

Agro Tech Foods Limited

NOTICE TO MEMBERS

Notice is hereby given that the Twenty Ninth Annual General Meeting of the Members of Agro Tech Foods Limited will be held on Wednesday, the 27th July, 2016 at 10.00 A.M. at The Manohar, Old Airport Exit Road, Begumpet, Hyderabad – 500 016, Telangana to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the Financial Year Ended 31st March, 2016, the Consolidated Financial Statements for the said Financial Year and the Report of the Directors and Auditors thereon.
2. To declare a dividend for the Financial Year ended 31st March, 2016.
3. To appoint a Director in place of Ms. Anna Elizabeth Biehn, who retires by rotation and being eligible, offers herself for reappointment.
4. To ratify the appointment of M/s. B S R & Associates LLP, Chartered Accountants (ICAI Registration.No.116231W/W-100024), as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

5. To appoint Mr. Steven Lee Harrison, an Additional Director of the Company, who vacates office at this Meeting and to consider and, if thought fit, to pass with or without modification, the following Ordinary Resolution of which the prescribed Notice under Section 160 of the Companies Act, 2013 along with deposit of ₹ 1,00,000/- has been received by the Company. Mr. Steven Lee Harrison has filed his consent pursuant to the provisions of section 152 of the Companies Act, 2013 to act as Director, if appointed.
"RESOLVED that Mr. Steven Lee Harrison be and is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."
6. To appoint Mr. Sachin Gopal, an Additional Director of the Company, who vacates office at this Meeting and to consider and, if thought fit, to pass, with or without modification, the following Ordinary Resolution of which the prescribed Notice under Section 160 of the Companies Act, 2013 along with deposit of ₹ 1,00,000/- has been received by the Company. Mr. Sachin Gopal has filed his consent pursuant to the provisions of section 152 of the Companies Act, 2013 to act as Director, if appointed:
"RESOLVED that Mr. Sachin Gopal be and is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."
7. To consider and if thought fit, to pass, with or without modification, the following Resolution as a SPECIAL RESOLUTION:
"RESOLVED that pursuant to the provisions of Sections 196, 197, 188, 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 or any amendment or modification or re-enactment thereof, and subject to such approval or consents including the Central Government as may be necessary or required, the

appointment of Mr. Sachin Gopal as a Managing Director of the Company, with effect from 1st July, 2016 for a period of 5 years subject to the applicable retiral policies of the Company (both days inclusive) on such remuneration including salary and perquisites as have been set out in the Explanatory Statement attached to the Notice convening this Annual General Meeting, a copy whereof initialed by the Chairman for the purposes of identification is placed before this Meeting, including a variation of such terms in salary and perquisites as approved by the Board on the recommendation of the Nomination and Remuneration Committee and agreed to by Mr. Sachin Gopal, be and the same is hereby approved."

8. To consider and if thought fit, to pass, with or without modification, the following Resolution as a SPECIAL RESOLUTION:
"Resolved that, the Non-Executive Independent Directors of the Company be paid annually, for a period not exceeding five years, for each of the financial years commencing from 1st April, 2016, commission of ₹ 3,90,000/- individually, as the Board of Directors ('the Board') may determine based on the recommendation of the Nomination and Remuneration Committee, in addition to the fees for attending the meetings of the Board or any Committee thereof, provided however that the aggregate commission paid in a financial year shall not exceed one per cent of the net profits of the Company, computed and referred to in terms of Section 197 of the Companies Act, 2013, or any amendment thereto or re-enactment thereof ('the Act')."
9. To consider and if thought fit, to pass, with or without modification, the following Resolution as an ORDINARY RESOLUTION:
"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any modification(s) or re-enactment thereof, M/s. Vajralingam & Co., Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2016-17, be paid remuneration as set out in the Statement annexed to the Notice convening this Meeting".

BOOK CLOSURE

The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 20th July, 2016 to Wednesday, 27th July, 2016 (both days inclusive). Share Transfers received in order by 6.00 p.m. on 19th July, 2016, will be in time to be passed for payment of dividend, if declared, to the transferees or to their mandatees and the dividend, if declared, will be paid on 19th August, 2016, to those Members entitled thereto and whose names shall appear on the Register of Members of the Company on 27th July, 2016, or to their mandatees. In respect of dematerialized shares, the dividend will be payable on the basis of beneficial ownership as on 19th July, 2016, as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

By Order of the Board
for **Agro Tech Foods Limited**
PHANI K MANGIPUDI
Company Secretary

Dated: 26th April, 2016

Registered Office : 31, Sarojini Devi Road,
Secunderabad - 500 003, Telangana, India.

