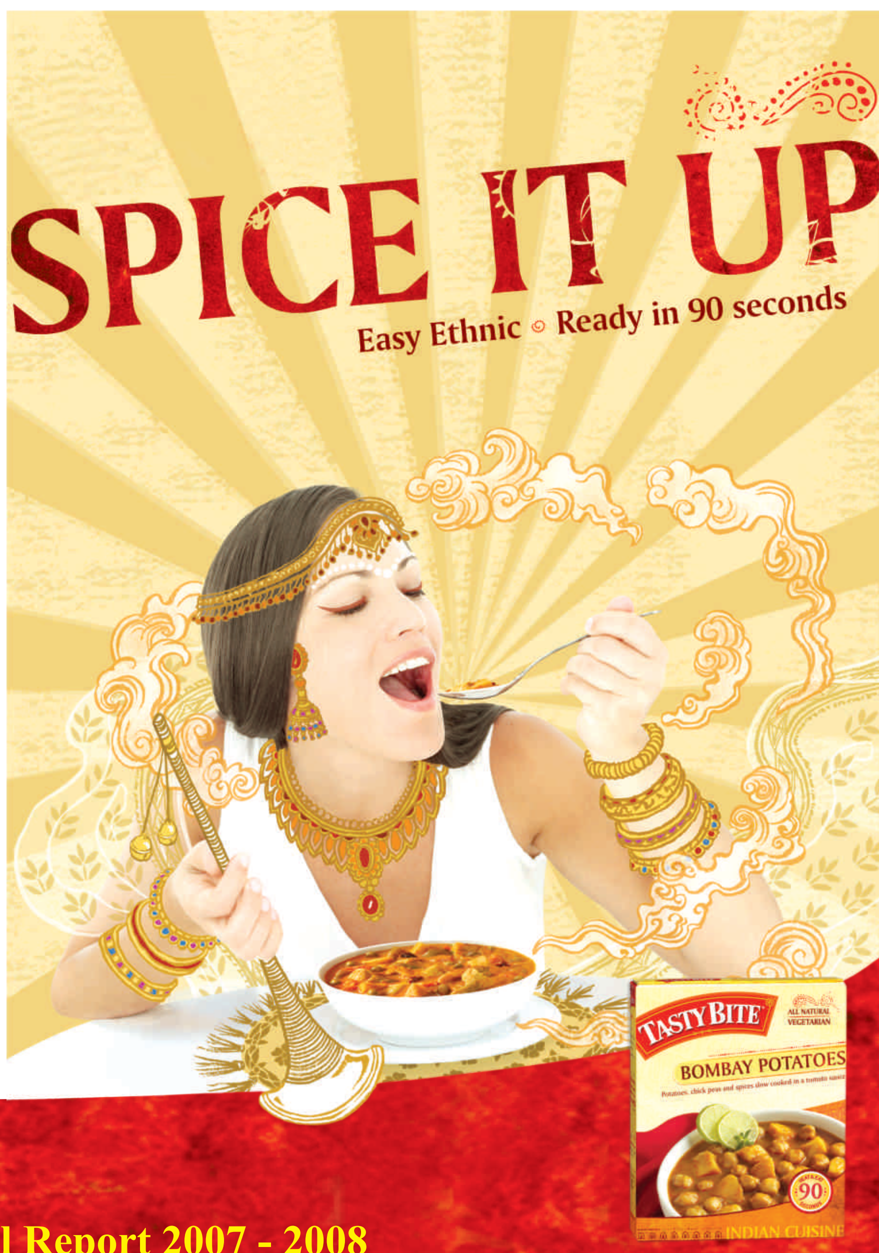
Tasty Bite Eatables Limited



24th Annual Report 2007 - 2008

TASTY BITE EATABLES LIMITED

MISSION STATEMENT

Objective	Be a Value Driven Company providing Attractive Returns to its Shareholders
	through
Scope	Manufacture and Marketing of Natural, Convenient & Speciality Foods and Food Intermediates
	that offer customers
Promise	Great Taste, Good Value, a Wide Range and High Speed Response achieved through
	achieved through
Advantage	***Product and Process Innovation, low –cost manufacturing, Versatility, and customer partnerships***
	in an
Environment	***Knowledge Driven, Fun and Hi energy environment.***

Tasty Bite bags Silver Trophy

APEDA (Agricultural Processed Food Product Export Development Authority) awarded Silver trophy to Tasty Bite for the Export performance in 2006-07. The award was presented by Hon. Minister of Commerce and Ministry, Government of India, Shri Kamal Nath to Ravi Nigam, Executive Director on May 30, 2008.

CORPORATE INFORMATION

Directors
Mr. Ashok Vasudevan, *Chairman*
Mr. Ravi Nigam, *Executive Director*
Mrs. Meera Vasudevan
Mr. K. P. Balasubramanium
Dr. V. S. Arunachalam
Mr. Sohel Shikari, *Alternate Director*

Registered Office
204, Mayfair Towers
Wakdewadi, Shivajinagar
Pune - 411 005
Tel: 020- 25510685
Fax: 020- 25512695

Auditors
M/s Kalyaniwalla Mistry and Associates
Chartered Accountants, Pune

Factory
Village Bhandgaon
Taluka Daund
Dist: Pune, Maharashtra

Bankers
AXIS Bank Limited
ICICI Bank Limited
Bank of Baroda

Share Transfer Agent
M/s Karvy Computershare Pvt. Ltd
"Karvy House", 46, Avenue 4,
Street No. 1, Banjara Hills
Hyderabad - 500 034

Contents

24th Annual General Meeting

Date : 22nd August 2008
Time : 10:30 am
Venue : Registered Office
204, Mayfair Towers
Shivajinagar, Pune

A Request

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

FINANCIAL HIGHLIGHTS

(Rs. in lakhs)

