

MINUTES OF THE 21ST ANNUAL GENERAL MEETING OF THE MEMBERS OF DFM FOODS LTD. HELD ON THURSDAY, THE 31ST DAY OF JULY, 2014 AT 10.00 A.M. AT AIRFORCE AUDITORIUM, SUBROTO PARK, NEW DELHI - 110 010

PRESENT:

1. Mr. Mohit Jain, Chairman & Managing Director
2. Mr. Rohan Jain, Executive Director
3. Mr. S.C. Nanda, Director
4. Mr. Pradeep Dinodia, Director
5. Mr. Mohit Satyanand, Director
6. 567 shareholders present in person
7. 25 shareholders present by proxy

Mr. Mohit Jain, Chairman & Managing Director of the Company took the chair.

Then the Members of the Company were informed about the sad demise of Chairman Shri R.P. Jain on the 8th November, 2013.

Thereafter, the Directors and Members present in the meeting stood in silence for two minutes to pray to the Almighty for the departed soul.

After ascertaining that the requisite quorum for the meeting was present, the Chairman called the meeting to order and extended a warm welcome to the shareholders present.

Then, the Chairman stated that as required under the provisions of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding maintained pursuant to Section 170 and the Register of Proxies under Section 105 were open and accessible to the members present during the continuance of the meeting.

Then, the suggestion of the Chairman that the notice convening the meeting and Directors' Report may be taken as read was accepted. Thereafter, the Auditors Report to the shareholders of the Company was read.

Further, the Chairman informed the shareholders that Mr. Pradeep Dinodia, Chairman of the Audit Committee was present to answer queries on audit, if any.

Thereafter, the items of agenda as set out in the notice convening the Annual General Meeting were taken up:-

ORDINARY BUSINESS

1. Mr. Chander Mohan (Folio No.26683) proposed and Mrs. Manjula Rani (Folio No.22537) seconded the following resolution:-

“RESOLVED that the audited Balance Sheet as at 31st March, 2014 and Statement of Profit & Loss for the year ended on that date together with the Reports of the Auditors and Directors thereon be and are hereby adopted.”

The Chairman invited the members to offer comments on the working of the Company during the year under review which he would be glad to answer.

Then the Chairman put the resolution to vote and it was passed unanimously by the members.

2. Mr. Rakesh Kumar (Folio No.23394) proposed and Mr. Ashok Kumar Jain (IN30018/ 10230297) seconded the following resolution:-

“RESOLVED that pursuant to the recommendation of the Directors, dividend at the rate of Rs. 2.50 per paid up equity shares of Rs. 10/- each of the Company for the year ended 31st March, 2014 be and is hereby declared and the same be paid, to those shareholders whose names appear on the register of members of the Company as on 14th July, 2014 and that the dividend warrants be posted to those shareholders who are entitled to receive payment.”

The Chairman put the resolution to vote and it was passed unanimously by the members.

3. Mr. Gagan Kumar (Folio No.23434) proposed and Mr. Prem Prakash Goel (Folio No. 27187) seconded the following resolution:-

“RESOLVED that Mr. S.C. Nanda (DIN 00827193), who retires by rotation, being eligible for re-appointment be and is hereby re-appointed as Director of the Company.”

The Chairman put the resolution to vote and it was passed unanimously by the members.

4. Mr. Surendra Kumar (IN300468/10054777) proposed and Mr. Om Parkash (Folio No. 4633) seconded the following resolution:-

“RESOLVED that Mr. Pradeep Dinodia (DIN00027995), who retires by rotation, being eligible for re-appointment be and is hereby re-appointed as Director of the Company.”

The Chairman put the resolution to vote and it was passed unanimously by the members.

5. Mrs. Prabha Seth (Folio No.26681) proposed and Mr. Vimal Jain (IN 300118/10131690) seconded the following ordinary resolution:-

“RESOLVED that, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. Deloitte Haskins & Sells, Chartered Accountants (Regn. No. 015125N), be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting to the conclusion of the fourth consecutive Annual General Meeting (subject to ratification of the reappointment by the members at every Annual General Meeting held after this Annual General Meeting) at such remuneration as may be mutually agreed upon between the Auditors and the Board of Directors of the Company.”

The Chairman put the resolution to vote and it was passed unanimously by the members.

SPECIAL BUSINESS

6. Mr. Rajander Kumar (Folio No. 21782) proposed and Mr. Parveen Kumar Verma (Folio No.10626) seconded the following ordinary resolution:-

“RESOLVED that pursuant to the provisions of Section 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sandeep Singhal (DIN 00040491), who was appointed as an Additional Director of the Company by the Board of Directors and who holds office until the date of AGM and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

The Chairman put the resolution to vote and it was passed unanimously by the members.

