



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 16th Annual General Meeting of the members of Jubilant FoodWorks Limited will be held on Saturday, August 20, 2011 at 11.00 A.M. at International Trade Expo Centre, Expo Drive, A-11, Sector – 62, Noida – 201301, U.P., to transact the following businesses:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended March 31, 2011 together with the Reports of the Directors and of the Auditors thereon.
2. To appoint a Director in place of Mr. Hari S. Bhartia who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Ms. Ramni Nirula who retires by rotation and being eligible, offers herself for re-appointment.
4. To Appoint Statutory Auditors and fix their remuneration.

To appoint M/s S. R Batliboi & Co., Chartered Accountants (ICAI Regn. No. 301003E), the retiring Auditors, as auditors of the Company from the conclusion of the Annual General Meeting till the conclusion of the next Annual General Meeting on remuneration recommended by the Audit Committee and fixed by the Board.

SPECIAL BUSINESS

5. APPROVE JFL EMPLOYEES STOCK OPTION SCHEME 2011

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as the “**SEBI Guidelines**”), as amended, listing agreement(s) entered into by the Company with the stock exchanges where the securities of the Company are listed, guidelines and regulations issued by the Reserve Bank of India and any other law for the time being in force as may be amended from time to time and subject to such other approvals, consents, permissions and sanctions, as may be applicable, including such conditions and modifications as may be prescribed or while granting such approvals, consents, permissions and sanctions, if any, 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 including Compensation Committee of the Board), the consent of the members of the Company be and is hereby accorded to the Board for adoption and implementation of JFL Employees Stock Option Scheme 2011 (hereinafter referred to as “**JFL ESOP**”) and to create, offer, issue and grant/allot at any time such number of Equity Shares of the Company not exceeding 25,00,000 (twenty five lacs) for granting stock options to or for the benefit of the eligible employees of the Company pursuant to JFL ESOP, each option being convertible into one fully-paid up equity share of the Company having a face value of ₹10/-, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the JFL ESOP.

RESOLVED FURTHER THAT, subject to the necessary approval(s) (if any), the Non-Executive Directors of the Company including Independent Directors, be granted stock options under the JFL ESOP, and the maximum number of options to a non-executive director shall not exceed 25,000 (twenty five thousand) stock options per annum and 50,000 (fifty thousand) stock options in aggregate under the JFL ESOP.

RESOLVED FURTHER THAT the Equity Shares to be offered to the eligible employees (the option holders) on exercise of the stock options would be by way of either a) subscription of Equity Shares

of the Company by such employees; or b) transfer of Equity Shares to such employees by a trust constituted/to be constituted by the Board (which shall either buy Equity Shares from the secondary market or directly subscribe the Equity Shares of the Company).

RESOLVED FURTHER THAT if any additional equity options/Equity Shares are required to be issued/given by the Company to the holders of the options/trust in case of any corporate action (s) such as rights issues, bonus issues, merger, sale of division etc. for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 25,00,000 (twenty five lacs) options/Equity Shares shall be deemed to be increased to the extent of such additional options/shares.

RESOLVED FURTHER THAT grant of Options shall be in accordance with the terms and conditions as regards price, payment, application, allotment etc. as decided by the Compensation Committee from time to time in accordance with the SEBI Guidelines, *inter alia*, including the following:-

i. The total number of Options to be granted:

A total of such number of options convertible to 25,00,000 (twenty five lacs) Equity Shares of the face value of ₹10/- each, would be available for being granted to the Eligible Employees as may be decided by the Compensation Committee from time to time on such terms and conditions as may be determined by it in accordance with the JFL ESOP and the SEBI Guidelines.

The Shares with respect to which an Option is granted under the Scheme that remain unexercised at the expiration of Exercise Period, forfeiture or other termination of such option may be subject of the Grant of further Options.

ii. Identification of Eligible Employees entitled to participate in JFL ESOP:

The following persons shall be eligible for participating in the JFL ESOP (“**Eligible Employees**”):

- a) Permanent Employees of the Company in the grade M5 or equivalent (i.e. Manager) and / or above, whether working in India or out of India or such other category of Employees as may be decided by the Committee from time to time;
- b) Director of the Company, whether a Whole-time Director or not, including the Nominee Director;
- c) Employees/persons as enumerated in sub clauses (a) and (b) above, of a Holding and /or Subsidiary of the Company, in India or outside India; and
- d) Such other persons, as may from time to time be allowed under Applicable Laws and as may be approved by the Committee.