FINANCIAL HIGHLIGHTS	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03
Months	**12**	12	12	12	12	12
Statement of Income						
Revenue	**3,698.90**	3,075.48	2,682.66	2,292.66	1,339.45	1,712.48
Cost of Revenue	**1,972.48**	1,686.44	1,302.07	1,210.17	607.28	678.75
Gross Profit	**1,726.42**	**1,389.04**	**1,380.59**	**1,082.49**	**732.17**	**1,033.73**
Operating Expenses	**1,409.56**	1,146.22	1,071.16	948.24	863.12	739.38
Depreciation	**86.47**	67.12	64.93	70.04	69.50	58.06
Interest	**71.08**	32.00	77.18	104.69	70.77	50.13
Extra-Ordinary (Income)/Expenses	**(14.69)**	20.27	26.75	1.08	47.93	—
Provision for Tax	**57.03**	36.79	84.76	(14.74)	(75.81)	10.00
Net Profit	**116.97**	**86.64**	**55.81**	**(26.82)**	**(243.34)**	**176.16**
Assets Employed						
Fixed Assets - Gross	**2,109.81**	1,885.95	1,286.61	1,241.27	1,219.40	1,211.14
Fixed Assets - Net	**1,119.97**	1,032.00	632.45	463.11	511.10	567.22
Investments	**-**	0.50	0.50	0.50	0.50	-
Current Assets	**1,889.72**	1,730.77	1,488.69	1,908.73	1,534.99	1,665.42
Current Liabilities	**(916.16)**	(852.94)	(746.63)	(629.05)	(529.62)	(488.03)
Deferred Revenue Expenditure	**-**	0.18	0.36	0.53	0.70	0.87
Deferred Tax Asset / (liability)	**(63.40)**	(21.48)	10.35	91.29	76.54	0.73
	2,030.13	**1,889.03**	**1,385.72**	**1,835.11**	**1,594.21**	**1,746.21**
Net Current Assets	**973.56**	877.83	742.06	1,279.68	1,005.37	1,177.39
Financed By						
Share Capital	**316.13**	316.13	316.13	316.13	316.13	316.13
Reserves	**1,312.92**	1,312.92	1,312.92	1,312.92	1,312.92	1,312.92
Shareholders' Funds	**1,629.05**	**1,629.05**	**1,629.05**	**1,629.05**	**1,629.05**	**1,629.05**
Profit (Loss) Carried Forward	**(285.28)**	(402.25)	(488.89)	(544.70)	(517.88)	(274.54)
Loan Funds	**686.36**	662.23	245.56	750.76	483.04	391.70
	2,030.13	**1,889.03**	**1,385.72**	**1,835.11**	**1,594.21**	**1,746.21**
Ratios						
Current Ratio	**2.06**	2.03	1.99	3.03	2.90	3.41
Working Capital Turnover	**3.80**	3.50	3.62	1.79	1.33	1.45
Gross Profit % To Revenue	**47%**	45%	51%	47%	55%	60%
Net Profit % To Revenue	**3.16%**	2.82%	2.08%	-1.17%	-18.17%	10.29%
Debt Equity Ratio	**0.42**	0.41	0.15	0.46	0.30	0.24
Capital Turnover	**1.82**	1.63	1.94	1.25	0.84	0.98
Fixed Assets to Shareholders' Funds	**0.69**	0.63	0.39	0.28	0.31	0.35
Earnings Per Share	**4.56**	3.38	2.17	(1.05)	(9.48)	4.56
Net Worth	**1,343.77**	**1,226.80**	**1,140.16**	**1,084.35**	**1,111.17**	**1,354.51**

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

The domestic and international environment in which your company operated last year was complex, uncertain and exciting all at once.

Complex, since many drivers of economic growth were increasingly difficult to predict during the year. The rising price of crude for instance, was not predicted. Economists are still divided on whether this was due to a spurt in demand by India and China, the continuing American war in Iraq or the obduracy of OPEC to increase production.

Nothing exemplified uncertainty during the year than the behavior of the rupee. The early steadiness of the rupee followed by a rise against the dollar and its recent recovery had bankers scuttling, offering widely disparate forward cover rates and exporters toggling between covering export receivables in the beginning of the year and covering dollar imports towards the end of the year.

The slowdown in the US economy, the continuing debate on the direction of the federal interest rate and the dollar, burgeoning public & government debt and the political uncertainty given the emerging elections all added to an already complex and uncertain environment.

But beneath all this lies a vibrant and exciting marketplace where our consumers continued to look for healthy, convenient and specialty food alternatives. The US natural food industry grew nearly 10%; meaning consumers spent US$ 5 billion more on natural food products than they did a year ago.

Your company's revenues last year grew 20% to Rs. 370 million outpacing the industry's growth in key markets including the US and India. During the same period EBITDA grew 50% to Rs.33.1 million and Profit after tax moved up 34% to Rs. 11.7 million. This marks the fifth continuous year of the company's growth in revenues, exports and profitability. This performance is despite the pressure of the weakening dollar that impacted revenues and domestic inflation that affected costs.

Some notable highlights of the year:

- Gross revenue of Rs. 370 million is up 20% over last year (Rs.307 million).
- Export volumes at 2703 tons increased 16% though revenues increased only 10% reflecting the weakening dollar.
- Domestic volumes of frozen formed products increased 212% to 600 tons (192 tons in FY'07)
- Domestic and institutional sales increased 80% to Rs.51.9 million (Rs.28.9 million)

- EBITDA at Rs. 33.1 million grew 50% over last year (Rs.22.2 million)
- Profit after tax is up 34% at Rs. 11.7 million. (Rs 8.66 million)
- In terms of total volume, this year the company produced nearly 2826 tons of processed foods. This was 21% higher than last year.
- Independent rating agencies continued to name Tasty Bite as the dominant brand with a market share in the US at 74% in natural supermarkets and 54% in the mainstream grocery markets.
- The company's frozen formed products division catering to the domestic institutional and food service industry grew 212% over last year and continues to represent a big opportunity for the company.
- TBEL's continued commitment to quality was recognized once again when the company received the coveted ISO 22000, OHSAS 18001 and BRC certifications.

