. In 2015, the global economy grew 3.1% against 3.4% in 2014 - the growth was primarily driven by emerging and developing nations that grew by 4% (4.6% in 2014) especially India and China. Overall, the outlook for the global economy is not strong as it is expected to grow 3.2% in 2016 and pick-up momentum in 2017 growing by 3.5%. (Source: World Economic Outlook, International Monetary Fund)

Paris accord on Climate Change: In what we believe is a significant milestone, parties to the United Nations Framework for Climate Change reached a historic agreement at COP21 to work together to combat climate change. A key part of this agreement is to reduce greenhouse gas emissions to limit global warming to less than 2 degrees Celsius compared to pre-industrial levels. The agreement has been signed by 178 countries. This signifies a major change and commitment by nations to commit resources and make investments in order to achieve the stated objectives. The role of India and its citizens will be crucial to meet the targets set. This is vital for the long-term sustainability of the agricultural sector and food security for our nation. We hail this landmark agreement and are committed towards reducing the carbon footprint at Tasty Bite and making a contribution towards the long-term health of our planet.

Industry structure

Tasty Bite operates at the intersection of three major trends, natural, convenient and ethnic or specialty foods.

The natural and organic industry is witnessing an increasing consumer pull as consumers are beginning to seek out natural, organic, non-GMO foods that are free from trans-fats, preservatives and artificial ingredients. The sales of natural, healthy and organic products are expected to grow at compounded rate of 8.6% during 2013-19 to grow from USD 153 bn to USD 250 bn. (Source: Statista, Institute of Food Technologies). Presently, 18% of consumers contribute 50% of sales in this segment leaving room for significant growth. Nearly 17% of all U.S. grocery food sales are either natural or organic and this number is growing rapidly. Sales of gluten-free products have increased from \$5.4 billion to \$8.4 billion in the past two years. Your Company's products are all-natural with a clean label, vegetarian, non-GMO and many products are gluten-free. Our range of RTE rices and whole grains are organic and all products are manufactured using sustainable manufacturing practices.

The convenience foods industry is over \$24 billion and is expected to grow 10% between 2013-2018. Convenience has been a major long-term trend in the U.S. with consumers now seeking convenience of authentic, tasty and better for you convenient meal solutions. Tasty Bite has been developing products and process technologies that provide convenient meals without compromising taste or nutrition.

The ethnic Indian and Asian food market is experiencing the highest percentage of growth of any segment and is expected to reach a size of ~\$4.0 billion in the U.S. by 2018. This segment has grown 27% between 2008 and 2013 and is currently at a size of \$3.5 billion. These cuisines popularized by the increasing number of

restaurants are becoming more popular amongst the millennial consumers who are more eager to try new foods and diversify eating habits. Market studies show that 36% of consumers in the U.S. have had Asian/Indian food at their homes in the past 3 months. Your Company is well positioned to benefit from this trend with its established range of Indian entrées and its growing range of Asian noodles and RTE rices and grains.

Tasty Bite's domestic food service business operates in an attractive backdrop of a foodservice market in India. This industry is mainly driven by an increase in the average spending on eating out by middle class households. Food service operators are experimenting with value for money products to incentivize consumers to eat away from home. Various Quick-Service restaurant chains are entering and expanding their footprint in this fast growing market. Your Company strives to be the partner of choice to all leading QSR and HORECA (hotels, restaurants and caterers) players. It develops innovative food products that suit Indian palates and address vegetarian preferences.

TFS has an increased share of business with most customers, and has had some important customer acquisitions on the strength of strong customer service and product and process innovations at TBRC.

Mega-trends driving demand for the Company's products in its international markets are:

- **Natural and organic foods:** Consumers increasingly seek foods that are free from artificial ingredients, preservatives and additives. This has led to sustained growth of the natural and organic food industry over the past two decades.
- **Ethnic cuisine:** Rising interest by millennials for new international flavours and cuisines is leading to the growth of ethnic by mainstream consumers.
- **Convenience:** Meal preparation times continues to reduce with consumers increasingly seeking meals that are both healthy and wholesome and convenient and quick to prepare.
- **US demographics:** According to US Census Bureau almost 13% of the US population are foreign personnel driving the growth for ethnic foods in the US markets. Higher number of ethnic restaurants is increasing the exposure of the mainstream population to ethnic foods who are then adopting these foods as part of their regular grocery.

Quick service restaurants (QSR) industry

India: India currently has 120 brands with 4,000 outlets in the QSR segment. The QSR industry is growing at a compounded rate of 25% and is likely to grow from the current levels of Rs. 8,500 cr to Rs. 25,000 cr by 2020. Rising middle class, increased youth spending, nuclear families, better logistics and rising urbanisation has led to influx of various national and international players in the segment. In India about 50% of the population eat out once in three months and on average eight times every month in metro cities. This is yet comparatively less versus several other countries such as the US (14 times), Brazil (11 times) and China (9 times). (Source: Assocham)

Mega-trends driving the growth of the Company's food service business in India are:

- **Rising urbanisation:** By 2020 people living in urban areas is expected to be 35% of the population totaling 520 million as compared to 340 million currently. (Source: Assocham)
- **India Demographics:** India has around 356 million youth in the age group of 10-24 years while half of its population is in the age group of 20-59 years. This favourable dynamics coupled with rising spending on eating food outside is likely to boost demand for food in QSR and HORECA. (Source: UN, Census)
- **Rise in disposable income:** The per capita income in India increased from Rs. 49,492 in FY 2010 to Rs. 93,231 in FY 2015 and is expected to increase to Rs. 1,00,000 by FY 2017. Growing disposable income is expected to drive demand for food consumption in India. (Source: Business Standard)
- **Cold chain infrastructure:** The cold chain sector in India has grown at compounded rate of 20% in the last three years. With rising demand from organized food service sector the cold chain industry is expected to grow at a CAGR of 28% in the coming three years to reach USD 13 bn by 2017. (Source: FNB news)

Company Overview

Tasty Bite Eatables Limited (TBEL) is one of the leading ready-to-eat food (natural, convenient, ethnic or specialty food segment) and formed frozen food products manufacturer catering to the diverse requirements of consumers (in USA, Australia, Canada, New Zealand, Japan and the UK) and quick service restaurants (QSR) chains across India. The Company commenced operations in 1986 and undertakes marketing and distribution of products through its parent company, Preferred Brands International Inc. (PBI). In 2015, Japanese food major Kagome Co. Ltd. acquired a major stake in PBI.

In terms of market share, Tasty Bite is a leading brand for shelf stable Indian foods in North America. Its Asian Entrees and Organic ready to eat rice is the fastest growing business segment in the market.

The Company focuses on being a sustainable food manufacturer through conserving water (through installation of 'in-ground rain water harvesting' system) and reducing its carbon foot print (through use of renewable energy). All of its steam generation is done using compacted agricultural waste (briquettes) and the Company also purchases approximately 20% of its electricity from a wind generation company. Monitoring and conservation of power and water is a common practice. It also uses simple techniques such as crop rotation, use of natural fertilizers and pest control methods and green composting in its organic farm. The Company is planning to invest in a bio-gas generation facility using the organic waste that it generates into bio-gas that will be used to generate electricity, further enhancing its use of clean energy and making it a fully recyclable manufacturing facility. Moreover, several initiatives have been undertaken by the Company towards improvement of air, soil and water quality in its eco-system.

Business segments

Business segment	Revenue	Segment	Key market areas	Clients
Consumer business	Rs. 143* cr (69% of the total revenue)	Ready-to-eat food (natural, convenient, ethnic or specialty food segment)	USA, Australia, Canada, New Zealand, Japan and the UK	Marketed through PBI who distributes the product in mainstream retail chains such as Safeway, Whole Foods, Costco, Krogers, HEB, Walmart, Coles, Woolworths
Food Service business	Rs. 65 cr (31% of the total revenue)	Formed frozen food and specialty sauces	QSR chains and HORECA (hotels, restaurants and caterers) in India	Dominos, Pizza Hut, Subway, McDonalds, KFC, Burger King, Hindustan Unilever

* includes operational income that is linked to export-driven consumer business

Financial performance

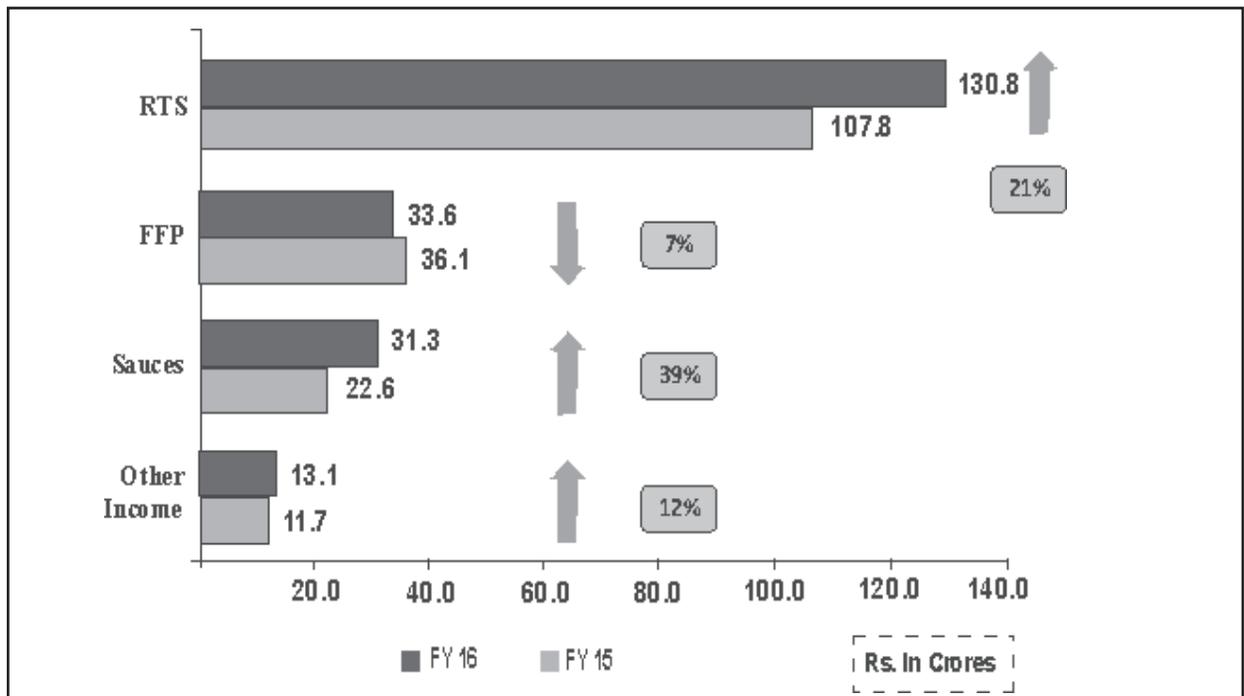
Your company had a good year with revenues growing 17% and crossing the Rs. 2 billion mark for the first time in FY'16. Our export business grew 21% on account of increasing demand by consumers for our products, growth in distribution as well as the success of our newer category products such as ready-to-eat rices.

The Tasty Bite Food Service (TFS) business has grown 10.3% despite the fact that QSR (Quick Service Restaurant) industry faced pressure because of a general slow-down and regulatory delays caused by the product approval process prescribed by the FSSAI. Your company continues to invest in R&D to develop

new and unique products that help to grow the market for our customers.

A comparative performance of our different profit centers is illustrated below.

RTS (Ready-to-Service) segment touched revenues of Rs. 130.8 crores. Formed frozen products (FFP) and Sauces are two profit centers that cater to products for the domestic TFS business touched revenue of Rs. 64.9 crores. Other income includes operational income coming from government export incentives that are linked to exports, scrap sale, interest income and others.



During FY'16 Profit before tax (PBT) increased to 11.8% from 9.3% in FY'15, an improvement of 250 bps. Material costs have come down by 100 bps to 59.3% in FY'16 despite a relatively poor monsoon that saw the prices of many commodities going up. Prices of lentils saw a sharp increase and dairy prices also began firming up on account of poor rains. The Company's strategic decisions and forward buying of key commodities such as onions, rice and a few others allowed it to remain insulated from inflation in these commodities. A stronger exchange rate vs last year and lower shipping costs also contributed to a healthier gross margin. Your Company has also taken several improvement projects, Kaizens, to improve the efficiencies in the area of production and utilities that has resulted in lower wastages and higher yields.

There is consistent focus on finance costs that have come down from 1.6% last year to 1.2% in FY'16 through better rates negotiations with bankers and reduction in the borrowings. Margins have also improved because of better economies of scale driven by volume growth.

Strengths, Opportunities, Challenges

Strengths

- **Brand name:** Tasty Bite is one of the leading brands in the North American market amongst Indian and Asian prepared foods. In the Indian shelf stable prepared foods it commands a dominant market share and is one of the fastest growing brands in the Asian and rice category.
- **Experience of management:** The Company's senior management have significant experience in the food industry.
- **Product portfolio and diversity:** The Company has over 50 SKUs and continues to add new SKUs in existing and new product categories enabling it to cater to consumer requirements.

- **Strong distribution and marketing of parent:** The Company undertakes marketing and distribution of products through its parent company, Preferred Brands International Inc., who has a strong marketing and distribution network in its markets.
- **Strong supply chain:** It undertakes significant planning and follows finely tuned purchase strategies for key ingredients to ensure efficient and economic supply. Moreover, it engages in forward purchase contracts to mitigate raw material price hike risks.
- **Product quality:** The Company manufactures high quality products packed in multi-layer retort pouch enabling food to remain intact in quality for 18 months. Moreover, the Company's products meet the stringent quality standards of national food agencies of countries like the US, UK, Australia, Japan, Canada and New Zealand.
- **Research and development expertise:** The Company has a state-of-the-art research and development centre backed by a highly skilled culinary professionals and food technologists who continuously work towards enhancing product quality and developing new products.
- **Preferred QSR partner:** The Company is a preferred partner supplying frozen food products and specialty sauces to leading QSR chains and Horeca players (such as Dominos, Pizza Hut, Subway, McDonalds, KFC, Burger King, Hindustan Unilever) in India.

Opportunities

- Excellent product quality, taste and range of products have enabled Tasty Bite to be the leading brand in the North American and Australian markets. The Company has the ability to scale up business and undertake the same business model to enhance business in other regions.
- The Company's alliance with Japanese food leader Kagome will enable it to explore new markets and product segments. The alliance shall also enable the Company to strengthen its technology and R&D capabilities.

Challenges

- Food business requires the Company to develop high quality products that meet stringent quality standards of various national food agencies to enable the marketing in those countries. Moreover, getting product approvals may be time consuming leading to potential delay in product launch.
- The Company uses numerous kinds of vegetables, lentils and grains, oils, spices and condiments and dairy ingredients in the preparation of its products. Some of these commodities are vulnerable to rapid price fluctuations and inconsistency in availability throughout the year. The Company looks at strategic purchases, forward buying and constantly developing its back end supply chain to deliver quality ingredients that is required to manufacture its products.
- Almost 70% of the Company's business is export oriented making it susceptible to foreign exchange risks.
- Competition from existing players and entry of new players can impact the market share.

Outlook

The Company focuses on growth through both expanding its width of distribution and secondly increasing frequency of uses in existing markets and accounts. The Company's parent, PBI, which markets and distributes the products internationally continually adds new supermarket accounts as well as looks at geographical expansion in to new markets. The Company also adds new products in existing and new QSR accounts. To increase depth of distribution, the Company's parent targets to enhance its market share by launching new products, new categories and undertakes brand promotions. Promotional activities like use of digital media and live products demonstrations across large number of stores are undertaken to enrich customer connect and increase their frequency of using the Company's product.



In the Indian market, the Company focuses on improving product quality, timely delivery and providing value-added products to strengthen its relationship with existing customers and be the partner of choice to the leaders in the food service business in India. This strategy and approach enables the Company to target new B2B customers (QSR chains and HORECA) and enhance its market share.

27. HUMAN RESOURCE:

During the year under review, the industrial relations of the Company continued to be cordial and peaceful. The Company signed 'Memorandum of Settlement' for 3 years period with the workers of the Company. Total personnel employed by the Company are 202 as on March 31, 2016.

Your Company continues to have comfort of very cordial and productive relations with its workforce. Several programs, including "Direct communication of people with the MD" allow continuous communication with work force enabling a transparent and engaging work environment.

Each year your Company participates in the Great Place to Work survey - a survey jointly conducted by the Economic Times of India and Great Places to Work Institute, India. Such participation allows your Company to continuously refine its HR practices to be able to provide motivating and fulfilling work culture. Various interactive programmes such as "Meet your Officer" in format of "Aapki Adalat" is held in head office and factory. This enables employees to know each other well.

The management records its sincere appreciation of the efforts of all its employees.

28. INTERNAL CONTROL SYSTEMS:

Your company attaches significant importance on having proven internal control systems. The internal control structure has been designed to operate as a well synchronized system consisting of regular risk assessment and mitigation and monitoring by external set of auditors, both statutory auditors and internal auditors. Your Company has an elaborate system of identifying key business risks and taking mitigating steps.