The Compensation Committee will based on parameters evolved/decided by it from time to time in its absolute discretion, decide which Eligible Employees should be granted Options under the Scheme and accordingly, the Company would offer the Options to the identified Eligible Employees.

iii. Requirements of Vesting and period of Vesting:

- a) Subject to the terms and conditions laid out in JFL ESOP and decided at the sole discretion of the Compensation Committee, the Options shall vest with the Eligible Employee in the following tranches:
 - (i) 20% of the Options at the end of first year from the Grant date (“**First Vesting Date**”);
 - (ii) 30% of the Options at the end of second year from the Grant date; and

(iii) 50% of the Options at the end of third year from the Grant date.

- b) Vesting of Options would be a function of achievement of performance criteria or any other criteria as specified by the Committee and communicated in the Grant Letter;
- c) In the event of death of a Participant while in the employment of the Company, its holding and subsidiaries, all the Options granted to him till such date and lying unvested shall vest in the beneficiary of the deceased Participant on that day. All the Vested Options shall be permitted to be exercised by the beneficiary within 1 (One) year from the date of death or before the expiry of the Exercise Period, whichever is earlier. Any Vested Option not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period;
- d) Compensation Committee at its own discretion may vary or alter the vesting schedule, the vesting criteria and/or vesting conditions as it deems fit from time to time;
- e) In the event it is found that the option holder has not met the prescribed performance criteria, the Compensation Committee at any time may withdraw or reduce unvested option.

iv. Maximum period within which the Option shall be vested:
Options Granted under JFL ESOP would vest not earlier than one year from the date of grant of such options. The maximum time within which the options shall be vested in eligible employees is three years in the manner mentioned in the vesting schedule hereinabove from the date of grant of options. Further, the vesting period may be varied at the discretion of the Compensation Committee.

v. Exercise Price or pricing Formula:
The exercise price shall be the market price of the Equity Shares as defined in SEBI Guidelines. Further, under the existing SEBI Guidelines, 'market price' means the latest available closing price, prior to the date of meeting of the Board in which options are granted / shares are issued, on the stock exchange on which the shares of the company are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered.

The full exercise price alongwith applicable taxes, if any, shall be paid upon exercise of options in the manner laid down in the JFL ESOP. The Compensation Committee may in its discretion determine the procedure for cashless exercise of option (if required).

vi. Exercise Period and process of exercise:
Exercise period shall not be more than seven years from first vesting date. Accordingly, the Participant may exercise (a) the option vested at the end of first year from the grant date within seven years; (b) the options vested at the end of second year from the grant date within six years; and (c) the options vested at the end of third year from the grant date within five years.

The eligible employee can exercise all or part of the vested options within the exercise period. Upon exercise, the Eligible Employee shall make full payment of the exercise price alongwith applicable taxes, if any, and the Company/Trust shall allot/transfer him/her the requisite number of equity shares.

vii. The appraisal process for determining eligibility of employees under JFL ESOP:
The number of options to be granted to the eligible employees would be based on their performance for the past financial year and the achievement of target/goal set for the respective employees of the Company, its holding and subsidiaries. Further, the Compensation Committee may also determine the criteria to grant options to the identified Eligible Employees.

viii. Maximum number of Options to be issued per Eligible Employee and in aggregate:
The maximum number of options in aggregate that may be issued to an Eligible Employee under the JFL ESOP shall not exceed 6,00,000 (six lacs) in aggregate, and 3,00,000 (three lacs) during any one year. Further, the maximum number of options that may issued to an Eligible Employee shall not

exceed 1% of the total issued share capital of the Company at that time. Further, subject to the necessary approval(s) (if any), the Non-Executive Directors of the Company including Independent Directors, be granted stock options under the JFL ESOP, and the maximum number of options to a Non-Executive Director shall not exceed 25,000 (twenty five thousand) stock options per annum and 50,000 (fifty thousand) stock options in the aggregate under the JFL ESOP.

ix. Accounting Policies:

The Company shall comply with the accounting policies and disclosure policies prescribed under the SEBI Guidelines and such other guidelines as may be applicable from time to time in connection with Grant and Exercise of Options.

x. The method of valuation of Options

The Company shall use the Intrinsic Value Method to value its options. Further, in case of any modifications in SEBI Guidelines and / other applicable laws, the Company will follow such method as may be applicable from time to time.