Last year I had mentioned that there were three challenges facing the company in the near term viz. the weakening dollar, domestic inflation and increased competition. These will continue to remain the challenges for this year as well. Our strategy of opening newer markets, continued focus on productivity & margin improvement and thrust on product, process and ingredient innovation will in my opinion continue to provide us with a sustainable differentiation and steer us into an even more profitable future.

An example of such innovation this year is the phased launch of two new product groups in the US and Australia. Flavored rice and simmer sauces. Flavored rice variants include the Mexican Fiesta Pilaf, Thai Lime Pilaf, the Italian Pesto etc. Some of the sauces include Good Korma, Pad Thai & Satay Partay. These new variants in the markets endorse the promise your company made in its mission statement of offering consumers **great taste, good value and a range of cuisine**.

Ashok Vasudevan
Chairman

DIRECTORS' REPORT

To The Members,

Your Directors are pleased in presenting the Twenty-fourth Annual Report together with Audited Statement of Accounts for the year ended 31st March 2008.

1. FINANCIAL RESULTS: **(Rs. In lacs)**

Particulars	**Year Ended March 31, 2008**	**Year Ended March 31, 2007**
Total Revenue	3698.90	3075.48
Operating Profit (loss) – **PBDIT**	316.86	242.82
Interest	71.08	32.00
Depreciation	86.47	67.12
Profit (Loss) before Tax	159.31	143.70
Provision for Taxation (MAT Credit Entitlement)	(12.00)	(2.35)
Provision for Deferred Tax	(41.92)	(31.82)
Fringe Benefit Tax	(3.11)	(2.62)
Prior Period Income/ (Expenses)	14.69	(20.27)
Net Profit	**116.97**	86.64
Appropriation	**-**	-
Dividend on Preference Shares (inclusive of tax)	**-**	-
Profit/ (Loss) transferred to Balance Sheet	**116.97**	86.64

2. OPERATIONS

The company had increased revenues by 20% from Rs 30.75 Cr to Rs. 37 Cr. The company has increased sales from Rs. 27.56 Cr to Rs 32.34 Cr and this has been partially offset by the appreciation in the INR-USD by almost 10%. The company is also a preferred supplier to the Indian institutional customers in the ready-to-eat segment.

Your company had initiated a series of cost effective measures to support margins including recipe changes, productivity measures and simple energy saving measures. The operating profits have increased from Rs. 2.43 Cr to Rs.3.17 Cr.

3. DIVIDEND

In view of the accumulated losses of previous years, your directors are unable to recommend any dividend.

4. FIXED DEPOSITS

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

5. REDEMPTION OF PREFERENCE SHARES

The company had issued 1% 59,530 Non-Cumulative, Non- Convertible Redeemable Preference Shares (the preference shares) of Rs. 100/- each to Preferred Brands Foods India Limited (PBFIL holds 74.22 % of paid up capital of the Company)

As per the terms of the issue, the said Preference shares will become due for redemption on August 31, 2008 at a premium of Rs. 1950 per share.

Considering the inadequacy of profits, the company will be unable to redeem the Preference share and hence, the company requested the Preference Shareholder, Preferred Brands Foods India Limited, to grant its approval to the extension of term for redemption of preference shares to further period not exceeding beyond 20 years from the date of allotment of preference shares. Preferred Brands Foods India Limited, has accorded its consent to the said extension reserving the right to demand for redemption during the extended period.

The resolution to this effect is incorporated in the Notice of the ensuing Annual General Meeting for approval from the members of the company.

6. DIRECTORS

Mr. Ashok Vasudevan & Mr. K. P. Balasubramaniam, who retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for reappointment.

7. CORPORATE GOVERNANCE

Your Company attaches considerable 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 Listing Agreement with the Stock Exchange are complied with.

A detailed report on Corporate Governance forms a part of this Annual Report. Your Company has also obtained a certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance and is annexed as **Annexure A** to this report.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Directors confirm :

(i) that in preparation of the accounts for the financial year ended 31st March 2008, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;

(ii) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for the year under review;

(iii) that they have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(iv) that they directors have prepared the annual accounts for the financial year ended 31st March 2008 on a 'going concern' basis.

9. MANAGEMENT DISCUSSUION AND ANALYSIS

Pursuant to Clause 49 of the listing Agreement, a Management Discussion and Analysis Report is given as an addition to this report.

10. AUDITORS

At 23rd Annual General Meeting in 2007, Shareholders approved the reappointment of M/s Kalyaniwalla Mistry And Associates as the Auditors of the Company till the conclusion of forthcoming Annual General Meeting. The Auditors have expressed their unwillingness to be reappointed. The Company has received a special notice proposing appointment M/s Kalyaniwalla & Mistry, Chartered Accountants, as the Auditors of the Company. M/s Kalyaniwalla & Mistry, Chartered Accountants, pursuant to section 224 (1B) of the Companies Act, 1956, furnished the certificate regarding their eligibility for appointment as the Auditors of the Company.

11. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with provisions of Sec 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the **Annexure B** forming part of this report.

12. PERSONNEL

During the year under review, industrial relations of the company continued to be cordial and peaceful.

The particulars of employees required to be disclosed under section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are provided herewith as **Annexure C** for the employees in receipt of remuneration exceeding Rs.24 lakhs per annum.

13. ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from their Bankers during the year under review.