Some significant aspects covered in the internal control framework include:

- Standard Operating Procedures and Risk Control Matrix for all business processes to ensure effective internal financial controls;
- Oversight by the Audit Committee that finalizes the scope of the internal audit which is carried out by an experienced and qualified firm of Chartered Accountants;
- End to end integration of ERP system across supply chain, manufacturing and sales processes;
- Review and approval of annual operative and capital expenditure budget and monthly monitoring of actual spends;
- Regular review of key business risks such as new product development, foreign exchange management, commodity inflation risk management, financial reporting.
- Legal framework w.r.t. compliances applicable to the Company.
- For non-financial controls, the Company has a Management Committee (MCom) and Executive Committee (ECom) to take key business decisions.

The statutory auditors have also issued a clean report on internal controls of the Company. The Audit Committee and Independent directors have also provided satisfaction over internal controls of the Company.

29. DISCLOSURE OF ACCOUNTING TREATMENT:

No changes to the accounting treatment has been made during the year except for change in accounting policy with regards to accounting for derivative contracts as stated in Note 35 of financial statements. The management believes that the financials represent the true and fair view. There is no deviation from accounting standards in preparation of accounts.

30. QUALITY:

The Company's stated mission for quality is to "rise beyond certifications". Consequently the company's own Quality Management system calls for higher standards than what is specified in various 3rd party certifications.

In keeping with Industry requirements, the Company continues to be certified for the following certifications:

- ISO-14001:2004 (Environmental Management Systems)
- OHSAS 18001:2007 (Occupational Health and Safety)
- ISO 22000 (Food Safety Management System)
- BRC v6 (Global Standard for Food Safety)
- SQF code- 7.2 (Safe Quality Food)
- Organic
- Kosher
- Halal

The Company also adheres to the highest levels of compliance with CT-PAT (Customs Trade Partnership against Terrorism) standards, which gives the company an advantage for smooth exports to US, our most important market.

31. CAUTIONARY STATEMENT:

Statements in Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to results include economic conditions affecting demand/ supply, price conditions in domestic and overseas markets in which the Company operates, competitive pressures in these markets, changes in government regulations, tax laws and other statutes and incidental factors.

32. ACKNOWLEDGEMENT:

Your Directors acknowledge the efforts and contribution of its employees at all levels during the year and seek their continued commitment in the years to come.

Your Directors also would like to acknowledge the contribution of its parent company, Preferred Brands International Inc. in the role of the marketing company in growing and developing the business in all international markets.

Finally, the Board places its appreciation for the confidence reposed on it by its customers, suppliers, investors, bankers and all other stakeholders that are its partners in growth.

For and on behalf of the Board of Directors

Date : May 7, 2016
Place : Pune

Ashok Vasudevan
Chairman



FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
(As on financial year ended on 31.03.2016)

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Company
(Management & Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1 Corporate Identity Number	L15419PN1985PLC037347
2 Registration Date	02/09/1985
3 Name of the Company	TASTY BITE EATABLES LIMITED
4 Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5 Address of the Registered office & contact details	201-202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune - 411 005
6 Whether listed company	Yes
7 Name, Address and contact details of Registrar & Transfer Agent, if any.	KARVY COMPUTER SHARE PRIVATE LIMITED Address: Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Phone No.: +91 040-67162222; 1800-345-4001 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and description of main products / services	NIC Code of the Product/Service	% to total turnover of Company
1	Ready-to-eat food products	2008	67%
2	Frozen food products and sauces	2008	33%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
Preferred Brands Foods (India) Private Limited Regd. off.: 48, Ali Chambers, Tamarind Street, Mumbai - 400023	U15400MH1998PT C113768	Holding	74.22	2 (46)
Kagome Co. Ltd. Regd. Off.: 3-14-15, Nishiki, Naka-ku, Nagoya 460-0003, Japan	F04639	Holding	0.01	2 (46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian	-	-	-	-	-	-	-	-	
a)	Individual/ HUF	-	-	-	-	-	-	-	-	
b)	Central Govt	-	-	-	-	-	-	-	-	
c)	State Govt(s)	-	-	-	-	-	-	-	-	
d)	Bodies Corp	1,904,510	-	1,904,510	74.22	1,904,510	-	1,904,510	74.22	
e)	Banks / FI	-	-	-	-	-	-	-	-	
f)	Any other	-	-	-	-	-	-	-	-	
	Sub-total (A) (1):-	1,904,510	-	1,904,510	74.22	1,904,510	-	1,904,510	74.22	
(2)	Foreign									
a)	NRIs - Individuals	-	-	-	-	-	-	-	-	
b)	Other - Kagome Co.Ltd	-	-	-	-	300	-	300	0.01	
c)	Bodies Corp.	-	-	-	-	-	-	-	-	
d)	Banks / FI	-	-	-	-	-	-	-	-	
e)	Any Other....	-	-	-	-	-	-	-	-	
	Sub-total (A) (2):-	-	-	-	-	300	-	300	0.01	
	Total shareholding of Promoter (A) = (A) (1) + (A) (2)	1,904,510	-	1,904,510	74.22	1,904,810	-	1,904,810	74.23	
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds	-	-	-	-	-	-	-	-	
b)	Banks / FI	-	1,500	1,500	0.06	-	1,500	1,500	0.06	
c)	Central Govt	-	-	-	-	-	-	-	-	
d)	State Govt(s)	-	-	-	-	-	-	-	-	
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	
f)	Insurance Companies	-	-	-	-	-	-	-	-	
g)	FIs	-	-	-	-	-	-	-	-	
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i)	Others (specify)	-	-	-	-	-	-	-	-	
	Sub-total (B)(1):-	-	1,500	1,500	0.06	-	1,500	1,500	0.06	
2.	Non-Institutions									
a)	Bodies Corp.									
i)	Indian	35,758	301	36,059	1.41	37,169	301	37,470	1.46	
ii)	Overseas	-	-	-	-	-	-	-	-	
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	241,963	140,701	382,664	14.91	257,170	130,251	387,421	15.10	
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	227,250	-	227,250	8.86	222,640	-	222,640	8.67	
c)	Others									
	Directors and relatives	4,042	200	4,242	0.17	-	200	200	0.01	
	Non Resident Indians	9,476	-	9,476	0.37	11,308	-	11,308	0.44	
	Clearing members	299	-	299	0.01	651	-	651	0.03	
	Sub-total (B)(2):-	518,788	141,202	659,990	25.72	528,938	130,752	659,690	25.71	
	Total Public Shareholding (B) = (B) (1) + (B) (2)	518,788	142,702	661,490	25.78	528,938	132,252	661,190	25.77	
C.	Shares held by Custodian for GDRs & ADRs									
		-	-	-	-	-	-	-	-	
	Grand Total (A+B+C)	2,423,298	142,702	2,566,000	100	2,433,748	132,252	2,566,000	100	



ii) Shareholding of Promoter :

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	
Preferred Brands Foods (India) Private Limited	1,904,510	74.22	-	1,904,510	74.22	-	-
Kagome Co. Ltd	-	-	-	300	0.01	-	0.01
Total	1,904,510	74.22	-	1,904,810	74.23	-	0.01

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Preferred Brands Foods (India) Pvt Ltd:				
At the beginning of the year	1,904,510	74.22	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No Change		-	-
At the end of the year	1,904,510	74.22	-	-
Kagome Co Ltd:				
At the beginning of the year	-	-	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	300 [Acquired through Open Offer under SEBI (Substantial Acquisition of Shares and Takeover) Code, 2011]	0.01
At the end of the year	--	--	300	0.01

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
K. Swapna				
At the beginning of the year	157,900	6.15	-	-
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	(9,928)	-	147,972	5.77
At the end of the year	-	-	147,972	5.77

DIRECTORS REPORT

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Rahul Kayan				
At the beginning of the year	27,990	1.09	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	16,711	--	44,701	1.74
At the end of the year	--	--	44,701	1.74
Tanvi J Mehta				
At the beginning of the year	31,260	1.22	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	1,400	--	32,660	1.27
At the end of the year	--	--	32,660	1.27
Alberta Agro Private Limited				
At the beginning of the year	0	0.00	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	19,000	--	19,000	0.74
At the end of the year	--	--	19,000	0.74
Damani Estate and Finance Private Limited				
At the beginning of the year	13,900	0.54	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	(13,900)	--	0	0.00
At the end of the year	--	--	0	0.00
Paulastya Sachdev				
At the beginning of the year	10,750	0.42	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	(750)	--	10,000	0.39
At the end of the year	--	--	10,000	0.39
Sushama Ratnakar Samat				
At the beginning of the year	10,100	0.39	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	(4835)	--	5,265	0.21
At the end of the year	--	--	5,265	0.21
Devika Anand				
At the beginning of the year	7,197	0.28	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	--	--	7,197	0.28
At the end of the year	--	--	7,197	0.28



DIRECTORS REPORT

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Vora Yogesh Dhirajlal				
At the beginning of the year	6,875	0.27	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	(6,613)	--	262	0.01
At the end of the year	--	--	262	0.01
Ajay Kumar Kayan				
At the beginning of the year	6,660	0.26	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	(4,104)	--	2,556	0.10
At the end of the year	--	--	2,556	0.10
Anant Jain				
At the beginning of the year	5,689	0.22	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	(173)	--	5,516	0.21
At the end of the year	--	--	5,516	0.21
Paresh Harshawardhan Vakil j/w Swati Paresh Vakil				
At the beginning of the year	5,000	0.19	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	--	--	5,000	0.19
At the end of the year	--	--	5,000	0.19
Anand G. Pai				
At the beginning of the year	5,000	0.19	--	--
Net Transactions (purchase / sale) during the year (April 1, 2015 - March 31, 2016)	--	--	5,000	0.19
At the end of the year	--	--	5,000	0.19

v) Shareholding of Directors and Key Managerial Personnel :

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
*Mr. K P Balasubramaniam:				
At the beginning of the year	2,291	0.09	--	--
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.) :			NIL (Resignation of Mr. K.P. Balasubramaniam from position of Director)	NIL
At the end of the year	--	--	Nil	Nil
**Mr. Ravi Nigam:				
At the beginning of the year	200	0.01	--	--
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
At the end of the year	--	--	200	0.01

*1500 shares held as joint/ second owner with Mrs. Rajeswari Balasubramaniam

**100 shares held as joint / second owner with Mrs. Ruby Nigam

vi) INDEBTEDNESS-Indebtedness of Company including interest outstanding/accrued but not due for payment

(Amount in Rs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	434,911,860	-	-	434,911,860
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	434,911,860	-	-	434,911,860
Change in Indebtedness during the financial year				
Addition	403,640,949	245,970,300	-	649,611,249
Reduction	673,458,659	(7,096,601)	-	666,362,058
Net Change	(269,817,710)	238,873,699	-	(30,944,011)
Indebtedness at the end of the financial year				
i) Principal Amount	165,094,149	238,873,699	-	403,967,848
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	206,210	-	-	206,210
Total (i+ii+iii)	165,300,359	238,873,699	-	404,174,058



V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

No.	Particulars of Remuneration	Name of MD - Mr. Ravi Nigam
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,564,792
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	331,631
	(c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961	–
2	Stock Option	–
3	Sweat Equity	–
4	Commission - as % of profit - others, specify	–
5	Others, please specify – Car Hire Charges Provident Fund Leave encashment	– 683,628 276,827
	Total (A)	7,856,878
	Ceiling as per the Companies Act, 2013	12,474,056

*Inclusive of all perquisites.

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr. Kavas Patel	Dr. V.S. Arunachalam	Mrs. Sucharita Hegde	Mr. K.P. Balasubramaniam	Mr. Masahiro Sumitomo	Mrs. Meera Vasudevan	Mr. Ashok Vasudevan	
1	Independent Directors								
	Fee for attending board & committee meetings	220,000	200,000	120,000	--	--	--	--	540,000
	Commission	--	--	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--	--	--
	Total (1)	220,000	200,000	120,000	--	--	--	--	540,000
2	Other Non-Executive Directors								
	Fee for attending board & committee meetings	--	--	--	--	--	--	--	--
	Commission	--	--	--	--	--	--	--	--
	Others, please specify (remuneration)								
	Total (2)	--	--	--	--	--	--	--	--
	Total (B)=(1+2)	220,000	200,000	120,000	--	--	--	--	540,000
	Total Managerial Remuneration	--	--	--	--	--	--	--	--
	Overall ceiling as per the Act	NA	NA	NA	NA	NA	NA	NA	NA

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

No.	Particulars of Remuneration	Key Managerial Personnel		
		Ms. Minal Talwar Company Secretary	Mr. Sohel Shikari Chief Financial Officer	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	658,920	6,931,467	7,590,387
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	35,000	342,508	377,508
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 (provident Fund, Leave encashment, drivers salary)	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission - as % of profit - others	-- -- --	-- -- --	-- -- --
5	Others, please specify - Car Hire Charges - Provident Fund - Leave encashment	-- 46,080 54,411	-- 122,400 269,029	-- 168,480 323,440
	Total	794,411	7,665,404	8,459,815

viii. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A.	COMPANY					
	Penalty	NA	NA	NA	NA	NA
	Punishment	NA	NA	NA	NA	NA
	Compounding	NA	NA	NA	NA	NA
B.	DIRECTORS					
	Penalty	NA	NA	NA	NA	NA
	Punishment	NA	NA	NA	NA	NA
	Compounding	NA	NA	NA	NA	NA
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	NA	NA	NA	NA	NA
	Punishment	NA	NA	NA	NA	NA
	Compounding	NA	NA	NA	NA	NA

Date : May 7, 2016

Place : Pune

Ashok Vasudevan

Chairman



CORPORATE GOVERNANCE CERTIFICATE

To
The Members
Tasty Bite Eatables Limited
201- 202, Mayfair Towers, Wakdewadi,
Shivajinagar, Pune - 411005

Re: Corporate Governance Certificate

I have examined the compliance of conditions of Corporate Governance by **Tasty Bite Eatables Limited** (the Company) for the year ended on March 31, 2016 as stipulated in Clause 49 of the Listing Agreement entered into with BSE Limited and SEBI (Listing Obligations and Disclosure Regulations) 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and representations made by the Directors and Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Regulations) 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which management has conducted the affairs of the Company.

Abhishek Jagdale
Company Secretary in Consulting
Membership No. 25025
Certificate of Practice No. ACS 8967

Date: 7 May 2016
Place: Pune

Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Tasty Bite Eatables Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tasty Bite Eatables Limited** (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing my opinion thereon.

Based on my verification of the **Tasty Bite Eatables Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, ~~Overseas Direct Investment~~ and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **-Not Applicable**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **-Not Applicable**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **-Not Applicable**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **-Not Applicable**



(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

-Not Applicable

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) Food Safety and Standards Act, 2006 and rules made thereunder (law specifically applicable to Company)

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered into by the Company with BSE Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance and on shorter notice as agreed by the Board members, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and there was no instance of capturing and recording dissenting members' views as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has –

- (i) been indirectly acquired by Kagome Co., Ltd, Japan under the provisions of The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (consequent to the stock purchase agreement/global alliance of Preferred Brand International Inc., US parent company of the Company with Kagome Co., Ltd, Japan)
- (ii) pre-paid its Foreign Currency Term loan amounting to USD 3.41 Million and availed External Commercial borrowing facilities to the tune of USD 5.9 Million.
- (iii) managed to upgrade its long term rating to [ICRA] A- (pronounced as ICRA A minus) with stable outlook from [ICRA] BBB + (pronounced as ICRA triple B plus) with a stable outlook and short term rating upgraded to [ICRA] A1 (pronounced as ICRA A one) from ICRA A2+ (pronounced as ICRA A two plus).

Abhishek Jagdale

ACS No.: 25025

C P No.: 8967

Date : May 7, 2016

Place: Pune

ANNEXURE - D

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS & OUTGO :

A. CONSERVATION OF ENERGY :

i) Steps taken or impact on Energy Conservation :

- a) Company has installed VFD (Variable Frequency drive) to drive power savings in cold store.
- b) Company continues to use briquettes as a measure for energy conservation.
- c) Project has been implemented to improve steam condensate recovery.

ii) Steps taken by the company for utilizing alternate sources of energy : The Company is availing wind power energy, a non-conventional source of energy for utilization in operations of the Company.

iii) Capital investment on energy conservation equipment : Rs. 6 lacs

B. TECHNOLOGY ABSORPTION :

i	Efforts made towards technology absorption	Company has an accredited R&D center that is (TBRC) continuously engaged in research on new and innovative products, both for export and domestic market. TBRC's research and expertise ensures that Company is able to provide "Great taste, Good value and Real Convenience" to its customers worldwide. Innovation coupled with expertise, and quality enables to serve natural, convenient and specialty foods to its customers.
ii	Benefits derived like product improvement, cost reduction, product development or import substitution;	Successful development of innovative products in domestic and export market accomplished through expertise and research in specific areas. Technology adoption helped import substitution thereby reducing cost and also product development.
iii	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	No imported technology
iv	Expenditure incurred on Research and Development: Capital (in Rs. '000) Recurring (in Rs. '000) Total (in Rs. '000) Total R&D expenditure as % of total turnover	549 16,458 17,007 0.87%

C. FOREIGN EXCHANGE ACTUAL INFLOWS AND OUTFLOWS

(Rs in Lacs)

Particulars	Current Year	Previous Year
Inflows	12,264.78	9,974.29
Outflows	2,343.36	1,957.21

Date : May 7, 2016

Place : Pune

Ashok Vasudevan

Chairman



ANNUAL REPORT ON CSR ACTIVITIES

ANNEXURE - E

[Pursuant to section 135 of the Companies Act, 2013]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Company has duly adopted CSR Policy which is also available on website of the Company at www.tastybite.co.in. CSR Policy concentrates on 4 major areas- sustainable agriculture, disaster relief, education and health. During the financial year 2015-16, the Company undertook two major projects in the field of disaster relief and education. Company would focus on major areas highlighted in its policy or any other area as mentioned under the Companies Act, 2013.