Agro Tech Foods Limited

NOTES:

1. In accordance with the Provisions of Section 102 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), 2015, an Explanatory Statement in respect of item Nos. 5 to 9 being items of Special Business is annexed.
2. A Member entitled to attend and vote on a poll is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member. Proxies in order to be effective must be received by the Company not less than forty eight hours before the Annual General Meeting (AGM). Proxy form is enclosed towards the end of the Annual Report
A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.
3. Members are requested to bring their copies of the Reports and Accounts to the Meeting.
4. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolution proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / List of Beneficial Owners as on Tuesday, 19th July, 2016, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e- voting). The remote e-voting period will commence at 9.00 A.M. on Saturday, 23rd July, 2016 and will end at 5.00 P.M. on Tuesday 26th July, 2016. The Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed Mr. Tumuluru Krishna Murty, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.
5. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participant(s). Members are encouraged to utilize the Electronic System (ECS) for recovering dividends.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
7. Members are requested to notify any change in their address immediately to Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Karvy.
9. The Annual Report for 2015-16 including the Notice for the 29th Annual General Meeting is being sent through electronic mode only to members whose email addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For Members who have not registered their email addresses, physical copies of the Annual Report 2015-16 are being sent by the permitted mode.
10. In case of joint holders attending the meeting only such joint holder who is higher in the order of names, will be entitled to vote at the meeting.
11. Unclaimed dividend for the financial year ended 31st March, 2009 will be due for transfer to the Investor Education and Protection Fund of the Central Government ('IEPF') on 30th July, 2016, pursuant to the provisions of Section 205A of the Companies Act, 1956 / Section 124 of the Companies Act, 2013, once notified. In respect of the said unclaimed dividend, it will not be possible to entertain claims received by Karvy Computershare Private Limited, Registrar and Share Transfer Agents after 26th July, 2016.
Details of unclaimed dividend in respect of the financial year ended 31st March, 2009 and up to and including the financial year ended 31st March, 2014 are available on the Company's website www.atfoods.com under Investor Relations.
12. Members are requested to contact M/s. Karvy Computershare Private Limited for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on the website of the Company www.atfoods.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 101(1) OF THE COMPANIES ACT, 2013 AND THE LISTING AGREEMENT

Item No. 5

Mr. Steven Lee Harrison was appointed as an Additional Director of the Company on 26th April, 2016 pursuant to Section 161 of the Companies Act, 2013 read with Article 130 of the Articles of Association of the Company and holds office up to the date of this Annual General Meeting. Notice under Section 160 of the Companies Act, 2013 along with the requisite deposit of ₹1,00,000/- has been received from a Member proposing

the appointment of Mr. Steven Lee Harrison as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation. Mr. Steven Lee Harrison filed his consent and declaration pursuant to the provisions of Section 152 of the Companies Act, 2013 and the provisions of the Companies (Appointment & Qualification of Directors) Rules, 2014, to act as Director, if appointed.

Agro Tech Foods Limited

Interest of Directors :

Mr. Steven Lee Harrison may be deemed to be interested in the above Resolution in so far as the same relates to him. No other Director, Key Managerial Personnel or their relatives, of your Company is concerned or interested in this Resolution.

Your Directors recommend the Resolution for your approval.

Item No. 6

Mr. Sachin Gopal was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 read with Article 130 of the Articles of Association of the Company and holds office up to the date of this Annual General Meeting. Notice under Section 160 of the Companies Act, 2013 along with the requisite deposit of ₹1,00,000/- has been received from a Member proposing the appointment of Mr. Sachin Gopal as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation. Mr. Sachin Gopal filed his consent and declaration pursuant to the provisions of Section 152 of the Companies Act, 2013 and the provisions of the Companies (Appointment & Qualification of Directors) Rules, 2014, to act as Director, if appointed.

Interest of Directors :

Mr. Sachin Gopal may be deemed to be interested in the above Resolution in so far as the same relates to him. No other Director of your Company is interested in this Resolution.

Your Directors recommend the Resolution for your approval.

Item No. 7

The Board of Directors on the recommendation of the Nomination & Remuneration Committee recommended for approval of the Members, the appointment of Mr. Sachin Gopal as a Managing Director of the Company with effect from 1st July, 2016 for a period of 5 years subject to the applicable retiral policies of the Company (both days inclusive) on the following remuneration:

(i) Salary:

₹15,20,500/- per month with annual increments (which in accordance with the Rules of the Company is 1st July every year) up to a maximum of 25% with liberty to the Board of Directors to sanction any further increase over and above the mentioned percentage as it may in its absolute discretion determine subject to approval of the shareholders and Central Government if required as per the prevailing law in force.

(ii) Perquisites:

In addition to the aforesaid salary, Mr. Sachin Gopal shall be entitled to perquisites like medical reimbursement, leave travel concession for self and family, personal accident insurance, ESOPs prospectively granted, performance linked incentive by whatever name called, etc. in accordance with the Rules of the Company, the monetary value of such perquisites being limited to ₹ 83,00,000/- Lakhs per annum, for the purposes of which limit perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in absence of any such Rule, perquisites shall be evaluated at actual cost.