Your directors appreciate the support and confidence reposed in by the Members, Suppliers, Customers and Distributors of the company.

Your Directors wish to place on record their deep sense of appreciation for the devoted services of the executives, staff and workers of the company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF TASTY BITE EATABLES LIMITED

Date : May 27, 2008
Place : Pune

Ashok Vasudevan
Chairman

ANNEXURE TO DIRECTORS' REPORT

Annexure A

The Members
Tasty Bite Eatables Limited

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, 2008 as stipulated in Clause 49 of the Listing Agreement entered into with Bombay Stock Exchange Limited.

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 above mentioned Listing Agreement .

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.

J. N. Mavji
Practising Company Secretary
Membership No. 6111
Certificate of Practice No. FCS 2821

Date : 23 May 2008
Place : Pune

Annexure B

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. CONSERVATION OF ENERGY:

a) Energy Conservation measures taken

— Power produced from captive power is maintained at 2.78 units/litre of fuel by undertaking preventive maintenance at regular basis

— The Company has fully converted its furnace oil powered boiler to a multi fuel boiler using briquettes as its main input. This has resulted in lower steam cost and completely eliminating use of fossil fuel.

b) No additional investment & proposals for reduction of consumption of energy are being proposed.

c) Impact of measures (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : Steam cost for manufacturing products has been reduced by apprx. 50%.

d) Total energy consumption & energy consumption per unit of production as per **Form A** of the Annexure

B. TECHNOLOGY ABSORPTION

e) efforts made in technology absorption as per **Form B** of the Annexure

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

f) total foreign exchange used & earned

	Current Year	Previous Year
Used (Rs. lacs)	469.51	477.05
Earned (Rs. lacs)	2508.84	2275.05

FORM A

Disclosure of particulars with respect to Conservation of Energy.

(A) Power and Fuel Consumption:

	Current Period	Previous Period
1. Electricity		
a) Purchased Unit (in KWH)	19,22,650	18,39,947
Total Amount (in Rupees)	1,00,44,210	1,00,86,890
Rate/Unit (In Rupees)	5.22	5.48

b) Own generation Through Diesel Generator : A very small amount of electric power was generated through 430 KVAD.G sets installed as stand-by arrangements, whenever there is power shortage from MSEB mainly through sustained running of the cold storage plant.

	Current Period	Previous Period
2. Furnace Oil		
Qty. (MT)	-	171.772
Total Amount (In Rupees)	-	35,17,405
Avg. Rate (In Rupees / MT)	-	20,477
3. Others (Briquettes)		
Qty. (MT)	1279.62	654.270
Total Amount (In Rupees)	39,28,204	21,06,107
Avg. Rate (Per / MT)	3069.82	3219.01

(B) Consumption Per Unit Production:

	Current Period	Previous Period
Standard products with details (if any)		
Electricity: KWH/KG	0.53	0.69
Furnace oil: K.G./ KG	-	0.16
Briquettes: K.G./ KG	0.35	0.42

FORM B

(A) RESEARCH & DEVELOPMENT

1. Specific areas in which R & D carried out by the Company

   With continuous change in business and technology, investments in research and development need to be made. In its strive to achieve innovation through R&D, the Company had set-up a modern in-house R&D research center lab at its corporate office at 204, Mayfair Towers, Pune.

   TBRC continues to focus on cost reduction programs for ingredients and packaging material.

2. Benefits derived as result of the above R & D

   The above developments has benefited in introduction of new, shelf stable production resulting in growth of exports to Rs. 3234 Lacs in the current year from Rs.2756 Lacs in the previous year.

3. Future plan of action

   The Company continues to develop new products in institutional, shelf-stable and frozen range of products.

4. Expenditure on R & D

a) Capital (in Rs.)	10,14,241
b) Recurring (in Rs.)	1,06,561
c) Total (in Rs.)	11,20,802
d) Total R & D expenditure as a percentage of total turnover	0.35%

(B) TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION

1.	Efforts in brief, made towards technology, absorption, adaptation and Innovation	NIL
2.	Benefits derived as a result of above efforts	
3.	Technology Imported (during last 5 years)	

ANNEXURE – C

Particulars of employees pursuant to the provision of section 217 (2A) of the Companies Act 1956 and forming part of the Directors' Report for the Year ended 31st March 2008

A) Employees who were employed throughout the Financial Year and were in receipt of remuneration in aggregate of not less than Rs.24,00,000/- per annum

Sr. No	Name	Designation	Gross Remuneration Rs.	Qualification	Age	Total Experience	Year of Commencement of Employment	List of Employment & Designation
1.	Ravi Nigam	Executive Director	30,41,205/-	Degree in Chemistry & Master's Degree in Rural Management	48	26	1997	Ballarpur Industries' Commodity Foods Group - **Chief General Manager.**

B) Employees who were employed for a part of the Financial year and were in receipt of remuneration in aggregate of not less than Rs. 2,00,000/- per month.

NIL

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.

1. BOARD OF DIRECTORS

a) Composition of Board

The Company is managed by the Board of Directors with a Non-Executive Chairman, a Non-Executive Director, an Alternate Director, an Executive Director and two eminently qualified Independent Directors.

b) Number of Board Meetings

There were five Board Meetings during the year ended 31st March, 2008. These were on May 24, 2007, July 30, 2007, September 14, 2007, October 31, 2007, January 31, 2008 and the maximum interval between any two meetings was not more than 4 months.

c) Directors attendance record & directorships held

Srl. No.	Name of the Director	Category Of Directorship	Attendance in Board Meetings Durings 2007-08	Attendance at last AGM held on 14.09.08	No. of other Directorships# as on 31.3.2008	No. of other Committee positions held as on 31.3.2008 (Other Companies)
(1)		(2)	(3)	(4)	(5)	(6)(7)
1.	Mr. Ashok Vasudevan	N.E.D.	2	Yes	3	NIL
2.	Mrs. Meera Vasudevan	N.E.D.	1	Yes	2	NIL
3.	Mr. Ravi Nigam	E.D.	4	Yes	1	NIL
4.	Mr. K. P. Balasubramaniam	N.E.D., I.D.	4	Yes	5	1
5.	Mr. Dr. V. S. Arunachalam	N.E.D., I.D.	2	No	1	NIL
6.	Mr. Sohel Shikari *	A.D.	2	N.A	2	NIL

Mrs. Meera Vasudevan is the spouse of Mr. Ashok Vasudevan.