2. The Composition of the CSR Committee:

The composition of the Committee and the attendance by the Committee Members are as follows:

Name of the Director	Position	Independent/ Executive	No. of Meetings	
			Held	Attended
Mr. Kavas Patel	Chairman	Independent	4	4
Mr. Ravi Nigam	Member	Executive	4	4
Mrs. Meera Vasudevan (till Feb 10, 2016)	Member	Non-executive	2	-

* Mrs. Meera Vasudevan appointed as Member of Committee in July 2015. Two meetings were held during her tenure as member. Mr. Sohel Shikari who acted as her Alternate attended all meetings on her behalf.

3. Average net profit of the Company for last three financial years:

Rs. in '000

Year	Profit after tax	Add Tax	Add Interest on Tax	Net Profit as per section 198
2014-15	107,937	54,603	1,742	164,282
2013-14	43,288	-	567	43,855
2012-13	63,256	29,197	-	92,453
			Total	300,590
			Average Net Profit	100,197
			2% of average net profit	2,004

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above) :

Amount of Rs. 10.32 lacs was required to be spent in FY 2014-15. The amount remained unspent and hence, was carried forward and spent in FY 2015-16 alongwith Rs. 20.04 lacs. Total amount to be spent was Rs. 30.36 lacs. Amount actually spent is Rs. 30.68 lacs.

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: Rs.30.36 lacs (including unspent amount in FY 2014-15)

(b) Amount unspent, if any : Nil

(c) Manner in which the amount spent during the financial year is detailed below:

(Rs. In lacs)

Sr. No	CSR Project or activity identified	Sector in which activity is covered	Projects or programs 1) Local area or 2) Specify the State and district where projects or programs was undertaken	Amount outlay program wise	Amount spent on the programs Sub-heads: (1) Direct on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Direct or through implementing agency
1.	Chennai Flood Relief Project	Disaster relief	Chennai	11.49	3.21	11.49	Direct
2	School Building project	Education	Local area- Bhandgaon	19.18	-	* -	Direct

* Payment of Rs. 19.18 lacs paid on May 3, 2016 due to pending documentation.

Form No. AOC - 2

ANNEXURE - F

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis- NA**
2. **Details of contracts or arrangement or transactions at arm's length basis**

Sr. No.	Particulars				
1.	Name(s) of the related party and nature of relationship	Preferred Brands International Inc	Preferred Brands Australia Pty Ltd	Kagome Co Ltd	Kagome Australia Pty Ltd
2.	Nature of contracts / arrangements / transactions	Export sales	Export sales	Reimbursement of expenses	Purchases
3.	Duration of the contracts / arrangements / transactions	Purchase Order basis	Purchase Order basis	Actuals	Purchase Order basis
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	Pricing of the products approved by the Board & Audit Committee	Pricing of the products approved by the Board & Audit Committee	Actuals	Pricing of the products approved by the Board & Audit Committee
5.	Date(s) of approval by the Board, if any	May 13, 2015	May 13, 2015	November 9, 2015	February 10, 2016
6.	Amount paid as advances, if any	Nil	Nil	Nil	Nil

Date : May 7, 2016
Place : Pune

Ashok Vasudevan
Chairman



ANNEXURE - G

Statement under Section 197 (12) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2016.

Employed throughout the year and were in receipt of remuneration at the rate of not less than Rs. 6,000,000/- per annum

Name of employee	Remuneration received (Rs.In Lakhs)	Nature of employment	Qualification	Experience	Date of commencement of employment	Age	Last employment	% equity shares held	Whether any employee is relative of director/ Name of director
Mr. Ravi Nigam	78.57	Permanent (Managing Director)	Mr. Ravi Nigam, holds a Degree in Chemistry and a Master Degree in Rural Management from the Institute of Rural Management, Anand and an OPM from the Harvard Business School	33	20/07/2001 (Appointed as Managing Director)	56	Ballarpur Industries Limited	0.004 (200 shares amongst which 100 as joint owner)	None
Mr. Sohel Shikari	76.65	Permanent (Chief Financial Officer)	Mr. Sohel Shikari is a Civil Engineer from the University of Bombay. He also holds Master in Civil and Environment Engineering from the Massachusetts Institute of Technology	22	08/05/2014 (Designated as CFO- Key Managerial Personnel)	46	ASG Omni India Pvt Ltd	NIL	None

Date : May 7, 2016

Place : Pune

Ashok Vasudevan

Chairman

CORPORATE GOVERNANCE REPORT

GOVERNANCE PHILOSOPHY

Your Company is committed to best business practices coupled with excellence in Corporate Governance. The principles of transparency, accountability, integrity and innovation constitute the foundation on which the edifice of the organization is built. Your Company firmly believes in the right of all its stakeholders to information regarding Company's business and financial performance.

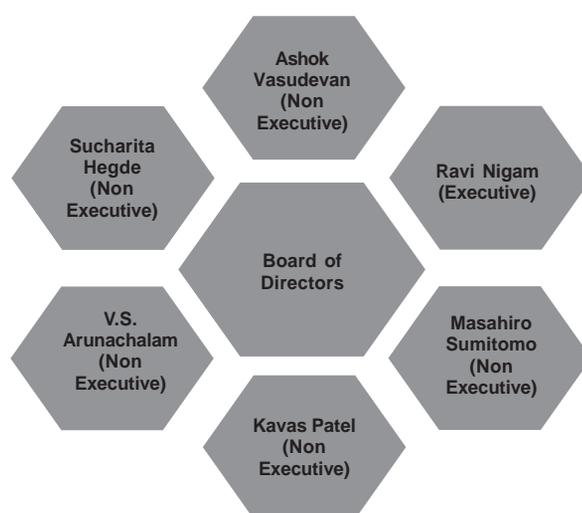
Your Company's governance structure basically comprises the Board of Directors and the Committees of the Board at the apex level and the management structure at the operational level. The Board sets down the overall objectives and provides freedom and guidance to the management to achieve these objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

BOARD OF DIRECTORS

Company's Board plays a pivotal role in ensuring Company runs on sound and ethical business practices. The Board operates in such a manner which effectively enables them to discharge its fiduciary duties of safeguarding the interest of Company, ensuring fairness in decision making process, integrity and transparency while dealing with its members and all its stakeholders.

a) Composition of Board :

The Board has an optimum combination of executive and non-executive directors. The Company is managed by the Board of Directors with a non-executive, non-independent Promoter Chairman, an executive director, a non-executive director, three eminently qualified Independent Directors and an Alternate Director to the non-executive promoter Chairman. Amongst 3 independent directors one is a woman as mandated by Companies Act, 2013 and SEBI regulations.



None among the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all companies in which he/she is a Director. Necessary disclosure regarding committee positions and other directorships have been made by all the Directors.

During the year, Mrs. Meera Vasudevan and Mr. K. P. Balasubramaniam resigned as directors w.e.f. February 10, 2016 and May 18, 2015 respectively. Also, Mrs. Sucharita Hegde and Mr. Masahiro Sumitomo were appointed as additional directors w.e.f. October 12, 2015 and February 10, 2016 respectively.

b) Board Meetings and information placed before the Board:

There were seven (7) Board Meetings held during the financial year ended March 31, 2016. These were held on May 13, 2015, August 3, 2015, August 15, 2015, November 9, 2015, February 10, 2016, March 3, 2016 and March 30, 2016. The maximum interval between any two meetings was not more than 120 days.

All the Board Meetings were scheduled well in advance and the notice of each Board Meeting to each Director was also sent well in advance. All the items in the agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director. Every Board member is also free to recommend inclusion of any matter for discussion in consultation with the Chairman of the meeting.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting, on the overall performance of the Company, with detailed presentations.

The Board's role, functions, responsibility, accountability and its evaluation framework are clearly defined. In addition to matters statutorily requiring Board's approval including provisions mentioned in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Companies Act, 2013, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, compliance with statutory/regulatory requirements, major accounting provisions and write-offs are considered by the Board. The Board also reviews periodically the risk and mitigation procedure to ensure that executive management controls risk through means of properly defined framework. The minutes of the Board meeting are circulated in advance to all Directors for their comments and confirmed at subsequent Meeting.

Availability of information to the Board:

The Board has unrestricted access to the following information:

- Annual operating plans and budgets, including any updates
- Capital budgets and any updates
- Quarterly results for the Company and its operating divisions or business segments
- Minutes of meetings of Audit Committee and other Committees of the Board
- Information on recruitment and remuneration of Senior Officers just below board level including the appointment and removal of CFO and Company Secretary
- Show cause, demand, prosecution notices and penalty notices which are materially important

- Fatal or serious accidents, dangerous occurrences any material effluent or pollution problems
- Material default in financial obligations to and by the Company or substantial nonpayment for goods sold by the Company
- Any issue which involves public or product liability, claims of substantial nature or any judgment or adverse view regarding another enterprise that can have negative implications on the Company
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property
- Significant labour problems and their proposed solutions
- Significant development in Human Resources / Industrial relations front like signing of wage agreement, implementation of VRS, etc
- Non-compliance of any regulatory, statutory nature of listing requirements and shareholders service such as nonpayment of dividend, delay in share transfer, etc
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business
- Material Financial / Commercial transactions, with Senior Management personnel, in which they are personally interested and which potentially conflicts with the interest of the Company
- Details of foreign exchange exposures and the steps taken by the management to limit the risk of adverse exchange rate movement
- Quarterly compliance report and investor grievance reports
- Dividend data

At Board meetings managers and representatives who can provide additional insight into the items/ agenda being discussed are invited.

c) Code of Conduct for Directors and Senior Management:

The Company has adopted "Code of Conduct (Code) for Board Members and Managerial Personnel". The Code of Conduct for Board Members as well as the Managerial Personnel is posted on website of the Company www.tastybite.co.in. All Board Members and Managerial Personnel have affirmed compliance with the Code of Conduct. The confirmation from the Managing Director regarding the compliance with the Code by all the Directors and Senior Management is annexed to the Report.



d) Directors attendance record & directorships in other companies as on March 31, 2016:

Sr. No.	Name of the Director	Category of Directorship	Attendance in Board Meetings during 2015-16	Attendance at last AGM held on 10.09.15	No. of other Directorships# as on 31.03.16	No. of other Committee\$ position held as on 31.03.16 (Other Companies)	No. of Shares convertible instruments held
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Mr. Ashok Vasudevan	N.E.D.	1	Yes	1	NIL	NIL
2.	Mrs. Meera Vasudevan (till February 10, 2016)	N.E.D.		Yes	--	--	--
3.	Mr. Ravi Nigam	E.D.	7	Yes	1	NIL	200 @
4.	Mr. K. P. Balasubramaniam (till May 18, 2015)	I.D.	--	N.A.	--	--	^2291
5.	Dr. V. S. Arunachalam	I.D.	4	Yes	2	NIL	NIL
6.	Mr. Kavas Patel	I.D.	5	Yes	6	3(Chairman of 3)	NIL
7.	Mrs. Sucharita Hegde (w.e.f. October 12, 2015 onwards)	I.D.	3	N.A.	5	1 (Member)	NIL
8.	Mr. Masahiro Sumitomo (w.e.f. February 10, 2016 onwards)	N.E.D.	--	N.A.	--	NIL	NIL
9.	Mr. Soheli Shikari	A.D.	5	N.A.	1	NIL	NIL

N.E.D.-Non-Executive Director, E.D. - Executive Director, I.D. - Independent Director,

A.D. - Alternate Director

Mrs. Meera Vasudevan is wife of Mr. Ashok Vasudevan. No other director is related to another director and/ or Key Managerial Personnel.

including Private limited companies and excluding foreign companies

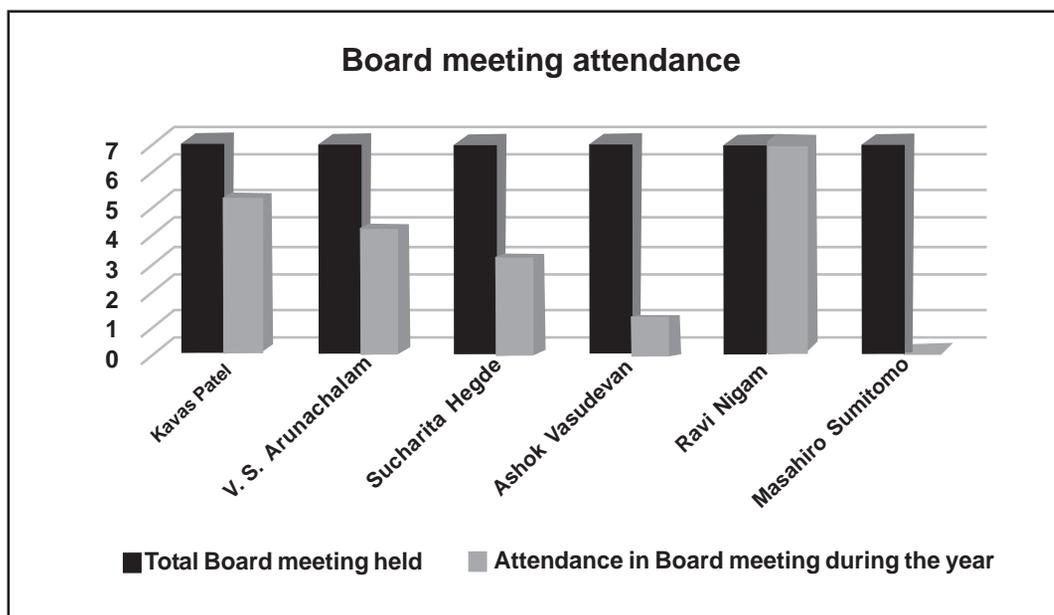
\$ Audit, Stakeholders' Grievance, Remuneration & Nominations and CSR Committees of Public Limited Companies are considered

@ out of which 100 as joint holder

^ out of which 1500 as joint holder

Details of the Directors seeking regularization/ appointment/reappointment in the AGM have been given with the notice in Annual Report.

Attendance in board meetings during the year:



Mr. Masahiro Sumitomo was appointed in February 2016 and only 2 (pre-scheduled) board meetings were held post his appointment.

e) Training of directors :

All Directors of the Company (Independent and Non-Independent) are provided opportunity to familiarize themselves with the Company, its Management and its operations. The Directors interact with Executive Directors, Senior Management Personnel/ Key Managerial Personnel, as and when required, and are provided all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. The weblink with details of familiarization of independent directors is www.tastybite.co.in-investor-corporate-governance section. Directors also visit the manufacturing plant of the Company for further understanding of the business and processes.

In addition to the above, the following measures have been undertaken in this behalf:

- i. The duties and responsibilities of Independent Directors have been incorporated in the Code of Conduct as required by the Companies Act, 2013.
- ii. The amendments / updates in statutory provisions are informed from time to time.
- iii. The information w.r.t. the nature of industry in which the Company operates and business model of the Company, etc. is made known through various presentations on operational performance, strategy, budgets & business forecasts, etc. to the Board.
- iv. Directors also visit the manufacturing plant of the Company and directly deal with senior management personnel / key management personnel and auditors to resolve the queries.

COMMITTEES OF THE BOARD

a) AUDIT COMMITTEE:

The Audit Committee is duly constituted as per the provisions of Section 177 of the Companies Act, 2013. There were four Audit Committee meetings held during the financial year on May 13, 2015, July 16, 2015, November 9, 2015 and February 10, 2016 respectively. The Audit Committee consist four members, three being Independent Directors and one Managing Director of the Company. All the members of the Audit Committee have adequate accounting and financial knowledge to read, understand and analyse the financial statements. Mr. Kavay Patel, an Independent Director is Chairman of the Committee.



The constitution of the Committee & the attendance by the committee members are as follows:

Name of the Director	Position	Independent/ Executive	No. of Meetings during the financial year 2015-16	
			Held	Attended
Mr. Kavas Patel	Chairman	Independent	4	4
Dr. V.S.Arunachalam	Member	Independent	4	4
Mrs. Sucharita Hegde (w.e.f. October 12, 2015 onwards)	Member	Independent	4	2*
Mr. Ravi Nigam	Member	Executive	4	4

* after her appointment as director and member of Committee.

The C.F.O., Controller Finance, Statutory Auditors and Internal Auditors are invited to attend the meetings. Company Secretary of the Company acts as the Secretary of the Committee.

All Members of the Committee have wide exposure and possess sound knowledge in the areas of accounts, finance, business and internal control. The Chairman of the Audit Committee remained present at the Annual General Meeting held on September 14, 2015. The composition of the Committee is in conformity with the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of reference:

The powers, duties and terms of reference of the Committee are as mentioned in Regulation 18 and Part C of Schedule II of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 which are:

- (a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, adequate and credible.
- (b) Recommend appointment, remuneration and terms of appointment of Auditors of the Company and review and monitor Auditors independence and performance, and effectiveness of Audit Report.
- (c) Approval or any subsequent modification of transactions of the Company related parties.
- (d) Review the quarterly, half yearly and annual financial statements before submission to the Board or to the Members.
- (e) Review the adequacy and quality of internal control systems and seek information from any employee.
- (f) In addition to the above, all items listed in Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177(4) of the Companies Act, 2013.