7. Mr. Manjit Singh (IN300206/ 10907641) proposed and Mrs. Sarla Devi Goel (Folio No. 21860) seconded the following special resolution:-

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013, approval of the Company be and is hereby accorded to the reappointment of Mr. Mohit Jain (DIN 00079452) as Managing Director of the Company for a period of 5 (five) years w.e.f. 28th February, 2014, on the terms and conditions including remuneration as set out in the draft agreement placed before the meeting and for the purpose of identification initialed by the Chairman of the meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to

include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said reappointment in such manner as may be agreed to between Mr. Mohit Jain and the Board of Directors of the Company.

RESOLVED FURTHER that in accordance with the provisions of Section 197(3) read with Schedule V of the Companies Act, 2013, the remuneration and perquisites as set out in the statement annexed to the notice convening this meeting may be paid as the minimum remuneration to Mr. Mohit Jain, Managing Director for a period of 3 (three) years from the date of his reappointment in the absence or inadequacy of profits in any financial year."

The Chairman put the resolution to vote and it was passed unanimously by the members.

8. Mr. Narinder Pal Singh (IN300118/ 10326982) proposed and Mr. Suresh Bhutani (Folio No. 21912) seconded the following special resolution:-

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013, approval of the Company be and is hereby accorded to the reappointment of Mr. Rohan Jain (DIN 02644896) as Whole Time Director designated as Executive Director of the Company for a period of 5 (five) years w.e.f. 1st June, 2014, on the terms and conditions including remuneration as set out in the draft agreement placed before the meeting and for the purpose of identification initialed by the Chairman of the meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said reappointment in such manner as may be agreed to between Mr. Rohan Jain and the Board of Directors of the Company.

RESOLVED FURTHER that in accordance with the provisions of Section 197(3) read with Schedule V of the Companies Act, 2013, the remuneration and perquisites as set out in the statement annexed to the notice convening this meeting may be paid as the minimum remuneration to Mr. Rohan Jain, Executive Director for a period of 3 (three) years from the date of his reappointment in the absence or inadequacy of profits in any financial year."

The Chairman put the resolution to vote and it was passed unanimously by the members.

9. The Chairman informed the members that the ordinary resolution pertaining to the approval of the remuneration of the Cost Auditor may not be considered due to non-applicability of the Companies (Cost Records and Audit) Rules, 2014 to the Company.

Then, this item was not considered by the members.

10. Mr. Murlidhar Talreja (Folio No. 25981) proposed and Mr. Kulvinder Singh (IN 300118/10326999) seconded the following special resolution:-

"RESOLVED that in supersession of the Ordinary Resolution passed under Section 293(1)(d) of the Companies Act, 1956 at its Annual General Meeting held on 1st August, 2013 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow money from time to time, at its discretion either from the Company's bank or any other bank, financial institution or any other lending institutions or persons on such terms and conditions as may be considered suitable by the Board of Directors upto an amount not exceeding in the aggregate Rs. 300 crores (Rupees Three Hundred Crores only) notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

The Chairman put the resolution to vote and it was passed unanimously by the members.

11. Mr. Surjit Singh Alagh (Folio No. 11311) proposed and Mr. Bhupendra Singh Reen (IN 300708/10340918) seconded the following special resolution:-

"RESOLVED THAT pursuant to the provisions of Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges, the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines") (including any amendment thereto or re-enactment thereof) and the prevailing statutory guidelines in that behalf (hereinafter together referred to as "**the Extant Guidelines**") and subject to all necessary consents, permissions and approvals and/or sanctions from all appropriate authorities, if required, and subject to such conditions and modifications as may be prescribed or imposed by appropriate authorities and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "**the Board**") which term shall be deemed to include any committee(s) consisting of one or more members of the Board and/or one or more officials of the Company appointed by the Board in this behalf which the Board may constitute to exercise powers of the Board), Consent of the Company be and is hereby accorded to the Board to grant, offer and issue to the present and future employees of the Company who are in permanent employment of the Company and whether working in India or outside India as selected on the basis

of criteria prescribed by the Board in accordance with the SEBI Guidelines (collectively referred as the "**Eligible Employees**"), except a promoter or a person who belongs to the promoter group and director who directly or indirectly holds more than 10% of the issued capital, options exercisable by employees to subscribe to such number of equity shares of the Company under a scheme titled **DFM Foods Employee Stock Options Plan, 2014** (hereinafter referred to as "**the Plan**"), not exceeding 5% of issued and paid up equity shares of the Company as on March 31, 2014, i.e. up to 5,00,000 (Five lacs) equity shares at such price, in such manner, in one or more tranches and on such other terms & conditions as the Board may decide.