NED – Non-Executive Director,

ED – Executive Director,

AD – Alternate Director

ID – Independent Director

* Mr. Sohel Shikari is an Alternate Director to Mrs. Meera Vasudevan.

\# including Private limited companies and excluding foreign companies.

2. COMMITTEES OF THE BOARD

a) AUDIT 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	
			Held	Attended
Mr. K. P. Balasubramaniam	Chairman	Independent	4	4
Dr. V.S.Arunachalam	Member	Independent	4	3
Mr. Ravi Nigam	Member	Executive	4	2

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

Terms of reference :

The powers, duties and terms of reference of the committee are as mentioned in clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited and Section 292A of the Companies Act, 1956 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 the appointment and removal of external auditors, and fixation of audit fees and charges for other services.
(c) Review the quarterly, half yearly and annual financial statements before submission to the Board or to the Members.
(d) Review the adequacy and quality of internal control systems.
(e) Review and comment on draft audit report / Report to management & qualifications.
(f) Review any change in Accounting Policies and practices.
(g) Compliance with stock exchange – listing requirements.
(h) Compliance with other Corporate and Foreign Exchange laws vis-à-vis remittances made & received.
(i) Discussion with external auditors on the nature, time period and scope of the audit and post-audit review on any areas of concern.
(j) Reviewing the Company's financial and risk management policies.
(k) Look into reasons for defaults if any in the payment to creditors/ suppliers/government.
(l) Look into reasons for defaults by Company's customers, dealers, distributors & credit days' control.

The minutes of the Audit Committee Meeting(s) are noted by the Board of Directors at subsequent Board Meeting(s).

b) SHAREHOLDERS' GRIEVANCE COMMITTEE

The Shareholders' Grievance Committee of the Board was constituted on 25th May 2002 to look into the redressal of shareholder complaints like share transfers, non-receipt of Annual Reports and issue of duplicate shares. The Committee comprises of :

Mr. Ashok Vasudevan	Chairman	Non-Executive Director
Mr. Sohel Shikari	Member	Alternate Director
Mr. Ravi Nigam	Member	Executive Director

The Company Secretary is the Compliance Officer.

The Company has received one complaint during the year 2007-08 which is pending as on March 31, 2008.

We provide herewith the details of the nature of complaints/requests/reminders received during the year.

Nature of Complaint -Share Transfer	Received	Resolved	Pending
Number of Complaints received during the year	1	0	1
Number of Complaints pending as on 31.03.2008	1	0	1*
Total			

* Pending Case is subsequently resolved in April 2008

3. DETAILS OF REMUNERATION OF THE BOARD OF DIRECTORS

All decisions related to the remuneration of the Directors, both Executive & Non Executive are decided by the Board of Directors of the Company in accordance with the shareholders approval, wherever necessary. Details of remuneration paid to the executive & Non executive directors for the year 2007-08 are as follows:

a) Non Executive Directors

Name of the Director	No. of Tasty Bite's Shares held	Sitting fees (Rs.)	Professional fees (Rs.)	Total (Rs.)
Mr. K. P. Balasubramaniam	1500	20,000	80,000	1,00,000
Dr. V.S.Arunachalam	NIL	10,000	60,000	70,000

b) Executive Director

Salary (Rs.)	30,41,205
Benefits (Rs.)	-
Performance linked Incentive / Commission / Bonus (Rs.)	NIL

Notes :

1. The agreement with Mr. Ravi Nigam, Executive Director is for a period of five years. The Company or the Executive Director shall be entitled to terminate the agreement at any time by giving "Three months" advance notice in writing in that behalf to the other party .
2. Salary includes allowances. No commission or performance bonus has been paid to directors.
3. No stock option scheme has been launched by the company till now.

c) Remuneration Policy :

The Board of Directors has fixed the remuneration of the Whole-time Director, subject to the approval of the shareholders. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the corporate world, financial position of the company etc. The remuneration structure comprises basic salary, perquisites and allowances, contribution to provident fund and other funds in accordance with Sections 198 & 309 of the Companies Act. The non-executive directors do not draw any remuneration from the Company except sitting fees for each meeting of the Board & professional fees.

4. CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all its Members and Managerial personnel in line with the industry practice and all the members of the Board & the Managerial personnel of the Company have confirmed compliance with the Code of Conduct for the year under review, as adopted by the Company.

5. GENERAL BODY MEETINGS

Details of the last three Annual General Meeting are as follows

Financial year ended	Date & Time	Venue	Special Resolution
2006-07	14th Sept 07, 11:00 am	Registered Office	None
2005-06	25th Sept 06, 11:00 am	Registered Office	i. Appointment of Mr. Ravi Nigam as executive Director for a period of 5 years w.e.f. July 20, 2006
2004-05	12th Aug 05, 11:00 am	Registered Office	i. Alteration of Articles ii. Authorization to borrow money not exceeding Rs. 8 crores iii. Increase the remuneration of Executive Director viz. Mr. Ravi Nigam

- The Registered Office of the company is situated at 204, Mayfair Towers, Shivajinagar, Wakdewadi, Mumbai-Pune Road, Pune- 411005.
- All resolutions moved at the last Annual General Meeting were passed by a show of hands by the members present at the meeting. During the previous year, the Company did not pass any special resolution through postal ballot.