The minutes of the Audit Committee Meeting(s), circulated in advance to the Committee members and approved at the subsequent committee meeting(s) are noted by the Board of Directors at subsequent Board Meeting(s).

b) STAKEHOLDERS RELATIONSHIP COMMITTEE:

During the financial year under consideration, there were four meetings held on May 13, 2015, July 16, 2015, November 9, 2015 and February 10, 2016. The Stakeholders Relationship Committee looks into the redressal of grievances of security holders of the Company.

The composition of the Committee and the attendance by the Committee Members are as follows:

Name of the Director	Position	Independent/ Executive	No. of Meetings	
			Held	Attended
Mr. Kavas Patel	Chairman	Independent	4	4
Dr. V.S. Arunachalam	Member	Independent	4	4
Mrs. Sucharita Hegde	Member	Independent	4	2*

* after her appointment as director and member of Committee.

Ms. Minal Talwar- Company Secretary is the Compliance Officer of the Company. The Chairman of the Stakeholders Relationship Committee remained present at the Annual General Meeting held on September 14, 2015.

As on March 31, 2016, 94.85% shares of the Company were traded in dematerialized form. To expedite the transfer, transmission, removal, deletion of name, issue of duplicate share certificate, etc a Committee of executives of Company have been formed. The Committee comprise the following executives:

- Mr. Ravi Nigam- Managing Director
- Mr. Sohel Shikari- Chief Financial Officer
- Ms. Minal Talwar- Company Secretary

The share transfers approved by the Committee are placed before the Board of Directors in their meetings from time to time.

At beginning of the year under review, there were no investor complaints that remained unresolved. During the year, the Company has received 15 (fifteen) complaints which were resolved and no complaint is pending as on March 31, 2016. No complaint remained unresolved during the year.

c) **NOMINATION AND REMUNERATION COMMITTEE :**

Terms of reference :

The terms of reference of the Committee are as per the Regulation 19 and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The Committee formulates criteria to determine qualification, positive attributes and independence of directors and recommend, from time to time to the Board, a policy relating to remuneration of Directors, Key Managerial Personnel and Employees and succession plan. The Committee also formulates the criteria for evaluation of individual directors and devising a Policy on diversity of the Board. The Chairman of the Committee remains present at the General Meeting to answer shareholders queries.

Two meetings of Remuneration & Nomination Committee were held during the year on February 10, 2016 and March 3, 2016.

The composition of the Committee and the attendance by the Committee Members are as follows:

Name of the Director	Position	Independent/ Executive	No. of Meetings	
			Held	Attended
Mr. Kavas Patel	Chairman	Independent	2	2
Dr. V.S. Arunachalam	Member	Independent	2	2
Mrs. Sucharita Hegde	Member	Independent	2	2

DETAILS OF REMUNERATION OF THE BOARD OF DIRECTORS

All decisions related to the remuneration of the Directors, both executive and non executive, are decided by the Board of Directors of the Company in accordance with the shareholders' approval and/or Central Government, wherever necessary and in compliance with the provisions of applicable laws. Details of remuneration paid to the Executive and Non executive directors for the year 2015-16 are as follows:



(Rs.)

Name of the Director	Basic Salary	Allowance & Perquisites*	Performance linked Incentive / Commission / Bonus	Company Contribution to Provident Fund & Pension	Sitting fees**	Total
Mr. Ashok Vasudevan	---	---	---	---	---	---
Mrs. Meera Vasudevan	---	---	---	---	---	---
Mr. Masahiro Sumitomo	---	---	---	---	---	---
Mr. K. P. Balasubramaniam (till May 18, 2015)	---	---	---	---	---	---
Dr. V.S. Arunachalam	---	---	---	---	200,000	200,000
Mr. Kavas Patel	---	---	---	---	220,000	220,000
Mrs. Sucharita Hegde	---	---	---	---	120,000	120,000
Mr. Ravi Nigam	6,564,792	608,458	---	683,628	---	7,856,878
Mr. Soheli Shikari	---	---	---	---	---	---

* Inclusive of all perquisites

** excluding service tax

Notes :

1. Mr. Ravi Nigam was re-appointed as Managing Director of the Company w.e.f. July 20, 2011 for a period of 5 years. The agreement with Mr. Ravi Nigam, Managing Director is for a period of five years which is expiring on July 19, 2016.
2. On account of profits calculated in terms of provisions of Section 349 and Section 350 of the Companies Act, 1956, for the financial year 2013-14, the Company had applied to Central Government for waiver of the excess remuneration paid over and above the limits approved by Central Government dated May 1, 2012. Central Government approved the excess remuneration payable to Managing Director for FY 2014 vide its letter dated April 7, 2016.
3. Agreement with the Managing Director can be terminated by giving three month notice in writing by either party. He is not eligible for any commission or performance bonus as per the terms of appointment.
4. No stock option scheme has been framed by the Company for directors and other executives.
5. There is only fixed component criteria in the Company for directors and employees.
6. No other director including any non-executive director receives any remuneration, commission or any other incentive from the Company.
7. Mr. Soheli Shikari receives remuneration as Chief Financial Officer of the Company.

Remuneration Policy:

The Board adopted Remuneration & Evaluation Policy on recommendation of Remuneration and Nomination Committee covering Board diversity, evaluation criteria, qualifications, etc under the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following criteria shall be followed for selection, appointment, evaluation and remuneration of directors:

1. The directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.
2. The Board and Nomination & Remuneration Committee to satisfy themselves before recommending any person for directorship that he is not disqualified being appointed as director under Companies Act, 2013.

3. In case of appointment of independent director, the Committee to also satisfy itself that person satisfies all criteria of being appointed as Independent director.
4. The Committee shall evaluate the performance of directors basis their engagement with the management, contribution and participation level. Also the Committee shall consider the time and energy devoted by individual director for performing the duties and responsibilities.
5. 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, the Company's 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.
6. Sitting fee for independent directors is revised w.e.f. May 7, 2016 by Board of Directors in their meeting. Sitting fee is paid only to independent directors and was increased to Rs. 75,000/- per quarter for each Board meeting only. Sitting fee paid is within statutory limits.
7. The remuneration of Key Managerial Personnel and Senior Managerial Personnel is also be reviewed by the Committee. The remuneration of employees largely consist 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, individual performances, short and long term performance objectives appropriate to the working of the Company, etc.

The Board of Directors revised the remuneration of the Managing Director as recommended by the Remuneration & Nominations Committee in their meetings held on February 10, 2016. The revised remuneration is within the limit approved by shareholders in their meeting held on September 10, 2014. The revision is based on various factors such as qualification, experience, expertise and contribution of Managing Director, prevailing remuneration in the industry, financial position of the Company, etc.

The Board of Directors on recommendation of Remuneration & Nominations Committee also revised the remuneration of Mr. Sohel Shikari- Chief Financial Officer of the Company.

The Non-Executive Directors do not draw any remuneration from the Company, except sitting fees for each meeting of the Board and Committees thereof paid to the Independent Directors only.

Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Stakeholders Relationship, Nomination & Remuneration and Corporate Social Responsibility Committee. A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture and performance of duties and governance.

Individual directors including the Chairman of the Board were also evaluated on parameters such as level of engagement and contribution, independence of judgement. The performance evaluation of the Independent Directors was carried out by the entire Board basis participation of Independent directors in the meeting, raising of concerns to the Board, safeguarding the confidential information, rendering of independent decisions, unbiased opinions and resolution of issues in the meetings, timely inputs on the minutes, initiatives in terms of planning and new ideas. The Directors expressed their satisfaction with the evaluation process.

d) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors constituted the Corporate Social Responsibility Committee under the provisions of Section 135 of the Companies Act, 2013, at its meeting dated May 8, 2014. The Committee is responsible for formulation and recommendation to the Board the CSR Policy and activities to be undertaken under such policy, the amount of expenditure to be incurred and monitoring of the Policy from time to time.

The Corporate Social Responsibility (CSR) Policy is in place and is available at Company's website www.tastybite.co.in. The Policy adopted is suited to Company's corporate philosophy.

Four meetings of CSR Committee were held during the year on May 13, 2015, August 3, 2015, November 9, 2015 and February 10, 2016.

The composition of the Committee and the attendance by the Committee Members are as follows:

Name of the Director	Position	Independent/ Executive	No. of Meetings	
			Held	Attended
Mr. Kavas Patel	Chairman	Independent	4	4
Mr. Ravi Nigam	Member	Executive	4	4
Mrs. Meera Vasudevan (till Feb 10, 2016)	Member	Non Executive	2	–

*Meera Vasudevan appointed as Member of Committee in July 2015. Two meetings were held during her tenure as member. Mr. Sohel Shikari who acted as her Alternate attended all meetings on her behalf.

e) SEPARATE MEETING OF INDEPENDENT DIRECTORS

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of independent directors was held on March 3, 2016 for evaluation of performance of entire Board and Chairman of the Company. All 3 Independent Directors attended the meeting. They also assessed the quality, contents and timeline of flow of information between the management and the Board.

GENERAL BODY MEETINGS

Details of the last three Annual General Meetings are as follows:

Financial year ended	Date & Time	Venue	Special Resolution
2014-15	September 14, 2015 at 11.00 a.m.	Hotel Le Meridien Pune, RBM Road, Pune- 411001	Approval for related party transactions
2013-14	September 10, 2014 at 11.00 a.m.	Registered Office	1. Authority to Board of Directors to borrow money. 2. Authority to Board of directors for creation of charges. 3. Approval of remuneration of Mr. Ravi Nigam, Managing Director of the Company for 2 years
2012-13	September 10, 2013 11.00 a.m.	Registered Office	None

- The Registered Office of the Company is situated at 201-202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune - 411005 (registered office changed w.e.f. January 22, 2016. Previously based in 204, Mayfair Towers, Wakdewadi, Shivajinagar, Pune- 411005)
- All resolutions moved at the last Annual General Meeting were passed through e-voting facility and Poll at meeting (in 2015 & 2014) made available to the shareholders and by show of hands by members present in the meeting (2013).
- No special resolution through postal ballot was passed in previous financial year.

DISCLOSURES

1. The transactions with related parties do not have potential conflict with the interests of the Company at large. A comprehensive list of related party transactions as required by the Accounting Standards (AS) 18 issued by Institute of Chartered Accountants of India, forms part of Note no. 37b of the Accounts in the Annual Report.
2. The Company has complied with the formalities as laid down by BSE Ltd, SEBI and other statutory authorities on matter related to capital market. There were no penalties, strictures laid down on the Company relating to capital market during last three years.
3. The Company is committed to high standard of Corporate Governance and stakeholder's responsibility. The Company has framed Whistle Blower and Vigilance Mechanism Policy to enable reporting unethical or improper activity to the Management/ Board. The Whistle Blower Policy and the Vigilance Mechanism are available at

Company's website www.tastybite.co.in. Every employee/ whistle blower has access to the Chairman of the Audit Committee. Details of Chairman of Audit Committee are as under-
Name- Mr. Kavasp Patel

Address- C-33, RIVERNEST, 311 NORTH MAIN ROAD, KOREGOAN PARK, PUNE 411011

Phone: +91 020 26154921; E-mail: kavasp@hotmail.com

During the year, no event or protected disclosure from any employee or person was received by the Chairman of the Committee or management.

4. The Company has formed a policy on Related Party Transaction. It is also available on website of the Company at www.tastybite.com. Company does not have any subsidiary and therefore policy with respect to material subsidiaries is not applicable to the Company.
5. The Company has laid down procedures to inform Board members about the risk assessment and mitigation process. The Company has identified major and minor risks like market risk, fluctuation in foreign exchange, interest rate, commodity (raw materials etc.) price risks and packaging material prices and other business risks and these risks are analyzed from time to time by the executive management team and reviewed by the Audit Committee and the Board.
6. There has been no public, rights or preferential issues of shares and debentures during the year.
7. As required by Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a certificate from Practising Company Secretary regarding compliance of conditions of Corporate Governance. The certificate is given as Annexure A to the Directors' Report.

The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The extent of adoption of non- mandatory requirements is given below:

Non Mandatory Requirements:

- The quarterly un-audited results of the Company after being subjected to Limited Review by the Statutory Auditors are published in newspapers. These results are not sent to shareholders individually.
- The Auditors have issued an unqualified report on the statutory financial statements of the Company.
- All the non-executive directors have requisite qualification, rich experience and expertise in their respective functional areas. They attend various programmes in the personal capacities which keep them abreast of relevant developments. There is formal system of evaluating them.
- In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted following codes as prescribed therein.
 1. "Code of Fair Disclosure of Unpublished Price Sensitive Information" for employees and other connected persons.
 2. "Code of Conduct to Regulate Monitor and Report Trading" for its employees and Connected Persons to Directors.

The Code of Fair Disclosure is available on the Company's website www.tastybite.co.in. Ms. Minal Talwar, Company Secretary, is Compliance Officer under the Codes. The Promoters, Directors and Key Managerial Persons have provided initial disclosures of holding of securities by them. The Company may require any of its connected persons make disclosure of holding and trading of securities to the Company.

MEANS OF COMMUNICATION

- The annual, half-yearly and quarterly results of the Company are published in National newspapers viz. Asian Age and local newspaper viz. Punyanagari; or any other equivalent newspaper.
- These newspapers are selected on the basis of having reasonable circulation in the areas where majority of our shareholders are located and also on the basis of cost effectiveness.
- The Company provides information to BSE Limited as per the requirement of the Listing Agreement.
- The Company promptly updates the quarterly results, shareholding pattern and other official news releases, if any, on its website www.tastybite.co.in which provides all information as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The website of the Company also contains presentations made to institutional investors and other official news releases, if any.
- Management Discussion and Analysis forms part of this Annual Report.



GENERAL SHAREHOLDER INFORMATION

a)	Annual General Meeting - Date, Time and Venue	:	September 19, 2016 at 11.00 a.m. at the Hotel Le Meridien Pune, RBM Road, Pune- 411001
b)	Financial Calendar Tentative Financial reporting for - the quarter ending June 30, 2016 - the half year ending September 30, 2016 - the quarter ending December 31, 2016 - year ending March 31, 2017	:	Second week of August 2016 Second week of November 2016 Second week of February 2017 Second Week of May 2017
	Annual General Meeting for the year ending March 31, 2017	:	September 2017
c)	Financial Year	:	April 1 to March 31
d)	Dates of Book Closure	:	August 27, 2016 to September 19, 2016 (both days inclusive)
e)	Dividend Payment	:	Rs. 2 on each equity share of Rs. 10 & Re. 1 on 1% non-cumulative, non-convertible redeemable preference shares of Rs. 100 within 30 days from the date of declaration of dividend by the shareholders in the Annual General Meeting.
f)	Listing on Stock Exchange, Address and Stock Code	:	BSE Limited (BSE) Code : 519091 Address: 1st Floor, New Trading Ring, Rotunda Bldg., P.J. Towers, Dalal Street, Mumbai 400 001
g)	Demat ISIN Number for NSDL & CDSL	:	INE 488B01017
h)	Registrar & Share Transfer Agent	:	M/s Karvy Computershare Pvt. Ltd. Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Ph: 040-44655116 Fax: 040-23420814 e-mail: srikrishna.p@karvy.com; ravi.shukla@karvy.com
i)	Share Transfer System	:	In respect of transfer of shares, shareholders are advised to contact M/s. Karvy Computershare Pvt. Ltd. directly. All transfer request received are processed by the Registrar and Transfer Agent and are approved by the Committee of executives constituted by the Company. Share transfers are registered and returned within maximum of 15 days from date of lodgment, if complete in all aspects.
j)	Plant location	:	At Post 490, Village Bhandgaon, Taluka- Daund, Dist- Pune - 412214, Maharashtra
k)	Registered Office and Correspondence address	:	201-202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune- 411005 (w.e.f. January 22, 2016) (earlier located at 204, Mayfair Towers, Wakdewadi, Shivajinagar, Pune- 411005)

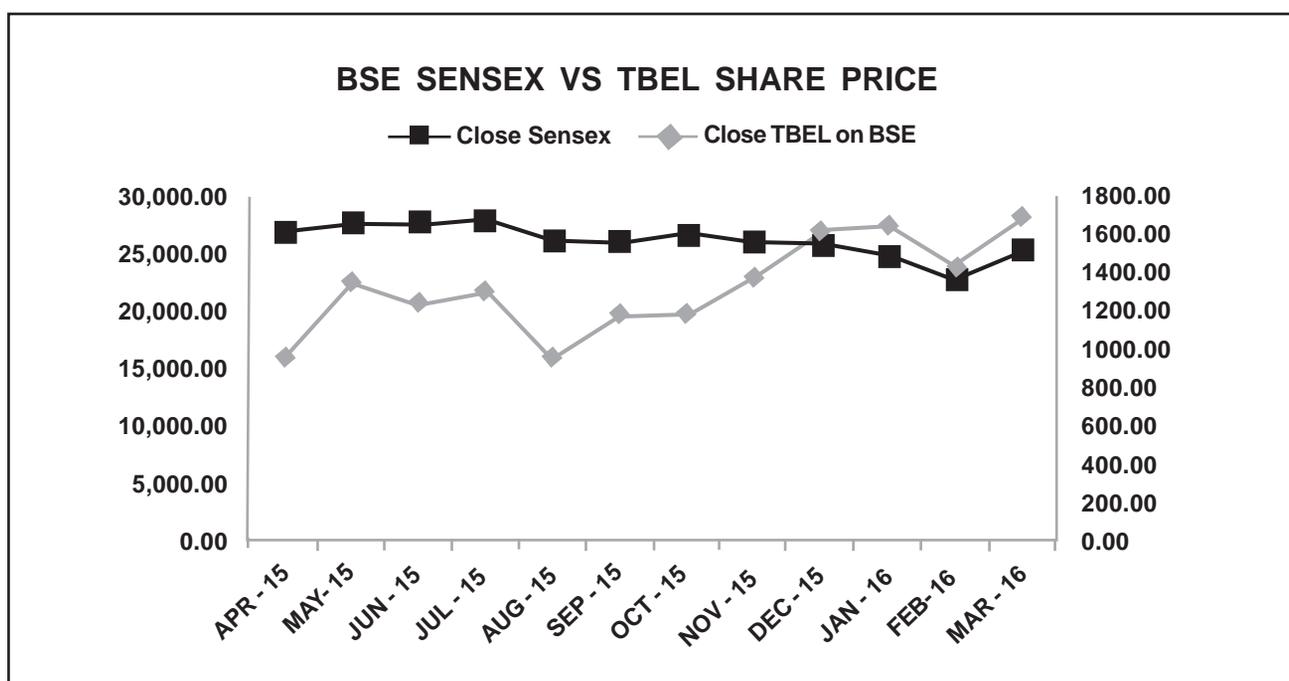
I) Stock Market data

The market price and volume of the Company's equity shares traded on the BSE Limited, Mumbai during the year 2015-16 is as follows;

Period	TBEL share prices on BSE		BSE Sensex	
	High (Rupees)	Low (Rupees)	High	Low
April, 2015	1,079.75	579.75	29,094.61	26,897.54
May, 2015	1,412.00	880.00	28,071.16	26,423.99
June, 2015	1,388.00	925.00	27,968.75	26,307.07
July, 2015	1,440.00	1,226.00	28,578.33	27,416.39
August, 2015	1,566.00	783.00	28,417.59	25,298.42
September, 2015	1,255.00	785.25	26,471.82	24,833.54
October, 2015	1,415.00	1,135.00	27,618.14	26,168.71
November, 2015	1,458.00	1,015.00	26,824.30	25,451.42
December, 2015	1,670.25	1,272.00	26,256.42	24,867.73
January, 2016	1,760.00	1,307.00	26,197.27	23,839.76
February, 2016	1,699.00	1,270.00	25,002.32	22,494.61
March, 2016	1,744.00	1,412.25	25,479.62	23,133.18

Note: The above data has been downloaded from the official website of the BSE Limited.