xi. Disclosure in Directors' Report

In case the Company calculates the employee compensation cost using the intrinsic value of the Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of Options, shall be disclosed in the Directors' Report and also the impact of this difference on Profits and on EPS of the Company shall also be disclosed in the Directors' Report.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted by the Company under the JFL ESOP, shall in all respects rank pari passu with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps, if required, for listing of the Equity Shares allotted under JFL ESOP on the Stock Exchanges where the Equity Shares of the Company are listed.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate/sub-delegate such of its powers, privileges and authorisations as may be required to be delegated/sub-delegated in connection with the adoption and implementation of the JFL ESOP, to a Committee of Directors and/or Officer(s) of the Company appointed by the Board for the purpose, in its full and absolute discretion, as may be deemed appropriate by it.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make such modifications, changes, variations, alterations or revisions in the JFL ESOP as it may deem fit, from time to time, in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company, SEBI Guidelines and any other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interests of the present and future eligible employees of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to settle matters and do all such acts, deeds, matters and things including but not limited to finalising and executing agreements, contracts, deeds and other documents, as it may, in its discretion deem necessary or expedient, to give effect to the foregoing resolution without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

6. APPROVE GRANT OF OPTIONS TO SUBSIDIARY/HOLDING COMPANY EMPLOYEES

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter referred to as the "**SEBI Guidelines**"), as amended, listing agreement(s) entered into by the Company with the stock exchanges where the securities of the

Company are listed, guidelines and regulations issued by the Reserve Bank of India and any other law for the time being in force as may be amended from time to time and subject to such other approvals, consents, permissions and sanctions, as may be applicable, including such conditions and modifications as may be prescribed or while granting such approvals, consents, permissions and sanctions, if any, 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 including Compensation Committee of the Board), the consent of the members of the Company be and is hereby accorded to the Board to extend the benefits of the JFL Employees Stock Option Scheme 2011 (hereinafter referred to “**JFL ESOP**” and to create, offer, issue and grant/allot at any time such number of Equity Shares of the Company not exceeding 25,00,000 (twenty five lacs) (as stated in the foregoing resolution), for granting stock options to or for the benefit of the eligible employees of the holding and the subsidiaries (including future holding and subsidiaries) of Company pursuant to JFL ESOP, each option being convertible into one fully-paid up equity share of the Company having a face value of ₹10/-, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the JFL ESOP.

RESOLVED FURTHER THAT the Equity Shares to be offered to the eligible employees of the holding and the subsidiaries of the Company (the option holders) on exercise of the stock options would be by way of either a) subscription of Equity Shares of the Company by such employees; or b) transfer of Equity Shares to such employees by a trust constituted/to be constituted by the Board (which shall either buy Equity Shares from the secondary market or directly subscribe the Equity Shares of the Company).

RESOLVED FURTHER THAT if any additional equity options/Equity Shares are required to be issued/given by the Company to the holders of the options/trust in case of any corporate action (s) such as rights issues, bonus issues, merger, sale of division etc. for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of 25,00,000 (twenty five lacs) options/Equity Shares shall be deemed to be increased to the extent of such additional options/shares.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted by the Company under the JFL ESOP, shall in all respects rank pari -passu with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps, if required, for listing of the Equity Shares allotted under JFL ESOP on the Stock Exchanges where the Equity Shares of the Company are listed.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate/sub-delegate such of its powers, privileges and authorisations as may be required to be delegated/sub-delegated in connection with the adoption and implementation of the JFL ESOP, to a Committee of Directors and/or Officer(s) of the Company appointed by the Board for the purpose, in its full and absolute discretion, as may be deemed appropriate by it.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make such modifications, changes, variations, alterations or revisions in the JFL ESOP as it may deem fit, from time to time, in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the

Company, SEBI Guidelines and any other applicable laws unless such variation, amendment, modification or alteration is detrimental to the interests of the present and future eligible employees of Holding and/or Subsidiary Company(ies).

RESOLVED FURTHER THAT the Board be and is hereby authorised to settle matters and do all such acts, deeds, matters and things including but not limited to finalising and executing agreements, contracts, deeds and other documents, as it may, in its discretion deem necessary or expedient, to give effect to the foregoing resolution without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

7. Grant of options to Non-Executive Directors under Employees Stock Option Plan 2007

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:-**

“**RESOLVED THAT** subject to the necessary approval(s), if any, the consent of the members of the company is hereby accorded for grant of options under, Employees Stock Option Plan 2007, to such Non-Executive Directors of the Company as may be decided by the Board or any Committee thereof.