6. DISCLOSURES

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. 11 of schedule 17 to the Accounts in the Annual Report.

There has been no instance of non- compliance by the Company on any matter related to capital markets. Hence the question of penalties or strictures being imposed by SEBI or the Stock exchanges or any other statutory authority does not arise.

As required by clause 49 of the listing Agreement, the Company has obtained a certificate from Practicing Company Secretary regarding compliance of conditions of corporate governance. The certificate is given as an annexure to the Directors' Report.

The Company has complied with all the mandatory requirements of the Listing Agreement. The extent of adoption of non- mandatory requirements are given below:

- Your Company has adopted and circulated whistle blower policy to provide a necessary forum to escalate any corporate governance issues to the management. This policy encourages employees to communicate incidents of any misuse of company's properties, any mismanagement or wrongful conduct prevailing anywhere within the organization
- Half-yearly /Quarterly Results are not being sent to the Shareholders. The same is uploaded in EDIFAR site of SEBI.

7. 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. Prabhat and Sandhyanand.
- These newspapers are selected on the basis of having maximum circulation in the areas where vast majority of our shareholders are located and also on the basis of cost effectiveness.

- The Company provides information to the Bombay Stock Exchange Limited as per the requirement of the Listing Agreement.
- As the company does not have its own website, quarterly results, official news releases and any presentations made to any institutional analysts and/or investors cannot be posted.
- Management Discussion and Analysis forms part of this Annual Report

8. GENERAL SHAREHOLDER INFORMATION

a)	**Annual General Meeting**	:	
	– Date and Time	:	August 22, 2008, 10.30 a.m.
	– Venue	:	Registered Office, Pune
b)	**Financial Calendar**		
	Financial reporting for		
	– the quarter ending June 30, 2008		Last week of July, 2008
	– the half year ending September 30, 2008		Last week of October, 2008
	– the quarter ending December 31, 2008		Last week of January 2009
	– year ending March 31, 2009		Last week of May, 2009
	Annual General Meeting for the year ending March 31, 2009		September, 2009
c)	Financial Year	:	April 1 to March 31
d)	Dates of Book Closure	:	August 18, 2008 to August 22, 2008
e)	Dividend Payment	:	Not recommended any dividend payment for the financial year 2007-08.
f)	Listing on Stock Exchange	:	Bombay Stock Exchange Ltd (BSE) Code : 519091 ISIN: INE 488B01017 Group : B
g)	Registrars & Shares Transfer Agent	:	M/S Karvy Computershare Pvt. Ltd. "Karvy House", 46, Avenue 4, Street no.1 Banjara Hills, Hyderabad – 500034 Ph: 040-23312454 e-mail: mahendra.singh@karvy.com

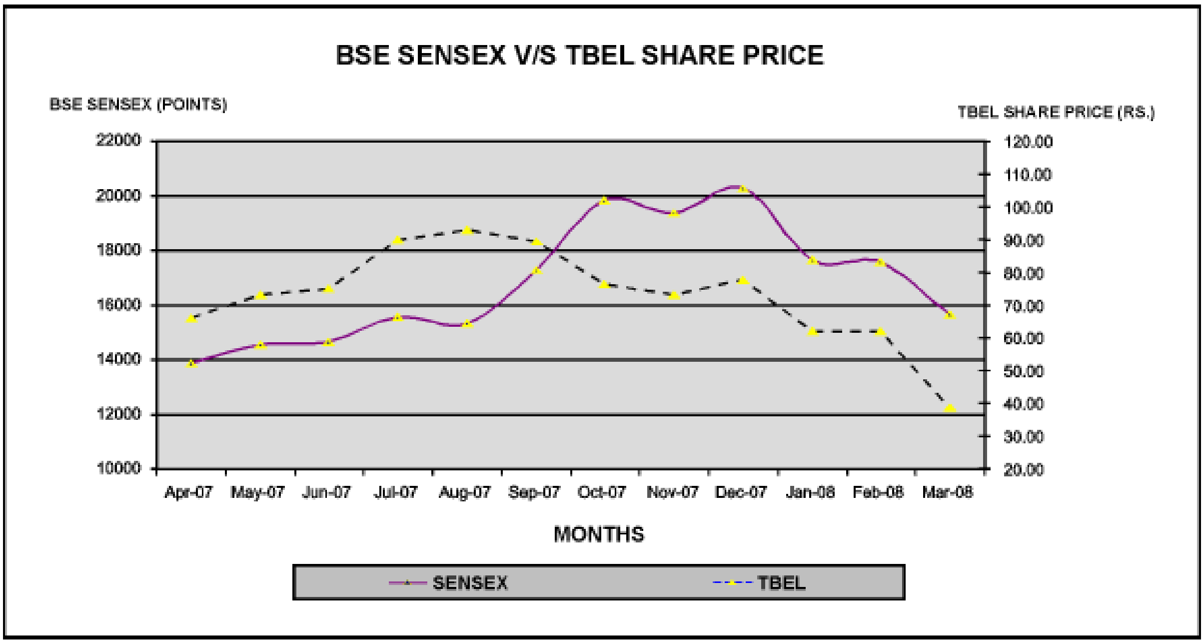
h) Stock Market data

The Market Price and Volume of the Company's Equity Shares traded on the Stock Exchange, Mumbai during the year 2007-08 are as follows:

Month	High (Rs)	Low (Rs)	Volume (Nos)	Sensex
April 07	67.90	51.10	14,245	13,872
May 07	90.00	61.00	49,668	14,544
June 07	80.35	65.00	29,965	14,650
July 07	99.80	61.50	70,375	15,550
Aug 07	105.00	71.10	47,572	15,318
Sept 07	111.90	80.00	35,102	17,291
Oct 07	99.00	63.10	23,631	19,837
Nov 07	89.00	60.20	21,319	19,363
Dec 07	82.25	64.20	38,157	20,286
Jan 08	114.55	57.05	2,48,704	17,648
Feb 08	65.00	46.55	23,410	17,578
Mar 08	64.85	32.45	1,37,791	15,644

Note: The above data has been downloaded from the official website of the Bombay Stock Exchange Limited.