Stock performance Vs BSE Sensex:



**m) Reconciliation of Share Capital Audit Report**

The Securities and Exchange Board of India (SEBI) has, vide its circular dated 31st December, 2002, made it mandatory for listed companies to subject themselves to Reconciliation of Share Capital Audit to, inter alia, confirm that the total of the shares held in National Securities Depository Limited (NSDL), Central Depository Services Limited (CDSL) and in physical form tally with the issued / paid up capital listed with the Stock Exchanges. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is placed before the Board of Directors.

n) Distribution of Shareholding as on 31st March, 2016

As of March 31, 2016, the distribution of the Company's shareholding was as follows:

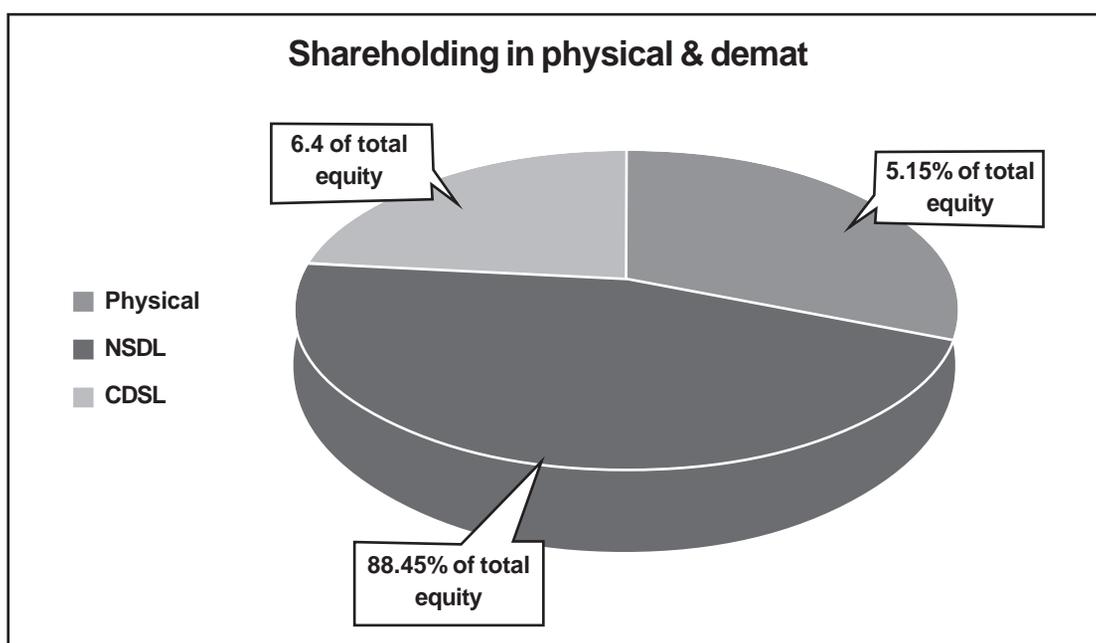
Category (Amount)	No. of Cases	% of Cases	Amount (Rs.)	% of Amount
1 - 5000	2,075	93.72	2,209,070	8.61
5001 - 10000	72	3.25	551,530	2.15
10001 - 20000	39	1.76	555,160	2.16
20001 - 30000	9	0.41	216,870	0.85
30001 - 40000	6	0.27	195,010	0.76
40001 - 50000	4	0.18	191,580	0.75
50001 - 100000	4	0.18	279,280	1.09
100001 & Above	5	0.23	21,461,500	83.64
Total	2,214	100	25,660,000	100

o) Shareholding Pattern as on March 31, 2016

Category	No. of Holders	Total Shares	% To Equity
Banks	1	1,500	0.06
Clearing Members	14	651	0.03
Directors and their Relatives	2	200	0.01
H U F	34	5,442	0.21
Bodies Corporates	86	37,470	1.46
Non Resident Indians	41	11,308	0.44
Promoter Companies	1	1,904,510	74.22
Foreign Promoter	1	300	0.01
Resident Individuals	2,034	604,619	23.56
Total	2,214	2,566,000	100.00

p) Dematerialization of shares and liquidity as on March 31, 2016

Description	No. of cases	Total Shares	% to equity
Physical	681	132,252	5.15
NSDL	1,008	2,269,542	88.45
CDSL	525	164,206	6.40
Total	2,214	2,566,000	100.00



q) Outstanding GDR/ADR/Warrants or any : Not Applicable

convertible instruments

No securities were suspended from trading during the year.

r) There are no shares in demat suspense account of the Company.

s) **Commodities price risk and commodity hedging activities:** Strategic buying, alternate vendor development, medium to long term rate contracts. Company does not undertake commodity hedging activities.t) **Unclaimed dividend and transfer to Investor Education and Protection Fund (IEPF):** Section 124 of Companies Act, 2013 mandates the companies to transfer dividend which remains unclaimed for a period of 7 years, from unpaid dividend account to IEPF. In accordance with the provisions of the Act, the dividend for below mentioned years, if unclaimed for a period of 7 years, will be transferred to IEPF:



Year	Dividend per share in Rs	Date of declaration*	Due date of transfer to IEPF**	Amount outstanding as on March 31, 2016 (Rs)
2009-10	1.00	16-09-2010	22-10-2017	77,792
2010-11	1.00	05-09-2011	11-10-2018	74,207
2011-12	1.00	06-09-2012	12-10-2019	83,423
2012-13	1.00	10-09-2013	16-10-2020	94,522
2013-14	1.00	10-09-2014	16-10-2021	97,976
2014-15	1.00	14-09-2015	20-10-2022	90,602

*Date of declaration is date of AGM

**Due date of transfer to IEPF is 30 days from declaration plus 7 days from 30 days of declaration plus 7 years

CEO Certification:

A declaration by Mr. Ravi Nigam, CEO/Managing Director in terms of Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the Board at its meeting held on May 7, 2016.

Declaration stating compliance with Code of Conduct

I, declare that all Directors and members of the Senior Management have affirmed compliance with the code of conduct for the year ended March 31, 2016.

Date: May 7, 2016
Place: Pune

Ravi Nigam
Managing Director

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF TASTY BITE EATABLES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TASTY BITE EATABLES LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.



Emphasis of Matters

We draw attention to Note 35 to the financial statements, wherein, it has been stated that with the issue of Guidance Note on Accounting for Derivative Contracts by The Institute of Chartered Accountants of India, the Company has refined its accounting policy with regard to Accounting for Derivative Contracts from mark to market through the Statement of Profit and Loss to Cash Flow Hedge Accounting during the current year.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - refer note 32 to the financial statements.
 - ii. The Company does not have any material foreseeable losses on long term contracts including derivative contracts requiring provision under the applicable law or accounting standards.
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
(Firm Registration No.: 104607W)**

Ermin K. Irani
Partner
Membership No : 35646

Date : May 7, 2016
Place : Pune

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2016

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016 :

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a programme for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and nature of its assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company, except :

Sr. No.	Type of Asset	Gross Block as on March 31, 2016	Net Block as on March 31, 2016	Remarks
1.	Free Hold Land - Gut No. 503	27,591	27,591	The Company has filed a legal suit for illegal occupation of Company land.
2.	Free Hold Land - Gut No. 505, 506, 507	125,586	125,586	The Company has filed an appeal with the Additional Commissioner, Pune for rectification of the entry in 7*12.

- ii. In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. The discrepancies noticed on physical verification have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a), (b) and (c) of paragraph 3 (iii) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not advanced any loans or made any investments or provided any guarantees or security to the parties covered under section 185 and 186. Therefore, the provisions of Clause 3 (iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.
- vi. In our opinion and according to the information and explanations given to us, the maintenance of cost records under sub-section (1) of section 148 of the Act is not applicable to the Company under the Companies (Cost Record and Audit) Rules, 2014.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory



ANNEXURE A TO THE AUDITOR'S REPORT

dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues to the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues in respect of above as on the last day of the financial year for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and the records examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute, other than the following :

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956	Sales Tax, Interest and Penalty	788,036	1999-2000	The Sales Tax Tribunal
The Bombay Sales Tax Act, 1959	Interest and Penalty	41,778	1999-2000	The Sales Tax Tribunal
The Delhi Sales Tax Act, 1975	Sales Tax, Interest and Penalty	48,702	2003-2004	The Deputy Commissioner of Sales Tax (Appeal)
The Income Tax Act, 1961	Tax & Interest	5,183,624	2006-2007	The Income Tax Appellate Tribunal
The Income Tax Act, 1961	Tax & Interest	24,504,930	2007-2008	The Income Tax Appellate Tribunal
The Income Tax Act, 1961	Tax & Interest	22,412,640	2008-2009	The Income Tax Appellate Tribunal
The Income Tax Act, 1961	Tax & Interest	23,881,580	2010-2011	The Income Tax Appellate Tribunal

Of the above, the Company has deposited Rs.491,778 towards sales tax. Out of disputed dues of Income Tax, the Company has deposited Rs.9,080,000 and has requested the Income Tax Department to adjust Rs.4,183,624 out of income tax refunds of subsequent periods.

Further, the Company has disputed certain additions and disallowances under the Income Tax Act, 1961 for the years 2003-2004 and 2005-2006 before the Commissioner of Income Tax (Appeals), for the year 2004-2005 before the Income Tax Appellate Tribunal and for the year 2011-2012 before the Dispute Resolution Panel. There is no demand for these cases.

- viii. The Company has not defaulted in repayment of any dues to financial institutions, banks and government. There are no dues to debenture holders.
- ix. The Company has not raised money through initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us and based on the documents and records examined by us on an overall basis, the term loans obtained by the Company were applied for the purpose for which the loans were obtained.
- x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the year.

ANNEXURE A TO THE AUDITOR'S REPORT

- xi. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable.
- xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with them. Hence, the provisions of section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
(Firm Registration No.: 104607W)**

Ermin K. Irani

Partner

Membership No.: 35646

Date : May 7, 2016

Place : Pune



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **TASTY BITE EATABLES LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
(Firm Registration No.: 104607W)**

Ermin K. Irani
Partner
Membership No.: 35646

Date : May 7, 2016
Place : Pune



BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note	As at	As at
		31st March, 2016	31st March, 2015
		Rs. '000	Rs. '000
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDER'S FUNDS			
(a) Share Capital	3	31,613	31,613
(b) Reserves and Surplus	4	576,802	415,858
(2) NON-CURRENT LIABILITIES			
(a) Long-term Borrowings	5	197,435	212,252
(b) Deferred Tax Liabilities (Net)	6	39,723	40,400
(c) Other Long Term Liabilities	7	2,161	–
(d) Long Term Provisions	8	23,160	11,443
(3) CURRENT LIABILITIES			
(a) Short-term Borrowings	9	168,402	171,577
(b) Trade Payables	10		
(A) Total outstanding dues of micro enterprises and small enterprises		–	–
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		195,874	168,711
(c) Other Current Liabilities	11	62,583	59,854
(d) Short-term Provisions	12	11,435	14,925
Total		1,309,188	1,126,633
II. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible Assets	13	612,406	608,874
(ii) Intangible Assets	14	342	–
(iii) Capital Work-in-Progress		1,779	808
(b) Long Term Loans and Advances	15	16,253	5,722
(c) Other Non-current Assets	16	–	–
(2) CURRENT ASSETS			
(a) Current Investments	17	19,000	8,500
(b) Inventories	18	190,177	140,472
(c) Trade Receivables	19	233,218	180,979
(d) Cash and Bank Balances	20	72,945	61,726
(e) Short-term Loans and Advances	21	153,219	118,341
(f) Other Current Assets	22	9,849	1,211
Total		1,309,188	1,126,633

See accompanying notes 1 to 49 to the financial statements.

The notes referred to above form an integral part of the Financial Statements.

As per our report of even date
For **KALYANIWALLA & MISTRY**

CHARTERED ACCOUNTANTS
(Firm Registration No.: 104607W)

Signatures to the Balance Sheet and notes thereto
For and on behalf of the Board of Directors

For **TASTY BITE EATABLES LIMITED**

Ermin K. Irani
PARTNER
Membership No. 35646

Ravi Nigam
Managing Director
DIN: 00024577

Sohel Shikari
Alternate Director
DIN: 00024466

Minal Talwar
Company Secretary

Date : May 7, 2016
Place : Pune

Date : May 7, 2016
Place : Pune

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Note	31st March, 2016	31st March, 2015	For the Year Ended Rs. '000	For the Year Ended Rs. '000
I	Revenue from Operations (Gross)	23	1,972,244	1,680,155
	Less: Excise Duty		<u>13,286</u>	<u>12,656</u>
	Revenue from Operations (Net)		1,958,958	1,667,499
II	Other Operating Income	24	124,252	101,043
III	Other Income	25	<u>4,413</u>	<u>13,030</u>
IV	Total Revenue	(I + II + III)	<u>2,087,623</u>	<u>1,781,572</u>
V	Expenses:			
	a) Cost of Raw Materials / Packaging Materials consumed	26	1,247,560	1,067,360
	(b) Changes in Inventories of Finished Goods and Work-in-Progress	27	<u>(12,952)</u>	<u>(1,151)</u>
	(c) Employee Benefit Expenses	28	212,093	177,119
	(d) Interest and Finance Costs	29	24,007	27,753
	(e) Depreciation and Amortization Expenses	30	73,775	68,685
	(f) Other Expenses	31	<u>297,426</u>	<u>276,785</u>
	Total Expenses		<u>1,841,909</u>	<u>1,616,551</u>
VI	Profit before tax	(IV - V)	245,714	165,021
VII	Tax expense:			
	(a) Current tax		87,260	54,603
	(b) Deferred tax		<u>(677)</u>	<u>2,481</u>
	(c) Prior Year Tax Adjustments		<u>(2,068)</u>	<u>—</u>
VIII	Profit for the year	(VI - VII)	161,199	107,937
IX	Earning per equity share			
	Basic and Diluted (Face value: Rs.10 per share)		62.79	42.04
	See accompanying notes 1 to 49 to the financial statements.			

The notes referred to above form an integral part of the Financial Statements.