However, the following shall not be included in the aforesaid perquisite limit:

- a. Rent free furnished accommodation owned/leased/rented by the Company or Housing Allowance in lieu thereof, as per the Rules of the Company.
- b. Contribution to Provident Fund and Superannuation Fund

up to 27% of salary and contribution to Gratuity Fund up to 5% of salary as defined in the Rules of the respective Funds, or up to such other limit as may be prescribed under the Income Tax Act, 1961 and the Rules there under for this purpose.

- c. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
- d. Car / allowance as per the rules of the Company.
- e. Encashment of unavailed leave as per the Rules of the Company at the time of retirement/cessation of service.
- f. Costs and expenses incurred by the Company in connection with joining/transfer from one location to another as per the Rules of the Company.

(iii) Minimum Remuneration:

Notwithstanding anything contained herein, in the event of loss or inadequacy of profits in any financial year during the period of his appointment as Managing Director, the Company will, subject to applicable laws and such sanctions and approvals as may be required and received, pay remuneration to Mr. Sachin Gopal as provided herein above.

Subject to the superintendence, control and direction of the Board of Directors, Mr. Sachin Gopal shall manage and conduct the business and affairs of the Company. Mr. Sachin Gopal will not be entitled to any sitting fee for attending Meetings of the Board or of any Committee thereof.

The aforesaid appointment and remuneration payable to Mr. Sachin Gopal may be further varied, altered or modified as may be agreed to by the Board of Directors and Mr. Sachin Gopal, in the light of any amendment/modification of the Companies Act or any re-enactment thereof as prescribed under the Companies Act, 2013.

Mr. Sachin Gopal is the Chief Executive Officer of your Company. A graduate from St. Stephen's College, Delhi and MBA from the IIM, Ahmedabad, Sachin Gopal has an accomplished career over the last 25 years in some of the world's leading FMCG companies in India and abroad. He has a strong experience and is a pioneer in Sales, Marketing and Business of the FMCG sector.

He joined Agro Tech Foods Limited (ATFL) in April 2007 as COO, and took over the role of President and CEO from 1st November, 2008. Prior to his association with ATFL, Mr. Sachin Gopal was handling the role of Director-Customer Business Development with Procter & Gamble. Prior to this, he had a long career with Gillette India from 1987 to 2005 and handled significant Sales, Marketing and Business roles such as Group Product Manager, Vice President Marketing and General Sales Director. In his overseas assignments, Sachin handled the roles of Marketing Manager for Gillette Egypt; Group Business Director - Batteries, Duracell Eveready South Africa Pty., Johannesburg S.A and Group Business Manager - Batteries, Gillette Group H.Q. London, U.K.

Mr. Sachin Gopal had started his career with Escorts Ltd., where he worked as Senior Marketing officer. He also spent three years with Cadbury where he worked as Product Manager and Regional Sales Manager. His contributions to the Company have been invaluable.

Your Directors consider that it would be appropriate and desirable to appoint him as his experience will be beneficial to the Company. Mr. Sachin Gopal continues to hold office as the Chief Executive Officer of the Company. As appointment and remuneration are subject to compliance with the requirement of Section 188 and other applicable provisions of

Agro Tech Foods Limited

the Companies Act, 2013, your Directors commend passing of the Special Resolution set out in the Notice of the Meeting.

Interest of Directors

Excepting Mr. Sachin Gopal, who is interested in his appointment and the remuneration/minimum remuneration payable to him, no other Director, Key Managerial Personnel or their relatives of your Company is concerned or interested in the said Resolution.

This may be treated as his memorandum issued pursuant to the provisions of Section 190 of the Companies Act, 2013.

Your Directors recommend the Resolution for your approval.

Item No. 8

The Members, at the Annual General Meeting of the Company held on 25th July, 2012, approved payment of remuneration by way of commission to the Non-Executive Independent Directors of the Company not exceeding one per cent of the net profits of the Company as provided under the then Section 309(4) of the Companies Act, 1956, for each financial year, subject to a maximum of ₹ 3,12,500/-, individually, for a period of five years from 1st April, 2011 to 31st March, 2016.

In order to bring the remuneration of the Non-Executive Independent Directors in line with the current trends and commensurate with the time devoted and the contribution made by them, the Board of Directors of your Company ('the Board') at their Meeting held on 26th April, 2016, recommended

for the approval of the Members, payment of remuneration by way of commission to the Non-Executive Independent Directors of the Company for a period of five years from 1st April, 2016, as set out in this Special Resolution.

The Non-Executive Independent Directors of your Company may be deemed to be interested in this Special Resolution.

None of the other Directors of your Company are interested in this Special Resolution.

Item No. 9

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2016-17 at a fee not exceeding ₹ 1,00,000/- (excluding taxes) and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2016-17.

None of the Directors, Key Managerial Personnel or their relatives, of your Company is concerned or interested in the said Resolution.

Your Directors recommend the Resolution for your approval

Dated: 26th April, 2016

Registered Office:
31, Sarojini Devi Road,
Secunderabad - 500 003
Telangana, India.

By Order of the Board
for **Agro Tech Foods Limited**

PHANI K MANGIPUDI
Company Secretary