RESOLVED FURTHER THAT the maximum number of options to a Non-executive Director shall not exceed 25,000 (twenty five thousand) stock options per annum and 50,000 (fifty thousand) stock options in aggregate under the Employees Stock Option Plan 2007 of the Company.

RESOLVED FURTHER THAT for giving effect to this resolution, the Board of Directors of the Company, including any Committee of the Board, be and is hereby authorised to settle matters and to do all such acts, deeds, matters and things, as it may, in its discretion deem necessary or expedient, to give effect to the foregoing resolution without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

8. Approve waiver of remuneration paid to Mr. Ajay Kaul, CEO cum Whole Time Director

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:-**

“**RESOLVED THAT** pursuant to Sections 198, 269, 309, 310 and all other applicable provisions if any, of the Companies Act, 1956 (“Act”) read with Schedule XIII to the said Act, and subject to the approval of Central Government, the approval of the members be and is hereby accorded for waiver of excess remuneration of ₹1,21,48,646/- (Rupees One Crore Twenty One Lakh Forty Eight Thousand Six Hundred and Forty Six Only) paid to Mr. Ajay Kaul, CEO cum Whole Time Director of the Company, for the period from July 1, 2009 to March 13, 2010.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps as it may consider necessary or expedient in this regard.”

Date: July 15, 2011 By order of the Board of Directors
for **Jubilant FoodWorks Limited**

Regd. Office: Plot No. B-214, Phase II, sd/-
(Mona Aggarwal)
Company Secretary
Distt. Gautam Budh Nagar
Noida – 201305 (U.P.)

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The enclosed proxy form, duly completed, should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.**
2. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out material facts in respect of Special Business to be transacted is annexed hereto.
3. Members/Proxies/Authorised Representatives are requested to bring the enclosed attendance slip duly filled in and signed for

attending the meeting. Members who hold equity shares in electronic mode are requested to write the Client ID and DP ID number and those who hold equity shares in physical mode are requested to write their Folio number in the attendance slip for easier identification of attendance at the meeting.

4. Corporate Members intending to send their authorised representative(s) to attend the meeting are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorising their representative(s) to attend and vote on their behalf at the meeting.
5. Members holding shares in physical form are requested to kindly notify the Company of any change in their addresses so as to enable the Company to address future communication to their

correct addresses. Members holding shares in dematerialized form are requested to notify their respective Depository Participant of any change in their addresses.

6. In terms of Article 110 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Mr. Hari S. Bhartia and Ms. Ramni Nirula, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commends their respective re-appointments.
7. Brief resume of Directors seeking re-appointment, nature of their expertise in specific functional areas, name of Companies in which they hold directorships, chairmanships/memberships of Board Committees, shareholding and relationship between the Directors inter-se as stipulated under the Clause 49 of the Listing Agreement, are annexed to this Notice.
8. In respect of Domino's Employees Stock Option Plan 2007 and pursuant to Sub-Clause (i), (j) & (k) of Clause 6(2) of the Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI Guidelines"), the Company hereby declares that:
 - (i) The company shall confirm to the accounting policies specified in SEBI Guidelines.
 - (j) The Company has opted for intrinsic value method for valuation of Employee Stock Options.
 - (k) Since, the company has calculated the employee compensation cost using the intrinsic value of the stock options, appropriate disclosures under the guidelines have been made in the Annual Report 2010-11 of the Company.
9. The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, August 13, 2011 to Saturday, August 20, 2011 (both days inclusive).
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.
11. Inspection of documents - All documents referred to in the accompanying Directors' Report, Notice and Explanatory Statement would be open for inspection at the Registered Office of the Company on all working days except Saturdays & Sundays between 10.00 AM to 5.00 PM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5 & 6

In order to provide incentives and to retain, attract, reward and motivate the employees for high levels of individual performance and for unusual efforts thereby resulting into improved financial performance of the Company, it is imperative that the employees should be made partners in the long term growth of the Company.