Stock performance Vs BSE Sensex:



The graph relates to the monthly closing price/ indices

i) Share Transfer System

In respect of transfer of shares, shareholders are advised to contact M/S Karvy Computershare Pvt. Ltd directly. Every effort is made to clear share transfers/transmissions and split/consolidation requests within 15 days. Requests for issue of duplicate share certificates are normally cleared within 25 days, subject to the documents being clear in all respects.

Secretarial Audit Report

Securities Exchange Board of India has, vide its circular dated 31st December, 2002, made it mandatory for listed companies to subject themselves to secretarial 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

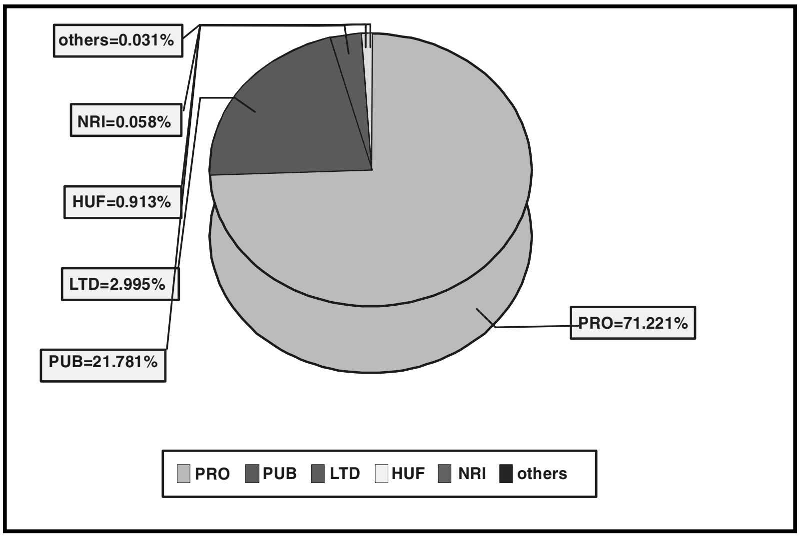
j) Distribution of Shareholding as on 31st March 2008

As of March 31, 2008, the distribution of the Company's shareholding was as follows:

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 - 5000	1504	89.05%	228540	2285400	8.91%
5001 - 10000	92	5.45%	74643	746430	2.91%
10001 - 20000	41	2.43%	61488	614880	2.40%
20001 - 30000	14	0.83%	35483	354830	1.38%
30001 - 40000	8	0.47%	28328	283280	1.10%
40001 - 50000	7	0.41%	31743	317430	1.24%
50001 - 100000	14	0.83%	102074	1020740	3.98%
100001 & Above	9	0.53%	2003701	20037010	78.09%
Total	**1689**	**100%**	**2566000**	**25660000**	**100%**

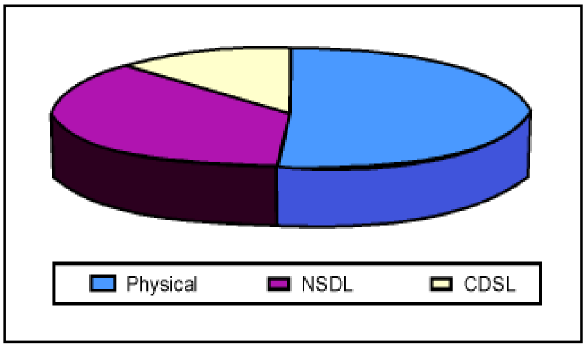
k) Shareholding Pattern as on Marach 31, 2008

Category	No. of Holders	Total Shares	% To Equity
PROMOTERS	3	1904510	74.22%
RESIDENT INDIVIDUALS	1581	558912	21.78%
BODIES CORPORATES	77	76862	3.00%
H U F	17	23427	0.91%
N R I	9	1483	0.06%
CLEARING MEMBERS	2	806	0.03%
Total	**1689**	**2566000**	**100.00%**



l) Dematerialization of shares and liquidity as on 31.03.2008

Description	No. of cases	Total Shares	% to equity
Physical	858	2080111	81
NSDL	626	318846	12
CDSL	205	167043	7
Total	**1689**	**2566000**	**100**



m) Outstanding GDR/ADR/Warrants or any convertible instruments : Not Applicable

n) Factory Location : Bhandgaon Villages, Taluka – Daund, Dist - Pune - 412144, Maharashtra.

o) Investors Correspondence : Company Secretary
204, Mayfair Towers, Wakdewadi, Shivajinagar,
Pune - 411005
Ph: 91-020-2551 0685,
Fax: 91-020-2551 2695, www.tastybite.com

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To the Board of Directors of

Tasty Bite Eatables Limited

We certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and the steps taken to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee

- (i) significant changes in internal control over financial reporting made during the year; and that the same have been disclosed suitability in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF TASTY BITE EATABLES LIMITED

Place : Pune	**Ravi Nigam**	**Sohel Shikari**
Date : May 27, 2008	**Executive Director**	**CFO**

MANAGEMENT DISCUSSION AND ANALYSIS

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and Generally Accepted Accounting Principles (GAAP) in India. The Company's management accepts responsibility for the integrity and objectivity of these financial statements as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the balance sheet as on March 31, 2008 and the profits and cash flows for the financial year 2007-08.