As per our report of even date
For **KALYANIWALLA & MISTRY**
CHARTERED ACCOUNTANTS
(Firm Registration No.: 104607W)

Signatures to the Statement of Profit & Loss and notes thereto
For and on behalf of the Board of Directors
For **TASTY BITE EATABLES LIMITED**

Ermin K. Irani
PARTNER
Membership No. 35646

Ravi Nigam
Managing Director
DIN: 00024577

Sohel Shikari
Alternate Director
DIN: 00024466

Minal Talwar
Company Secretary

Date : May 7, 2016
Place : Pune

Date : May 7, 2016
Place : Pune



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	For the Year Ended		For the Year Ended
	31st March, 2016		31st March, 2015
	Rs. '000	Rs. '000	Rs. '000
A. CASH FLOW FROM OPERATING ACTIVITIES :			
Net Profit Before Tax		245,714	165,021
Adjustment for :			
Depreciation and Amortisation	73,775		68,685
Interest and Finance Costs	24,007		27,753
Interest Income on Bank deposits shown in Finance Activities	(2,364)		(2,127)
Gain on Sale of Investments	(511)		–
Loss / (Gain) on Foreign Exchange Transactions	(5,299)		288
Provision for Mark to Market Losses on Derivatives	–		1,452
(Profit) / Loss on fixed assets sold / written off (Net)	1,246		207
		90,854	96,258
Operating Profit Before Working Capital Changes		336,568	261,279
<u>Changes in Working Capital</u>			
Increase / (Decrease) in Trade Payables	27,940		(62,790)
Increase / (Decrease) in Other Liabilities	15,626		(6,533)
Increase / (Decrease) in Provisions	10,249		2,025
(Increase) / Decrease in Loans and Advances	(41,467)		(13,367)
(Increase) / Decrease in Inventories	(49,705)		(1,135)
(Increase) / Decrease in Trade Receivables	(54,464)		(36,961)
(Increase) / Decrease in Other Current Assets	(723)		(782)
		(92,544)	(119,543)
Cash Generated from Operations		244,024	141,736
Income Tax Paid		(95,234)	(43,365)
Net Cash Flow from Operating Activities		148,790	98,371
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Purchase of Fixed Assets	(64,433)		(29,093)
Sale of Fixed Assets	702		203
Investments made during the year	(51,500)		(9,000)
Investments sold during the year	41,511		500
Cash Flow from Investing Activities		(73,720)	(37,390)
		75,070	60,981
	<i>Balance carried forward</i>		

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	For the Year Ended 31st March, 2016		For the Year Ended 31st March, 2015
	Rs. '000	Rs. '000	Rs. '000
<i>Balance Brought Forward</i>		75,070	60,981
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Increase in Borrowings	(40,125)		(17,211)
Interest and Finance Costs	(23,027)		(26,011)
Interest Income	2,364		2,127
Dividend Paid on Equity Shares	(2,478)		(2,470)
Dividend Paid on Redeemable Preference Shares	(60)		(60)
Dividend Distribution Tax Paid	(525)		(446)
Cash Flow from Financing Activities		(63,851)	(44,071)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS :		11,219	16,910
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING		61,726	44,816
CASH AND CASH EQUIVALENTS AS AT THE ENDING		72,945	61,726
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents		-	-
		72,945	61,726
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS :		11,219	16,910
Cash and Cash equivalents comprise of :			
Cash on hand		180	99
Balances with banks*		72,765	62,443
		72,945	62,542
* includes following balances which are not available for use by the Company			
- Unpaid dividend account		519	431
- Margin money deposit		1,800	1,800
- Deposits held as lien		-	889
- Deposits with more than three months maturity but less than twelve months maturity		26,451	23,175

NOTES

- The Cash Flow statement has been prepared following the indirect method except in case of taxes and dividend paid which have been considered on the basis of actual movement of cash.
- Purchase of fixed assets includes movements in Capital Work-in-process between the beginning and the end of the year.
- Change in borrowings are shown net of receipts and payments.
- Previous year's figures have been regrouped / reclassified wherever necessary.
- Figures in brackets represent outflows.

As per our report of even date

For **KALYANIWALLA & MISTRY**

CHARTERED ACCOUNTANTS

(Firm Registration No.: 104607W)

For and on behalf of the Board of Directors

For **TASTY BITE EATABLES LIMITED**

Ermin K. Irani

PARTNER

Membership No. 35646

Date : May 7, 2016

Place : Pune

Ravi Nigam

Managing Director

DIN: 00024577

Date : May 7, 2016

Place : Pune

Sohel Shikari

Alternate Director

DIN: 00024466

Minal Talwar

Company Secretary



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note 1 : General Information

Tasty Bite Eatables Limited ('the Company') is in the business of manufacturing and selling 'Prepared Foods'. It includes a range of Ready-to-Serve ('RTS') ethnic food products under the brand name 'Tasty Bite' and Frozen Formed Products ('FFP'). The Company has manufacturing facility near Pune in India. The Company is a public limited company and is listed on the Bombay Stock Exchange Limited.

Note 2 : Significant Accounting Policies

a) Basis of Accounting :

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

b) Use of Estimates :

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The differences between the actual results and estimates are recognized in the period in which the results materialize / are known.

c) Fixed Assets and Depreciation :

Tangible and intangible fixed assets are stated at cost less accumulated depreciation / amortization. Cost includes all expenses related to acquisition and installation of the concerned assets, any attributable cost of bringing the asset to the condition of its intended use and exchange differences arising on reporting of long-term foreign currency monetary liability at the rates prevailing on the balance sheet date on account of option exercised by the Company as per Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates.

Depreciation is provided under the straight-line method as per useful life specified in Schedule II to the Companies Act, 2013 except as stated below :

- i. Assets installed on leasehold premises are depreciated over the period of lease.
- ii. Assets costing less than Rupees five thousand are depreciated fully in the year of capitalisation.
- iii. Form plates are depreciated over the useful life of 2 years.
- iv. Computer software is amortised over its estimated useful economic life of five years.

d) Inventories :

Raw materials, packing materials, stores and spares are valued at cost.

Work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost comprises of direct material, direct labour and factory overheads.

Trading goods are valued at lower of cost or net realisable value.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

e) **Investments :**

Long-term investments are valued at cost less provision for diminution in value, if the diminution is other than temporary.

Current Investments are stated at lower of cost or fair value.

f) **Borrowing Costs :**

Borrowing Costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized till the date the asset is ready to use, as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which these are incurred.

g) **Foreign Exchange Transactions :**

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities related to foreign currency transactions, remaining unsettled at the year-end, are stated at the year-end rates. Forward exchange contracts entered into to hedge the foreign currency risk of existing assets and liabilities are also translated at the year end exchange rates. Exchange gains / losses are recognized in the Statement of Profit and Loss except for exchange differences arising on reporting of long-term foreign currency monetary liability at the rates prevailing on balance sheet date on account of option exercised by the Company as per Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates. The premium / discount on forward exchange contracts is amortised over the life of the contract.

h) **Revenue Recognition :**

Sale of goods is recognized when the risks and rewards of ownership are passed on to the customers, which is generally on dispatch. Export sales are accounted for on the basis of date of bill of lading. Sales are net of returns and sales tax.

Interest income is recognised on the time proportion method.

Dividend income on investments is accounted for when the right to receive the income is established.

i) **Research and Development Expenditure :**

Revenue expenditure on research and development is charged to the Statement of Profit and Loss in the year in which it is incurred.

j) **Export Incentives :**

Export incentives receivable under various schemes are accounted for on accrual basis as on the date of bill of lading to the extent the management is certain of income.

k) **Government Grants :**

Government grants are recognized when there is reasonable assurance that the same will be received. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets.

l) **Employee Benefits :**

Employee benefits comprise payments under defined contribution plans like provident fund and family pension. Payments under defined contribution plans are charged to the Statement of Profit and Loss. The liability in respect of defined benefit schemes like gratuity on retirement is provided on the basis of actuarial valuation at the end of each year. The liability for retirement gratuity is funded through a trust created for the purpose. Other long term liabilities such as leave encashment benefit are provided on actuarial valuation.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

m) Taxes on income :

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period as the related revenue and expenses arise. Minimum alternate tax (MAT) credit entitlement is recognized as an asset for the expected entitlement of credit in future only to the extent management is virtually certain as to the sufficiency of future tax liability against which the assets can be realized.

Deferred tax assets and liabilities are recognised for the expected future tax consequences attributable to timing differences between the taxable income and accounting income for a period. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the timing differences are expected to be recovered or settled. The effect of changes in tax rates on deferred tax assets and liabilities will be recognised in the statement of profit and loss in the period of change. Deferred tax assets are recognised only to the extent management is reasonably certain as to the sufficiency of future taxable income against which the tax assets can be realised.

n) Impairment of Assets :

Carrying amount of cash generating units / assets is reviewed at balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

o) Provisions and Contingencies :

A provision is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the same. Provisions are determined based on best estimates required to settle the obligation at the balance sheet date.

Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Where no reliable estimate can be made as to the outcome of an event, a disclosure is made as contingent liability. Contingent assets are not recognised in the accounts.

p) Derivative Financial Instrument and Hedging :

The Company enters into derivative financial instruments to hedge foreign currency risk of firm commitments and highly probable forecast transactions and interest rate risk. The method of recognising the resultant gain or loss depends on whether the derivative is designated as a hedging instrument and if so the nature of item being hedged. The carrying amount of derivative designated as hedge is mark to market. The Company does not enter into any derivatives for trading purpose.

q) Cash Flow Hedge :

Forwards exchange contracts entered into to hedge foreign currency risk of firm commitments or highly probable future forecast transactions and interest rate swaps, that qualify as cash flow hedges are recorded in accordance with the principles of hedge accounting enunciated in the Guidance Note on Accounting for Derivative Contracts as issued by The Institute of Chartered Accountants of India. The gains and losses on designated hedging instruments that qualify as effective hedges are recorded in Hedging Reserve and are recorded in Statement of Profit and Loss in the same period or periods during which the hedged transactions affect the Statement of Profit and Loss. Gains or losses on ineffective hedged transactions are immediately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gains or losses that were previously recognised in the Hedging Reserve are transferred to Statement of Profit and Loss immediately.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

r) Earnings Per Share :

Basic earnings per share is computed using the weighted average number of common shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year, except where the results would be anti-dilutive.

	As at 31st March, 2016 Rs. '000	As at 31st March, 2015 Rs. '000
Note 3 : Share Capital		
(a) AUTHORISED SHARE CAPITAL :		
4,400,000 (Previous Year : 4,400,000) Equity Shares of Rs.10/- each	44,000	44,000
60,000 (Previous Year : 60,000) 1% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of Rs. 100/- each.	<u>6,000</u>	<u>6,000</u>
	<u>50,000</u>	<u>50,000</u>
(b) ISSUED, SUBSCRIBED AND PAID UP CAPITAL :		
2,566,000 (Previous Year : 2,566,000)		
Equity shares of Rs. 10/- each fully paid up	25,660	25,660
59,530 (Previous Year : 59,530) 1% Non-Cumulative, Non-Convertible, Redeemable Preference Shares of Rs. 100/- each fully paid up.	<u>5,953</u>	<u>5,953</u>
Total Issued, Subscribed and Fully Paid-up Share Capital	<u>31,613</u>	<u>31,613</u>

(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	Rs. in '000	No. of shares	Rs. in '000
At the beginning of the year	2,566,000	25,660	2,566,000	25,660
Issued during the year	-	-	-	-
Outstanding at the end of the year	2,566,000	25,660	2,566,000	25,660

1% Non-Cumulative, Non-Convertible, Redeemable Preference Shares	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	Rs. in '000	No. of shares	Rs. in '000
At the beginning of the year	59,530	5,953	59,530	5,953
Issued during the year	-	-	-	-
Outstanding at the end of the year	59,530	5,953	59,530	5,953

(d) Details of shares held by Holding Company

Out of above, 1,904,510 (Previous Year : 1,904,510) Equity shares and 59,530 (Previous Year : 59,530) 1% Non-Cumulative, Non-Convertible, Redeemable Preference Shares are held by Preferred Brands Foods (India) Private Limited, the immediate Holding Company, the subsidiary of Preferred Brands International Inc., USA, the subsidiary of Kagome Co. Ltd., the Ultimate Holding Company.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

In addition to above, 300 (Previous Year: Nil) equity shares are held by Kagome Co. Ltd., the Ultimate Holding Company w.e.f. February 17, 2016 pursuant to acquisition of shares during Open Offer made in April 2015.

(e) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	% holding	No. of shares	% holding	No. of shares
Preferred Brands Foods (India) Private Limited	74.22	1,904,510	74.22	1,904,510
K. Swapna	5.77	147,972	6.15	157,900

(f) Terms attached to Equity Shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(g) Rights, Preferences and Restrictions attaching to each class of shares including restrictions on the distribution of dividends and repayment of capital.

1% Non-Cumulative, Non-Convertible, Redeemable Preference Shares are redeemable on or before August 31, 2018 at a premium of Rs.1,950 per share. The preference shareholder reserves the right to demand for redemption of preference shares during the period upto 31st August, 2018.

	As at <u>31st March, 2016</u> Rs. '000	As at <u>31st March, 2015</u> Rs. '000
Note 4 : Reserves and Surplus		
(a) Securities Premium Account	9,475	9,475
(b) Capital Reserve	5,734	5,734
(c) Reserve for Premium of Preference Share Capital	116,083	116,083
(d) Cash Flow Hedge Reserve		
Addition during the year	5,994	—
(e) Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	284,566	182,000
Add : Transferred from Statement of Profit and Loss	161,199	107,937
Less: Carrying value recognised in opening balance where remaining useful life of assets is 'Nil' as per Schedule II to the Act (net of deferred tax)	—	2,220
Less : Appropriations		
Proposed Dividend on Equity Shares	5,132	2,566
Dividend on Redeemable Preference Shares	60	60
Tax on dividend	1,057	525
Net surplus in the statement of profit and loss	<u>439,516</u>	<u>284,566</u>
Total Reserves and Surplus	<u>576,802</u>	<u>415,858</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	As at 31st March, 2016	As at 31st March, 2015
	Rs. '000	Rs. '000
Note 5 : Long-Term Borrowings		
(a) Secured Loans		
Term Loans		
- from Banks (refer note 'c' below)	-	202,902
- from Related Parties (refer note 'd' below)	-	9,350
(b) Unsecured Loans		
- from Banks (refer note 'e' below)	<u>197,435</u>	<u>-</u>
Total Long-Term Borrowings	<u>197,435</u>	<u>212,252</u>

(c) During the previous year, the Company had replaced external commercial borrowing ('ECB') taken from financial institution by Foreign Currency Term Loan ('FCTL') taken from Bank. Such replacement of ECB has been approved by the Reserve Bank of India vide its letter No. FED.CO.ECBD/8765/03.02.755/2014-15 dated December 1, 2014. The FCTL was secured by way of first priority charge over all present and future current assets and movable fixed assets of the Company. FCTL was collaterally secured by present and future immovable properties and corporate guarantee issued by Preferred Brands International Inc., the Holding Company ('PBI') and personal guarantees of directors of Preferred Brands Foods (India) Private Limited, the Immediate Holding Company. FCTL carried interest at 6 months LIBOR plus 425 bps per annum. The loan was repayable in 8 years by way of quarterly instalments commencing from June 2015.

(d) Term loan from related party has been taken from Preferred Brands International Inc. USA, (PBI). ECB is secured by way of first priority charge and mortgage over all present and future movable and immovable properties, tangible and intangible properties except for current assets and fixed assets acquired out of the loans taken from banks.

The Company has been sanctioned ECB of USD 1,000 thousand by PBI in the year 2008-2009 for modernization and up-gradation of existing manufacturing facility. The Company has received the RBI approval ref. FED.CO.ECBD/13748/03.02.766/2008-09 dated November 17, 2008. The loan carried interest at LIBOR plus 2%. As per the terms of the loan agreement, the loan is repayable at any time after the third anniversary of the date of first disbursement upon the written demand by the lender. In absence of a written demand, the Company has to repay the principal sum in twenty equal installments of USD 50 thousand each on quarterly basis commencing from March 31, 2012. As on March 31, 2016, balance outstanding is USD 150 Thousand. Since these are payable within a year, the same is classified as Short Term Borrowings.

(e) During the year, the Company has replaced FCTL taken from Bank by ECB taken from another Bank. Replacement of ECB has been approved by the Reserve Bank of India vide its letter No. FED.CO.ECBD/8388/03.02.766/2015-16 dated January 22, 2016. ECB carries interest at 3 months LIBOR plus 0.90 bps per annum. The loan is repayable in 8 years by way of quarterly equal instalments commencing from June, 2016. This ECB is unsecured.

(f) There is no default as on 31st March, 2016 and as on 31st March, 2015 in repayment of principal and interest.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	As at <u>31st March, 2016</u> Rs. '000	As at 31st March, 2015 Rs. '000
Note 6 : Deferred Tax Liabilities		
In accordance with Accounting Standard 22 on Accounting for Taxes on Income, the Company has made adjustments in its accounts for deferred tax liabilities / assets. The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are:		
Deferred Tax Liability		
Depreciation on fixed assets	51,727	51,296
Deferred Tax Asset		
Provision for employee benefits	9,851	6,666
Others	2,153	4,230
Deferred Tax Liabilities (Net)	<u>39,723</u>	<u>40,400</u>
Note 7 : Other Long-Term Liabilities		
Derivative Liabilities	2,161	-
Total Long-Term Liabilities	<u>2,161</u>	<u>-</u>
Note 8 : Long-Term Provisions		
Provision for Employee Benefits (Refer note no. 28)		
- Gratuity	13,785	4,599
- Leave Encashment	9,375	6,844
Total Long-Term Provisions	<u>23,160</u>	<u>11,443</u>
Note 9 : Short Term Borrowings		
Secured Loans		
Working Capital Loans repayable on demand from banks		
Cash Credit	155,168	171,577
Unsecured Loans		
Working Capital Loans repayable on demand from banks		
Cash Credit	13,234	-
Total Short Term Borrowings	<u>168,402</u>	<u>171,577</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

- (a) Secured loans have been taken from two banks. "Cash credit from one bank are secured by first pari passu hypothecation charge on present and future current assets of the company. Cash credits are collaterally secured by hypothecation of second pari passu charge on movable fixed assets of the Company both present and future, negative lien over land and buildings of the Company and corporate guarantee of Preferred Brands International Inc., the Holding Company. Cash credit include facilities of working capital demand loan, pre and post shipment credit, export packing credit, Letter of Credit and Buyers credit." Cash credit from another bank is secured by way of first priority charge over all present and future current assets and movable fixed assets of the Company and collaterally secured by present and future immovable properties and corporate guarantee issued by Preferred Brands International Inc., the Holding Company and personal guarantees of directors of Preferred Brands Foods (India) Private Limited, the Holding Company. Cash credit include facilities of Export packing credit, Packing credit in foreign currency, Foreign bill discounting, Letter of credit, Buyers Credit, Bank Guarantee.
- (b) Unsecured loan is taken from Bank during the current year. The said facility was obtained in the form of overdraft, working capital demand loans, export credit facility. Packing credit on demand carries interest rate of LIBOR plus 40 bps p.a. Overdraft facility carries interest rate of base rate + 3% p.a. (presently base rate is 7.60% p.a.).
- (c) There is no default as on 31st March, 2016 and as on 31st March, 2015 in repayment of principal and interest.