For this purpose, the members, in their Annual General Meeting held on August 6, 2007, had approved the Domino's Employee Stock Option Plan, 2007, which was subsequently ratified by the members upon listing of the Company's Equity Shares in their Annual General Meeting held on August 20, 2010. Under the said scheme, the Company had obtained approval for upto 25,00,000 shares, of which 11,91,993 Equity Shares have already been issued upon exercise of options upto March 31, 2011 in accordance with the said scheme and 12,92,387 grants are outstanding as on March 31, 2011. Further, the said existing scheme will continue till remaining / outstanding grants or options are exercised.

In order to continue the trend of rewarding and retaining employees, a proposal for grant of Stock Options to Eligible Employees under the JFL Employees Stock Option Scheme 2011 (hereinafter referred to as "**JFL ESOP**") has been brought before the members of the Company. The JFL ESOP shall be applicable to the Eligible Employees of the Company, its holding and subsidiaries and has been drawn in conformity with Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("**SEBI Guidelines**"), as amended from time to time.

M/s SPA Merchant Bankers Limited has been appointed as Merchant Bankers for implementation of the JFL ESOP.

The information as required to be given pursuant to Clause 6.2 of SEBI Guidelines are as under:

i. The total number of Options to be granted:

A total of such number of options convertible to 25,00,000 (twenty five lacs) Equity Shares of the face value of ₹10/- each, would be

available for being granted to the Eligible Employees as may be decided by the Compensation Committee from time to time on such terms and conditions as may be determined by it in accordance with the JFL ESOP and the SEBI Guidelines.

The Shares with respect to which an Option is granted under the Scheme that remain unexercised at the expiration of Exercise Period, forfeiture or other termination of such option may be subject of the Grant of further Options.

ii. Identification of Eligible Employees entitled to participate in JFL ESOP:

The following persons shall be eligible for participating in the JFL ESOP ("Eligible Employees"):

- a) Permanent Employees of the Company in the grade M5 or equivalent (i.e. Manager) and / or above, whether working in India or out of India or such other category of Employees as may be decided by the Committee from time to time;
- b) Director of the Company, whether a Whole-Time Director or not, including the Nominee Director;
- c) Employees/persons as enumerated in sub clauses (a) and (b) above, of a Holding and /or Subsidiary of the Company, in India or outside India; and
- d) Such other persons, as may from time to time be allowed under Applicable Laws and as may be approved by the Committee.

The Compensation Committee will based on parameters evolved/decided by it from time to time in its absolute discretion, decide which Eligible Employees should be granted Options under the Scheme and accordingly, the Company would offer the Options to the identified Eligible Employees.

iii. Requirements of Vesting and period of Vesting:

- a) Subject to the terms and conditions laid out in JFL ESOP and decided at the sole discretion of the Compensation Committee, the Options shall vest with the Eligible Employee in the following tranches:
 - (i) 20% of the Options at the end of first year from the Grant date ("First Vesting Date");
 - (ii) 30% of the Options at the end of second year from the Grant date; and
 - (iii) 50% of the Options at the end of third year from the Grant date.
- b) Vesting of Options would be a function of achievement of performance criteria or any other criteria as specified by the Committee and communicated in the Grant Letter;
- c) In the event of death of a Participant while in the employment of the Company, its holding and subsidiaries, all the Options granted to him till such date and lying unvested shall vest in the beneficiary of the deceased Participant on that day. All the Vested Options shall be permitted to be exercised by the beneficiary within 1 (One) year from the date of death or before the expiry of the Exercise Period, whichever is earlier. Any Vested Option not exercised within this aforesaid period shall lapse and stand forfeited at the end of the aforesaid period;
- d) Compensation Committee at its own discretion may vary or alter the vesting schedule, the vesting criteria and/or vesting conditions as it deems fit from time to time;
- e) In the event it is found that the option holder has not met the prescribed performance criteria, the Compensation Committee at any time may withdraw or reduce unvested option.

iv. Maximum period within which the Option shall be vested:

Options Granted under JFL ESOP would vest not earlier than one year from the date of grant of such options. The maximum time within which the options shall be vested in eligible employees is three years in the manner mentioned in the vesting schedule hereinabove from the date of grant of options. Further, the vesting period may be varied at the discretion of the Compensation Committee.

v. Exercise Price or pricing Formula:

The exercise price shall be the market price of the Equity Shares as defined in SEBI Guidelines. Further, under the existing SEBI

Guidelines, 'market price' means the latest available closing price, prior to the date of meeting of the Board in which options are granted / shares are issued, on the stock exchange on which the shares of the company are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date shall be considered.