RESOLVED FURTHER that the Board, be and is hereby authorised to issue and allot such number of equity shares as may be required in pursuance of the plan and that the equity shares issued and allotted pursuant to the plan shall rank pari passu with the then existing equity shares of the Company.

RESOLVED FURTHER that the offer shall be in accordance with the terms and conditions as regards price, payment, application, allotment, entitlement to dividend and other rights, transferability and all other matters as stipulated by the SEBI Guidelines to the extent applicable and in accordance with any other guidelines, rules, regulations and laws to the extent applicable and subject also to the Memorandum and Articles of Association of the Company provided that:

- i) No option shall vest in the hands of the Option Grantee (as defined in the SEBI Guidelines) prior to 12 (twelve) months from the date of grant of the option subject to the condition that the Option Grantee continues to be an employee of the Company and /or based on their performance or other conditions as may be determined by the Board from time to time. However, the maximum vesting period shall be 5 (five) years from the date of grant of the option or such other period as the Board may determine.
- ii) The options shall be valid and exercisable for such period as may be determined by the Board from time to time, but would not exceed a period of 5 (five) years from the date of vesting of options to the Eligible Employees. The options would be exercisable by submitting requisite application to the Company, subject to conditions for payment of exercise price in the manner prescribed by the Board.
- iii) Each option granted to an Eligible Employee shall entitle him to one equity share of the nominal value of Rs. 10/- each at the market price which would be the latest available closing price, prior to the date of meeting of Board in which options are granted, on the Stock Exchange on which the shares of the company are listed.
- iv) The consideration for the shares to be issued upon exercise of an option may, as determined by the Board at the time of granting the options, be in one or more tranches, consist of cash or cheque or any combination of the foregoing methods of payment subject to fulfillment of Securities and

Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time or any other applicable laws or regulations, to the extent applicable.

- v) Before granting the options to the employees under the Plan, the Board would, apart from examining and evaluating overall corporate performance, *inter alia*, take into consideration the length of service, grade, performance, merit, criticality of position, future potential contribution and conduct of the employee and such other factors as may be deemed appropriate by it.
- vi) The maximum number of options to be granted to each Eligible Employee shall not exceed 1,00,000 (One Lac) and in aggregate, the maximum number of options to be granted shall not exceed 5,00,000 (Five Lacs).
- vii) The Company shall conform to the disclosures and accounting policies as specified in the SEBI Guidelines to the extent applicable and as specified by any other authority.
- viii) The Board shall have the power to make consequential modifications or substitutions to the terms of the Plan, as it may deem fit from time to time, provided that such modifications or alterations do not adversely affect the rights and interests of the Option Grantees or the members of the Company and is subject to the terms and conditions specified in the SEBI Guidelines to the extent applicable.

RESOLVED FURTHER that the Company shall value the options granted under the Plan, at their 'Intrinsic value' as defined under the SEBI Guidelines.

RESOLVED FURTHER that the Company shall calculate the employee compensation cost using the intrinsic value of the options. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed in the Directors' Report alongwith the impact of this difference on profits and on EPS of the Company.

RESOLVED FURTHER that without prejudice to the generality of the above, but subject to the terms as approved by the members, the Board be and is hereby authorized to implement the Plan.

RESOLVED FURTHER that the Board be and is hereby authorized in whole or in part, to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its absolute discretion deem necessary or desirable and pay fees and commission and incur expenses in relation to or for implementing the Plan.

RESOLVED FURTHER that the said options may be granted / equity shares may be allotted in accordance with the Plan framed in that behalf, directly to such Eligible Employees.

RESOLVED FURTHER that the Board may, at its discretion, or in order to comply with any applicable rules or guidelines, add, amend or put restrictions or any other conditions as it may deem fit.

RESOLVED FURTHER that the Board shall have the power to make reasonable consequential adjustments to the number of options to be exercised and the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, demerger, sale of division, etc and to make consequential modifications or substitutions to the terms of plan, provided that such adjustments or alterations or modifications or substitutions do not adversely affect the rights and interests of the Option Grantees and is subject to the terms and conditions specified in the extant Guidelines to the extent applicable.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities, without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

The Chairman put the resolution to vote and it was passed unanimously by the members.

Thereafter, Mr. Ajay Khurana (IN300708/10036432), a shareholder proposed a vote of thanks to the chair and the meeting terminated.

CHAIRMAN