	As at	As at
	31st March, 2016	31st March, 2015
	Rs. '000	Rs. '000

Note 10 : Trade Payables

(a) Trade Payables		
(A) Total outstanding dues of micro enterprises and small enterprises	—	—
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	195,874	168,711
Total Trade Payables	195,874	168,711



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

- (b) Micro and Small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Trade payables include total outstanding dues of micro enterprises and small enterprises amounting to Rs. NIL (Previous Year: Rs.NIL). The disclosures pursuant to MSMED Act based on the books of account are as under:

Dues remaining unpaid		
Principal	Nil	Nil
Interest	Nil	Nil
Interest paid in terms of Section 16 of MSMED Act	Nil	Nil
Amount of payments made to supplier beyond the appointed day	Nil	Nil
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year without adding interest specified under MSMED Act	Nil	Nil
Amount of interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act	Nil	Nil

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	As at <u>31st March, 2016</u>	As at <u>31st March, 2015</u>
	Rs. '000	Rs. '000
Note 11 : Other Current Liabilities		
(a) Current maturities of long term borrowings (Refer Note no. 5)	38,130	51,115
(b) Interest accrued but not due on borrowings	206	420
(c) Unpaid dividends	519	431
(d) Payables for fixed assets	7,489	374
(e) Other payables		
- Statutory dues payable	3,197	1,634
- Employee dues payable	5,737	4,160
- Advance from Customers	-	340
- Others	7,305	1,380
Total Other Current Liabilities	<u>62,583</u>	<u>59,854</u>

Note 12 : Short-Term Provisions

(a) Provision for Employee Benefits (Also refer note no. 28)		
- Gratuity	3,036	3,820
- Leave Encashment	2,150	1,382
(b) Provision for Taxation	-	5,120
(c) Provision for Mark to Market Losses on Derivatives	-	1,452
(d) Proposed Dividend on Equity Shares	5,132	2,566
(e) Proposed Dividend on Redeemable Preference Shares	60	60
(f) Tax on Dividend	1,057	525
Total Short-Term Provisions	<u>11,435</u>	<u>14,925</u>

(g) Movement in provisions is as follows:

i) Provision for Mark to Market Losses on Derivatives

Balance at the beginning of the year	1,452	1,956
Additions during the year	-	1,452
Utilisation / reversal during the year	1,452	1,956
Balance at the end of the year	-	1,452

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

Note 13 : Tangible Assets

Rs. '000

ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	As at 1st April 2015	Additions	Adjustments	Deductions	As at 31st March 2016	Upto 31st March 2015	For the Year	On Deductions	Transfer to Retained earning	Upto 31st March 2016	As at 31st March 2016	As at 31st March 2015
Freehold Land	1,364	—	—	—	1,364	—	—	—	—	—	1,364	1,364
Buildings	165,188	5,735	2,454	1,064	172,313	32,573	8,348	512	—	40,409	131,904	132,615
Plant and Machinery	630,399	40,104	12,995	2,787	680,711	189,975	56,951	1,631	—	245,295	435,416	440,424
Office Equipment	7,663	2,124	82	55	9,814	4,580	1,186	55	—	5,711	4,103	3,083
Computers	8,780	719	2	394	9,107	7,227	790	394	—	7,623	1,484	1,553
Furniture and Fixtures	12,745	5,608	92	—	18,445	5,777	1,195	—	—	6,972	11,473	6,968
Vehicles	75	—	—	—	75	62	5	—	—	67	8	13
Electrical Installations	29,452	4,220	270	—	33,942	9,559	4,688	—	—	14,247	19,695	19,893
Laboratory Equipments	3,908	601	—	—	4,509	947	462	—	—	1,409	3,100	2,961
Leasehold Improvements	—	3,990	—	—	3,990	—	131	—	—	131	3,859	—
TOTAL	859,574	63,101	15,895	4,300	934,270	250,700	73,756	2,592	—	321,864	612,406	608,874
Previous Year	815,376	34,094	11,399	1,295	859,574	179,817	68,525	928	3,286	250,700		

- (a) Adjustments include exchange differences arising on reporting of long-term foreign currency monetary liability on account of option exercised by the Company as per Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates.
- (b) Depreciation charged to the statement of profit and loss for the year on availment of above option is Rs.7,949 thousand (Previous Year: Rs.6,086 thousand).
- (c) Amount of foreign exchange remaining to be amortised as at March 31, 2016 is Rs.63,297 thousand (Previous Year: Rs.55,349 thousand).

Note 14 : Intangible Assets

Rs. '000

ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April 2015	Additions	Deductions	As at 31st March 2016	Upto 1st April 2015	For the Year	On Deductions	Upto 31st March 2016	As at 31st March 2016	As at 31st March 2015
Computer Softwares	3,741	361	—	4,102	3,741	19	—	3,760	342	—
TOTAL	3,741	361	—	4,102	3,741	19	—	3,760	342	—
Previous year	3,741	—	—	3,741	3,581	160	—	3,741		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	As at 31st March, 2016	As at 31st March, 2015
	Rs. '000	Rs. '000
Note 15 : Long-Term Loans and Advances		
(Unsecured, considered good unless otherwise stated)		
(a) Security Deposits		
- Considered Good	3,766	4,447
- Considered Doubtful	2,357	2,357
(b) Capital Advances	7,446	77
(c) Prepaid Expenses	1,099	1,198
(d) Advance to suppliers		
- Considered Doubtful	930	2,195
(e) Advance taxes	3,942	-
(f) Less: Provision for doubtful receivables and advances	3,287	4,552
Total Long-Term Loans and Advances	<u>16,253</u>	<u>5,722</u>

Note 16 : Other Non-current Assets

(Unsecured)

Trade Receivables

(a) Outstanding for a period exceeding 6 months from the date they are due for payment		
- Considered doubtful	646	907
(b) Less : Provision for doubtful debts	646	907
Total Other Non-Current Assets	<u>-</u>	<u>-</u>

Note 17 : Current Investments

At Cost

Investment in Mutual Funds

Unquoted

78,470.542 (Previous Year: 38,872.397) units of Birla

Sun Life Cash Plus - Growth - Direct Plan

Total Current Investments

Aggregate amount of unquoted investments

19,000	8,500
<u>19,000</u>	<u>8,500</u>
19,000	8,500



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	As at 31st March, 2016 Rs. '000	As at 31st March, 2015 Rs. '000
Note 18 : Inventories		
(a) Raw Material	92,461	53,453
(b) Stores and Spares	5,171	2,646
(c) Packing Material	32,022	36,802
(d) Work in Progress	27,539	17,688
(e) Finished Goods		
- Finished Goods on hand	20,091	29,883
- Finished Goods in transit	12,893	—
Total Inventories	190,177	140,472
(f) Details of inventory		
(i) Finished Goods		
- Ready to Serve	19,187	10,811
- Frozen Formed Products	6,875	13,077
- Sauces	6,922	5,995
	<u>32,984</u>	<u>29,883</u>
(ii) Work in Progress		
- Ready to Serve	22,485	15,610
- Frozen Formed Products	760	800
- Sauces	4,294	1,278
	<u>27,539</u>	<u>17,688</u>
Note 19 : Trade Receivables		
(Unsecured, considered good)		
(a) Outstanding for a period exceeding 6 months from the date they are due for payment		
- Considered good	51	—
(b) Others		
- Considered good	233,167	180,979
Total Trade Receivables	233,218	180,979

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	As at 31st March, 2016	As at 31st March, 2015
	Rs. '000	Rs. '000
Note 20 : Cash and Bank Balances		
(a) Cash and Cash Equivalents		
(i) Cash on hand	180	99
(ii) Balances with banks	43,995	35,332
	<u>44,175</u>	<u>35,431</u>
(b) Other Bank Balances		
(i) Margin Money	1,800	1,800
(ii) Deposits with bank held as lien	–	889
(iii) Deposits with more than three months maturity but less than twelve months maturity	26,451	23,175
	<u>28,251</u>	<u>25,864</u>
(c) Earmarked Balances with Banks	519	431
Total Cash and Bank Balances	<u><u>72,945</u></u>	<u><u>61,726</u></u>

Note 21 : Short-term Loans and Advances

(Unsecured, considered good unless otherwise stated)

(a) Balances with Government Authorities	43,474	33,041
(b) Prepaid expenses	3,385	2,138
(c) Export Incentives Receivables	101,857	78,540
(d) Employee Advances	255	221
(e) Loans and Advances due by Directors	–	12
(f) Advance to suppliers	4,248	4,389
Total Short-Term Loans and Advances	<u><u>153,219</u></u>	<u><u>118,341</u></u>

Note 22 : Other Current Assets

Derivative asset	8,155	–
Assets Held for Disposal (at cost or net realizable value whichever is lower)	–	240
Interest accrued on deposits	932	816
Others	762	155
Total Other Current Assets	<u><u>9,849</u></u>	<u><u>1,211</u></u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Year ending <u>31st March, 2016</u>	Year ending <u>31st March, 2015</u>
	Rs. '000	Rs. '000
Note 23 : Revenue from Operations		
(a) Sales (Gross)	1,972,244	1,680,155
Less : Excise Duty	13,286	12,656
Total Revenue from Operations	<u>1,958,958</u>	<u>1,667,499</u>
(b) Details of sales		
Finished Goods		
- Ready to Serve	1,307,809	1,078,151
- Frozen Formed Products	336,063	360,851
- Sauces	313,168	225,764
Others	1,918	2,733
	<u>1,958,958</u>	<u>1,667,499</u>
Note 24 : Other Operating Income		
Export Incentives	119,386	97,552
Scrap Sales	4,866	3,491
Total Other Operating Income	<u>124,252</u>	<u>101,043</u>
Note 25 : Other Incomes		
(a) Interest		
- on Bank Deposits	2,364	2,127
- on Others	559	399
(b) Gain on Foreign Exchange (Net)	-	10,291
(c) Gain on Sale of Investments	511	-
(d) Sundry Balances Written Back	576	-
(e) Miscellenoues Income	403	213
Total Other Income	<u>4,413</u>	<u>13,030</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Year ending 31st March, 2016 Rs. '000	Year ending 31st March, 2015 Rs. '000
Note 26 : Cost of raw materials / packaging materials consumed		
(a) Opening Stock	90,255	92,349
(b) Purchases (Net)	<u>1,281,788</u>	<u>1,065,266</u>
	1,372,043	1,157,615
(c) Less : Closing Stock	<u>124,483</u>	<u>90,255</u>
Total Cost of raw materials / packaging materials consumed	<u>1,247,560</u>	<u>1,067,360</u>

Note 27 : Changes in inventories of finished goods and work-in-progress

(a) Opening Stock of :		
Finished Goods	29,883	32,182
Work in Progress	<u>17,688</u>	<u>14,238</u>
	<u>47,571</u>	<u>46,420</u>
(b) Closing Stock of :		
Finished Goods	32,984	29,883
Work in Progress	<u>27,539</u>	<u>17,688</u>
	<u>60,523</u>	<u>47,571</u>
Total Changes in inventories of finished goods and work-in-progress	<u>(12,952)</u>	<u>(1,151)</u>

Note 28 : Employee Benefit Expenses

(a) Salaries, Wages, Bonus and Gratuity	132,427	110,767
(b) Contribution to Provident and Other Funds	7,267	6,130
(c) Labour cost	68,812	56,411
(d) Workmen and Staff Welfare Expenses	<u>3,587</u>	<u>3,811</u>
Total Employee Benefit Expenses	<u>212,093</u>	<u>177,119</u>

(e) **Defined Contribution Plan:**

Contribution to defined contribution plans includes contribution to provident fund and are recognized as expense for the year.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

(f) **Defined Benefit Plan :**

The amounts recognized in the Company's financial statements as at the year end as per the certificate issued by actuary in respect of gratuity are as under:

	Year ending 31st March, 2016	Year ending 31st March, 2015
	Rs. '000	Rs. '000
Change in Present Value of Obligation		
Present value of the obligation at the beginning of the year	20,993	16,646
Current Service Cost	2,247	1,148
Interest Cost	1,682	1,546
Contribution by Plan Participants	-	-
Actuarial (Gain) / Loss on Obligation	5,365	2,541
Foreign Currency exchange rate changes	-	-
Benefits Paid	(306)	(888)
Past Service Cost	-	-
Amalgamations/ Curtailments/ Settlements	-	-
Present value of the obligation at the end of the year	29,981	20,993
Change in Plan Assets		
Fair value of Plan Assets at the beginning of the year	12,574	10,402
Expected return on Plan Assets	1,007	905
Actuarial Gain / (Loss) on Plan Assets	(421)	1,267
Foreign Currency exchange rate changes	-	-
Contributions by the Employer	-	-
Contributions by Plan Participants	-	-
Benefits Paid	-	-
Amalgamations/ Settlements	-	-
Fair value of Plan Assets at the end of the year	13,160	12,574
Amounts Recognized in the Balance Sheet:		
Present value of Obligation at the end of the year	29,981	20,993
Unrecognized Past Service Cost	-	-
Fair value of Plan Assets at the end of the year	13,160	12,574
Net Obligation at the end of the year	16,821	8,419
Amounts Recognized in the statement of Profit and Loss:		
Current Service Cost	2,247	1,148
Interest cost on Obligation	1,682	1,546
Expected return on Plan Assets	(1,007)	(905)
Expected return on Reimbursement Right recognised as an asset	-	-
Net Actuarial (Gain) / Loss recognised in the year	5,786	1,274
Past Service Cost	-	-
Effect of Curtailment or Settlement	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Year ending 31st March, 2016	Year ending 31st March, 2015
	Rs. '000	Rs. '000
Expenses recognized in the statement of profit and loss	8,708	3,063
Actual return on Plan Assets	587	2,172
Actuarial Assumptions:		
Discount Rate	7.80%	7.99%
Expected Rate of Return on Plan Assets	8.00%	7.99%
Salary Escalation Rate	7.50%	7.50%
Employee Turnover	10.50%	10.50%
	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Mortality		

Note :

- (i) The estimates of future salary increases, considered in actuarial valuation, have been done on the basis of current salary suitably projected for future taking into consideration the general trend in inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.
 - (ii) The discounting rate is considered based on government securities having the term, which is consistent with the expected future service based on the average age.
 - (iii) Plan assets are insurer managed fund.
- (g) The liability for leave encashment as at the year end is Rs. 11,525 thousand (Previous Year: Rs.8,226 thousand).

	Year ending 31st March, 2016	Year ending 31st March, 2015
	Rs. '000	Rs. '000

Note 29 : Interest and Finance Cost

(a) Interest		
- Long Term Borrowings from Banks	11,341	420
- Long Term Borrowings from Others	454	9,627
- Short Term Borrowings from Banks	4,811	6,538
- Interest on Income Tax	980	1,742
- Others	341	2
(b) Other Finance Cost	6,080	9,424
Total Interest and Finance Costs	24,007	27,753

Note 30 : Depreciation and Amortisation Expenses

(a) Depreciation on tangible assets	73,756	68,525
(b) Depreciation on intangible assets	19	160
Total Depreciation and Amortisation Expenses	73,775	68,685



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Year ending 31st March, 2016	Year ending 31st March, 2015
	Rs. '000	Rs. '000
Note 31 : Other Expenses		
(a) Stores, Spares and Consumables	26,908	25,003
(b) Power and Fuel	61,546	58,473
(c) Corporate Social Responsibility Expenses	3,068	–
(d) Repairs and Maintenance:		
- Plant and Machinery	8,457	6,302
- Buildings	3,451	5,817
- Others	1,876	1,221
(e) Rent, Rates and Taxes	8,765	8,193
(f) Telephone and Postage	4,183	3,577
(g) Travelling and Conveyance	15,395	11,882
(h) Legal and Professional Charges	17,218	12,348
(i) Printing and Stationary	6,517	5,997
(j) Insurance	3,599	4,172
(k) Freight	97,819	1,07,492
(l) Selling Expenses	1,557	791
(m) Bad Debts Written Off	691	504
(n) Provision for Doubtful Debts / (Reversal)	(261)	526
(o) Provision for Doubtful Advances / (Reversal)	(1,265)	(2,675)
(p) Loss on Fixed Assets Sold / Written Off (Net)	1,246	207
(q) Loss on Foreign Exchange (Net)	4,032	–
(r) Provision for Mark to Market Loss on Derivatives	–	1,452
(s) Auditor's Remuneration (Refer note. 44)	1,807	1,344
(t) Miscellaneous Expenses	30,817	23,975
(u) Prior Period Expenses	–	184
Total Other Expenses	297,426	2,76,785
 (v) Prior period expenses include		
- Short / non provision for expenses	–	184
	–	184

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Year ending 31st March, 2016 Rs. '000	Year ending 31st March, 2015 Rs. '000
Note 32 : Contingent Liabilities		
(a) Sales Tax demands disputed by the Company and under appeal	930	930
(b) Service tax demand disputed by the Company and under appeal	–	2,716
(c) Income tax liability towards additions / disallowances under dispute	115,807	88,254
(d) Excise duty demand contested by the Company	3,110	–
(e) Labour case disputed by the Company under appeal	92	–

The amounts included above, represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible liabilities are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately.