The full exercise price alongwith applicable taxes, if any, shall be paid upon exercise of options in the manner laid down in the JFL ESOP. The Compensation Committee may in its discretion determine the procedure for cashless exercise of option (if required).

vi. Exercise Period and process of exercise:

Exercise period shall not be more than seven years from first vesting date. Accordingly, the Participant may exercise (a) the option vested at the end of first year from the grant date within seven years; (b) the options vested at the end of second year from the grant date within six years; and (c) the options vested at the end of third year from the grant date within five years.

The eligible employee can exercise all or part of the vested options within the exercise period. Upon exercise, the Eligible Employee shall make full payment of the exercise price alongwith applicable taxes, if any, and the Company/Trust shall allot/transfer him/her the requisite number of equity shares.

vii. The appraisal process for determining eligibility of employees under JFL ESOP:

The number of options to be granted to the eligible employees would be based on their performance for the past financial year and the achievement of target/goal set for the respective employees of the Company, its holding and subsidiaries. Further, the Compensation Committee may also determine the criteria to grant options to the identified Eligible Employees.

viii. Maximum number of Options to be issued per Eligible Employee and in aggregate:

The maximum number of options in aggregate that may be issued to an Eligible Employee under the JFL ESOP shall not exceed 6,00,000 (six lacs) in aggregate, and 3,00,000 (three lacs) during any one year. Further, the maximum number of options that may issued to an Eligible Employee shall not exceed 1% of the total issued share capital of the Company at that time. Further, subject to the necessary approval(s) (if any), the Non-Executive Directors of the Company including Independent Directors, be granted stock options under the JFL ESOP, and the maximum number of options to a Non-Executive Director shall not exceed 25,000 (twenty five thousand) stock options per annum and 50,000 (fifty thousand) stock options in the aggregate under the JFL ESOP.

ix. Accounting Policies:

The Company shall comply with the accounting policies and disclosure policies prescribed under the SEBI Guidelines and such other guidelines as may be applicable from time to time in connection with Grant and Exercise of Options.

x. The method of valuation of Options

The Company shall use the Intrinsic Value Method to value its options. Further, in case of any modifications in SEBI Guidelines and / other applicable laws, the Company will follow such method as may be applicable from time to time.

xi. Disclosure in Directors' Report

In case the Company calculates the employee compensation cost using the intrinsic value of the Stock Options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of Options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.

The other terms and conditions for issue of stock options will be as per the JFL ESOP and subject to modification/variation made by the Board of Directors/Compensation Committee of the Company from time to time.

As per SEBI Guidelines read with section 81(1A) of the Companies Act, 1956, the approval of the members by way of special resolution is required for the adoption and implementation of JFL ESOP. Further, SEBI Guidelines mandates for obtaining of

separate approval of members where the grant of options are proposed to be offered to the holding and/or subsidiaries of the Company. Additionally, Clause 49 of the listing agreement requires prior approval of members to be obtained before grant of options to Non-Executive Directors including Independent Directors.

The Directors, who are eligible to participate in the JFL ESOP, may be deemed to be concerned or interested in the resolution.

The Board recommends the Resolutions mentioned at Item No. 5 and 6 for the approval of the members.

ITEM NO. 7

It is proposed to grant stock options to Non-executive Directors of the Company under its Employees Stock Option Plan, 2007 ("ESOP 2007"). The maximum number of options proposed to be granted to any Non-Executive Director shall not exceed 25,000 (twenty five thousand) stock options per annum and 50,000 (fifty thousand) stock options in the aggregate under the ESOP 2007. Each stock option would entitle to one equity share of Rs. 10/- each.

As at date, there are only 15,620 un-granted options under the ESOP 2007. However, the aforesaid limits have been provided keeping in mind the availability of options for further grant due to forfeiture / lapse of options on account of employees not exercising the options granted, resignation from services, etc. In absence of any such forfeiture / lapse, the maximum number of options to be granted under the aforesaid scheme will be restricted to 15,620.

Further, Clause 49 of the listing agreement requires prior approval of shareholders to be obtained before grant of options to Non-Executive Directors including Independent Directors.

The Non-Executive Directors, who are eligible to participate in the ESOP 2007 may be deemed to be concerned or interested in the resolution.

The Board recommends the Resolution mentioned at Item No. 7 for the approval of the shareholders as special resolution.