Note 33 : Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for **Rs.29,978 thousand** (Previous Year: Rs. 1409 thousand)

Note 34 : Derivative Contracts

Interest Rate Swap Contracts

Particulars	Current Year
Total No. of contracts outstanding	1
Principal Notional Amount (USD in Thousands)	3,410
Amount recognized in hedging reserve (loss)/gain INR in thousands)	(2,161)
Maturity Period	8 Years

Forward Contracts

Particulars	Current Year
Total No. of contracts outstanding	84
Principal Notional Amount (USD in Thousands)	6,305
Amount recognized in hedging reserve (loss)/gain INR in thousands)	8,155
Maturity Period	Upto 1 Year



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

Note 35 : With the issue of the Guidance Note on Accounting for Derivative Contracts by The Institute of Chartered Accountants of India, the Company has refined its accounting policy with regards to Accounting for Derivative Contract from mark to market through the Statement of Profit and Loss to Cash Flow Hedge Accounting during the current year.

Accordingly, the mark to market gain / loss has been accounted for in Cash Flow Hedge Reserve. Consequent to this change, the impact on profit for the year is Nil.

Note 36 : In the opinion of the Board, all current assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known liabilities and doubtful assets have been made as at the year end.

Note 37 : Related Party Disclosures

(a) Relationships :

(i) HOLDING COMPANY

Preferred Brands Foods (India) Private Limited

Preferred Brands International, Inc. USA (Holding company of Preferred Brands Foods (India) Private Limited)

(ii) ULTIMATE HOLDING COMPANY

Kagome Co Ltd (with effect from May 18, 2015)

ASG OMNI L.L.C. (upto May 17, 2015)

(iii) FELLOW SUBSIDIARY

Preferred Brands Australia Pty. Ltd.

ASG Omni India Private Limited

Preferred Brands UK Ltd. (with effect from June 2, 2015)

Kagome Australia Pty. Ltd

(iv) KEY MANAGEMENT PERSONNEL

Mr. Ravi Nigam - Managing Director

Mr. Sohel Shikari - Alternate Director

Ms. Minal Talwar - Company Secretary

(v) RELATIVES OF KEY MANAGEMENT PERSONNEL

Mrs. Ruby Nigam

Mrs. Reshma Shikari

(vi) ENTERPRISE WHICH EXERCISES SIGNIFICANT INFLUENCE

ASG OMNI L.L.C. (with effect from May 18, 2015)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

- (b) Following transactions were carried out with the related parties in the ordinary course of business:
 (i) Details Relating to parties referred to in items (a) (i), (ii) and (iii) above (Rupees in Thousand):

Sr. No.	Particulars	Preferred Brands Foods (India) Private Limited		Preferred Brands International, Inc. USA		Preferred Brands Australia Pty. Ltd.		ASG Omni India Private Limited		Kagome Company Limited		Kagome Foods Australia Pty. Ltd.	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Sales	-	-	1,277,713	1,016,507	28,567	39,310	-	-	-	-	-	-
2	Purchases	-	-	-	-	-	-	-	-	-	-	1,922	-
3	Expenses Charged to Other Companies	20	-	4,014	3,140	48	1,335	-	-	2,192	-	-	-
4	Expenses Charged by Other Companies	-	-	721	-	511	-	-	-	-	-	-	-
5	Interest on Loan Taken	-	-	454	1,640	-	-	-	-	-	-	-	-
6	Advance given on behalf of the Company	-	76	-	-	-	-	-	-	-	-	-	-
7	Dividend paid	1,964	1,964	-	-	-	-	-	-	-	-	-	-
8	Write back of balances	-	-	-	-	-	-	215	-	-	-	-	-
9	Outstanding receivables net of payables	-	-	137,208	110,080	2,364	4,598	-	(215)	508	-	-	-
10	Loan Outstanding	-	-	9,926	21,817	-	-	-	-	-	-	-	-

- (ii) Details Relating to parties referred to in items (a) (iv) and (v) above (Rupees in Thousand):

Sr. No.	Particulars	Ravi Nigam		Sohel Shikari		Minal Talwar		Mrs. Ruby Nigam		Mrs. Reshma Shikari	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Remuneration	7,857	6,558	7,665	6,046	794	615	-	-	-	-
2	Receiving of Services	-	-	-	-	-	-	-	240	-	240



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

Note 38 : Segment Reporting

Disclosure requirements in respect of 'Accounting Standard 17 – Segment Reporting' are as under :

(a) Information about Primary Segments

The Company has a single business segment 'Prepared Foods' in accordance with the criteria for identification of reportable segment specified in the said standard.

(b) Information about Secondary Segments

The Company has identified following geographical segments as secondary reportable segments (Rupees in Thousand) :

Particulars	India		Outside India		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Revenue	778,360	703,216	1,309,263	1,078,356	2,087,623	1,781,572
Carrying amount of segment assets	1,158,508	1,009,152	150,680	117,482	1,309,188	1,126,634
Capital Expenditure	64,433	29,093	–	–	64,505	29,093

(c) Revenue within India includes sales to customers located within India and earnings in India. Revenue outside India includes sales to customers located outside India and earnings outside India

(d) Carrying amount of segment assets are determined by geographical location of assets in India and outside India.

(e) Capital expenditure includes cost incurred during the year to acquire the tangible and intangible fixed assets by geographical location of assets in India and outside India

Note 39 : Consumption of materials and stores

Item	Year ended 31st March, 2016		Year ended 31st March, 2015	
	Rs. '000	%	Rs. '000	%
a) Raw Materials and Packing Material				
- Imported	258,122	21%	202,798	19%
- Indigenous	989,438	79%	864,562	81%
	1,247,560	100%	1,067,360	100%
b) Stores and Spare Parts				
- Imported	2,108	8%	2,985	12%
- Indigenous	24,800	92%	22,018	88%
TOTAL	26,908	100%	25,003	100%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Year ending 31st March, 2016	Year ending 31st March, 2015
	Rs. '000	Rs. '000
Note 40 : Value of imports on C.I.F. basis		
a) Raw Materials and Packing Materials	207,800	167,914
b) Plant and Machinery	17,437	11,940
c) Stores and Spares	3,596	3,448
TOTAL	<u>228,833</u>	<u>183,302</u>

Note 41 : Expenditure in foreign currency

a) Travel	2,492	826
b) Interest	661	10,047
c) Professional fees	1,357	994
d) Others	993	552
TOTAL	<u>5,503</u>	<u>12,419</u>

Note 42 : Earnings in foreign currency

a) F.O.B. Value of Exports	1,226,478	997,429
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Note 43 : Proposed Dividend

a) On Equity Shares of Rs. 10 each		
Amount of Dividend Proposed	5,132	2,566
Dividend Per Equity Share	Re 2 per share	Re 1 per share
b) On Preference Shares of Rs. 100 each		
Amount of Dividend Proposed	60	60
Dividend Per Preference Share	Re 1 per share	Re 1 per share
c) There are no arrears of dividends relating to preference shares.		

Note 44 : Amounts paid to Auditors (Excluding Service Tax)

(A) Statutory Auditors		
a) Audit Fees	847	770
b) Audit under other statutes	165	165
c) Certificates	633	375
d) Out of Pocket Expenses	162	34
TOTAL	<u>1,807</u>	<u>1,344</u>



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

	Year ending <u>31st March, 2016</u>	Year ending <u>31st March, 2015</u>
	Rs. '000	Rs. '000

Note 45 : Leases

The Company has operating leases for office space which will expire over next 1-5 years. The total of future minimum lease payments under non-cancelable operating leases:

a) Not later than one year	6,000	-
b) Later than one year and not later than five years	9,450	-
c) Later than five years	-	-

Note 46 : Earnings per Share

Net Profit as per the Statement of Profit and Loss	161,199	107,937
Less: Preference share dividend (including dividend distribution tax)	72	71
Amount available for Equity shareholders	161,127	107,866
Weighted Average No. of Equity shares outstanding	2,566,000	2,566,000
Earning per share - Basic and Diluted (Rs.)	62.79	42.04
Face Value per Equity Share (Rs.)	10	10

Note 47 : Corporate Social Responsibility

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having net worth of Rs 500 crore or more, or turnover of Rs.1000 crore or more or a net profit of Rs. 5 crore or more during any financial year shall ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to the Company. The financial details as sought by the Companies Act, 2013 are as follows:

Gross amount required to be spent by the Company during the year Rs. 2,004 thousand (Previous Year: Rs.1,032 thousand).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

Amount spent during the current year towards corporate social responsibility for the current year and previous year are as under:

Rs. '000

		In Cash	Yet to be paid	Total
(i)	Construction/acquisition of any asset			
(ii)	On purposes other than (i) above	1,150 *	1,918 **	3,068

* Expenditure in form of food relief and not in cash.

** Expenditure booked in the current year, however actual payment made in May, 2016 on account of pending documentation.

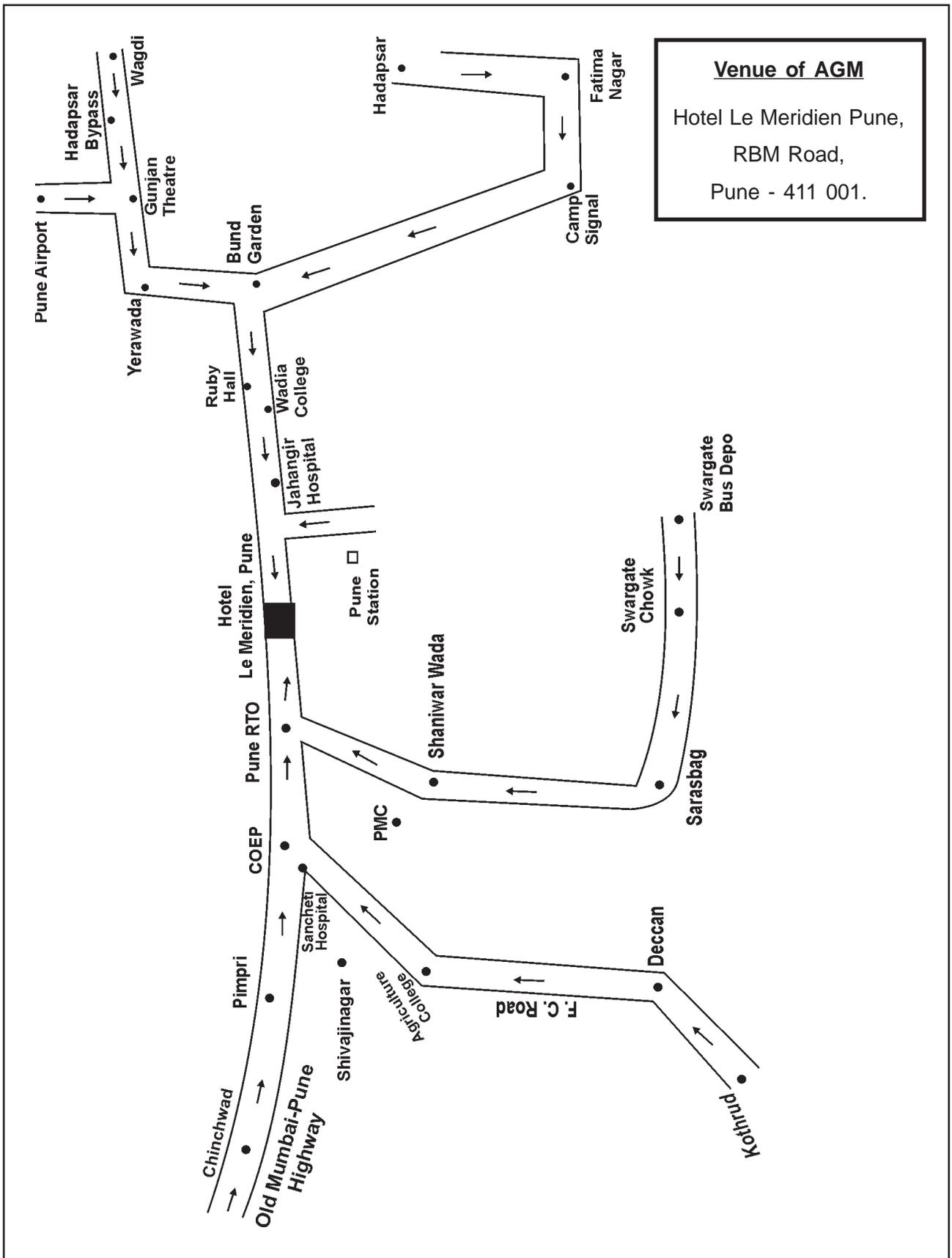
Note 48 : Research and Development Expenditure

The Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India has recognized Tasty Bite Research Center ('TBRC') as an "In-house R&D facility" with effect from June 21, 2011. The Department has granted approval to TBRC upto March 31, 2016 for the purpose of section 35 (2AB) of the Income Tax Act, 1961. The recognition of TBRC has been renewed with effect from April 1, 2016 till March 31, 2019.

The revenue expenditure amounting to Rs.16,458 thousand (Previous Year: Rs.14,796 thousand) on research and development is charged to the Statement of Profit and Loss. Further, the Company has incurred capital expenditure of Rs.549 thousand (Previous Year: Rs.110 thousand) for research and development facility and is included in company's assets.

Note 49 : Previous Year Figures

'Figures for the previous period have been regrouped / restated wherever necessary.





TASTY BITE EATABLES LIMITED

CIN : L15419PN1985PLC037347

Registered Office: 201-202, Mayfair Towers, Wakdevadi, Shivajinagar, Pune - 411 005

E-mail : info@secretarial.com Website: www.tastybite.co.in

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies(Management and Administration) Rules, 2014]

32nd Annual General Meeting - September 19, 2016

Name of the Member(s)		E-mail id
Registered address		Folio no. / *Client ID * DP ID

* Applicable for Investors holding shares in electronic form.

I/ We being the Member(s) ofshares of the above named Company, hereby appoint:

-ofhaving e-mail id:.....or failing him
-of having e-mail id:.....or failing him
-ofhaving e-mail id:.....or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 32nd Annual General Meeting of the Company, to be held on Monday, September 19, 2016 at 11.00 a.m. at Hotel Le Meridien Pune, RBM Road, Pune - 411 001, and at any adjournment thereof in respect of such Resolutions as are indicated below:

No.	Resolution	Vote *(Optional See Note 2)		
		For	Against	Abstain
ORDINARY BUSINESS:				
1	Adoption of Financial Statements and Report of the Directors and Auditors thereon			
2	Declaration of dividend of Re. 1 per share on 59,530 1% Non-Cumulative, Non-Convertible Redeemable Preference shares of Rs. 100/- each for the Financial Year 2015-16			
3	Declaration of dividend of Rs.2 per Equity Share on 25,66,000 Equity shares of Rs. 10 each for the financial year 2015-16			
4	Re-appointment of Mr. Ashok Vasudevan, as Director who retires by rotation			
5	Appointment of Statutory Auditors (M/s Kalyaniwalla & Mistry) and to fix their remuneration			
SPECIAL BUSINESS:				
6	Regularization of Additional Director Mrs. Sucharita Hegde			
7	Appointment of Mrs. SucharitaHegde as an Independent Director for a term of 5 years			
8	Regularization of Additional Director Mr. Masahiro Sumitomo			
9	Re-appointment of Mr. Ravi Nigam as Managing Director for a period of 5 years			
10	Fixation of remuneration of Mr. Ravi Nigam as Managing Director for a period of 3 years			
11	Ratification of remuneration of Mr. Ravi Nigam as Managing Director for a period from April 1, 2016 till July 19, 2016			

Signed this..... day of 2016

Signature of the Member Signature of the Proxy holder(s)

Affix One
Rupee
Revenue
Stamp here

Notes:

- This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.
- A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder





TASTY BITE EATABLES LIMITED

CIN L15419PN1985PLC037347

Registered Office: 201-202, Mayfair Towers, Wakdewadi, Shivajinagar, Pune - 411 005

E-mail info@secretarial.com Website: www.tastybite.co.in

ATTENDANCE SLIP

(32nd Annual General Meeting - September 19, 2016)

Folio no. / Client ID/DP ID:.....

No. of Shares:.....

Name of the Member/ Proxyholder (in BLOCK letters):

.....

I certify that I am a Member / Proxyholder for the Member of the Company.

I hereby record my presence at the 32nd Annual General Meeting of the Company, to be held on Monday, September 19, 2016 at 11.00 a.m. at Hotel Le Meridien Pune, RBM Road, Pune - 411 001

Signature of the Member/Proxyholder

(** Strike out whichever is not applicable.)

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM





Tasty Bite Eatables Limited

201-202, Mayfair Towers, Wakdewadi,
Shivajinagar, Pune, Maharashtra - 411 005

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