ITEM NO. 8

Mr. Ajay Kaul, CEO Cum Whole Time Director of the Company, has over 21 years experience in industries such as financial services, airlines, express distribution and logistics and food retail. He holds a Bachelors' degree in Technology from Indian Institute of Technology, Delhi and a Masters degree in Business Administration from XLRI, Jamshedpur. He joined the organization with effect from February 7, 2005 as Chief Executive Officer and was appointed as a Whole Time Director w.e.f. March 14, 2005, which was approved by Central Government for a period of five years i.e. upto March 13, 2010.

The members had approved a remuneration of ₹1,75,00,000/- (Rupees One Crore Seventy Five Lakhs only) per annum plus an annual increment in gross remuneration upto 40% of the last remuneration drawn by Mr. Ajay Kaul in the Annual General Meeting held on September 26, 2008. Further, the Central Government had, vide their letter dated June 17, 2009 had approved a remuneration of ₹1,74,82,000/- (One crore seventy four lakhs eighty two thousand only) per annum for a period upto June 30, 2009.

The Central Government has, vide their letter dated February 11, 2011, intimated the Company to file a fresh application for payment of remuneration to Mr. Ajay Kaul, beyond June 30, 2009.

The Company has filed the fresh application with the Central Government on March 2, 2011 for wavier of excess remuneration paid to Mr. Kaul. The excess remuneration paid to Mr. Kaul is required to be approved by members by way of Special Resolution.

None of the Directors, except Mr. Ajay Kaul, are concerned or interested in the proposed Resolution except to the extent of shares held by them in the Company.

The Board recommends the Resolution mentioned at Item No. 8 for the approval of the members.

Date: July 15, 2011

By order of the Board of Directors
for **Jubilant FoodWorks Limited**

Regd. Office: Plot No. B-214, Phase II,
Distt. Gautam Budh Nagar
Noida – 201305 (U.P.)

sd/
(Mona Aggarwal)
Company Secretary

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

Name of the Director	Mr. Hari S. Bhartia	Ms. Ramni Nirula
Date of Birth	December 12, 1956	May 27, 1952
Date of Appointment	March 16, 1995	October 05, 2009
Expertise in Specific functional areas	He has experience in the Pharma, Life Sciences & Healthcare Oil & Gas (Exploration & Production), Agri & Performance Polymers, Food & Retail and Consulting Services in Aerospace and Oilfield Services.	She has expertise in the banking and finance industry.
Qualification	He holds a Bachelor's degree in Chemical Engineering from the Indian Institute of Technology, Delhi.	She holds a Bachelor's degree in Economics and a Master's degree in Business Administration from University of Delhi.
No. of Equity Shares held in the Company	1 (One)	Nil
List of other Companies in which Directorships are held as on March 31, 2011 (excluding private & foreign companies)	Jubilant Life Sciences Ltd. Jubilant Chemsys Ltd. Jubilant Biosys Ltd. Jubilant Infrastructure Ltd. Vam Holdings Ltd. Geo-Enpro Petroleum Ltd. Television Eighteen India Ltd. IBN 18 Broadcast Ltd. Jubilant First Trust Healthcare Ltd Shriram Pistons and Rings Ltd. Jubilant Industries Ltd. Network 18 Media & Investments Ltd. Export Credit Guarantee Corporation of India Ltd. Jubilant Enpro Pvt. Ltd.	Haldia Petrochemicals Ltd. Usha Martin Ltd. Utkarsh Micro Finance Ltd. P I Industries Ltd. Vardhman Special Steels Ltd.
List of Committees* of the Board of Directors (across all companies) in which Chairmanship/Membership is held as on March 31, 2011	Audit Committee <i>Chairman</i> Jubilant First Trust Healthcare Ltd. Jubilant Infrastructure Ltd. <i>Member</i> Television Eighteen India Ltd. IBN 18 Broadcast Ltd. Network 18 Media & Investments Ltd. Share Transfer & Investor Grievances Committee <i>Member</i> Television Eighteen India Ltd.	Audit Committee <i>Member</i> Utkarsh Micro Finance Ltd. Share Transfer & Investor Grievances Committee Chairperson Jubilant FoodWorks Ltd. P I Industries Ltd.
Relationship with any other Director inter-se	Brother of Mr. Shyam S. Bhartia.	None

* Only two committees viz. Audit Committee and Shareholders' Grievance Committee have been considered.