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

Tasty Bite Eatables Limited manufactures and markets "*Tasty Bite*," a range of shelf stable, all-natural, Ready-to-Serve (RTS) ethnic food products. As a brand, *Tasty Bite* is the No. 1 brand in the ethnic dishes, entrées and mixes category in the United States and commands a leading share (74% in natural and 54% in conventional supermarkets)[1] . Aside from the US, Tasty Bite is marketed in several countries globally. In India, the Company also develops and manufactures a range of products for institutional users such as hotels, quick-service restaurants and other retail and corporate customers.

The Company's growth over the past decade has been driven by three industry mega trends in the global food industry. These involve (1) Convenience Foods (US market $16 billion growing at 10%), (2) Natural Foods ($ 5 billion-17%) and Specialty Foods ($2 billion-30%). Tasty Bite occupies the 'sweet spot' across these three industry mega-trends.

We adopted a mission statement two years ago which reads '***TBEL will be a value-driven organization that provides attractive returns to shareholders by manufacturing and marketing natural, convenient and specialty foods and food intermediates that offers consumers great taste, good value and a range of cuisine through product innovation, low cost manufacturing, versatility, vertical integration and customer partnerships in a knowledge driven, fun and energetic work environment.'*** We continue to be committed to this statement and build upon the five areas that are and continue to be areas of competitive advantages to the Company.

All key management functional areas have developed their independent missions statement that are aligned with the Company's mission statement and a balanced score card methodology is being used to align key decision making in the context of the mission statement.

The Balanced Scorecard approach which has allowed focus on key measurement criteria is a very focused method of looking at individual and group performance. We believe that in the years to come, this will significantly enhance performance all across the company.

Results of this focused strategy have yielded results with a top line growth of over 20% in FY08 and a compounded annual growth rate of 29% over the past 5 years. This was achieved through expansion of the company's product offerings, increased presence and market share in key markets, and strategic investments in the Tasty Bite Research Centre (TBRC).

TBEL manufacturers its products in a world-class, versatile manufacturing facility located near Pune, India. The versatility of the plant encompasses manufacture of products in multiple formats (shelf-stable, frozen), multiple packaging (pouches, trays), multiple cuisines and multiple pack sizes. The Company prides itself on its quality and has constantly endeavored to set industry standards of quality assurance. The Tasty Bite factory has an ability to manufacture over 70,000 meals per day in addition to manufacturing prepared frozen formed products and IQF (individual quick frozen) vegetables.

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[1] SPINSscan data for year ending December 29, 2007

TBEL has a separate vegetable processing facility at its campus wherein all the sorting, cleaning, grading and cutting activity of vegetables are being undertaken. The separation of these activities from the main manufacturing areas of the factory has improved quality and productivity.

The engine of growth of the Company has really been its ability to bring innovative products in a timely manner to its customers. The Tasty Bite Research Center (TBRC) has a team of skilled professionals who drive the development of new recipes, product forms, new formulations etc. all with a single-minded focus of delivering on the company's promise to bring consumers great taste, good value and a range of cuisine. Aside from in-house professionals, TBRC works closely with food and technology experts across the globe to access new technologies and add value to its product portfolio. Product innovation is seen as the key differentiator in the Company's strategy and will be the factor that will provide sustained competitive advantage to it in the future.

The Company has been recognized for its export performance and is now a government certified 'One Star Export House'.

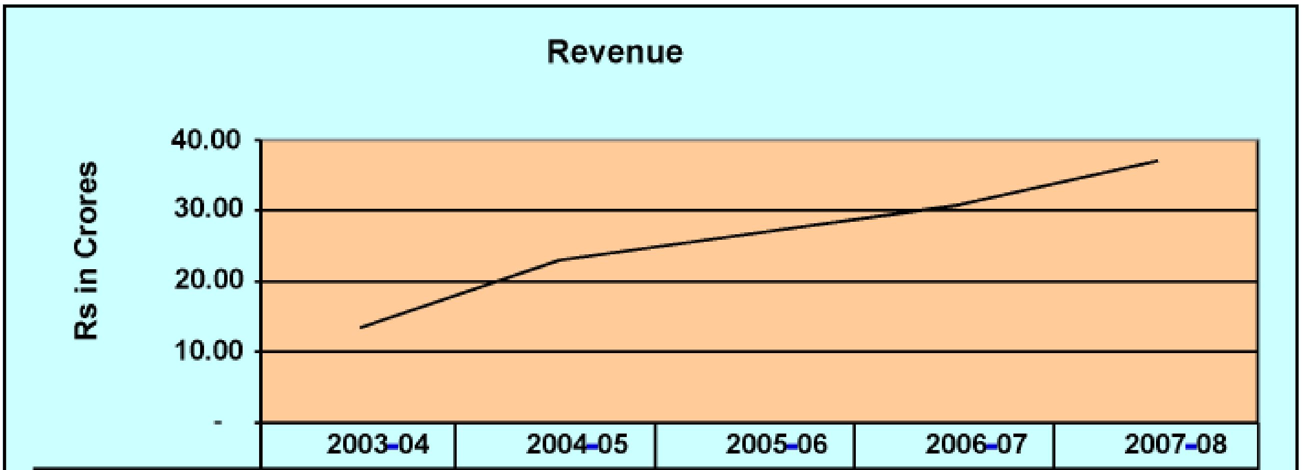
B. FINANCIAL PERFORMANCE

Results of Operations

Some salient features of the Company's financial performance in fiscal FY08 (2007-08) are:

- Gross revenues have grown 20% to Rs. 370 millon in FY08 up from Rs. 307.5 millon FY07.
- Total Sales have grown 17% to Rs. 323.4 millon in FY08 up from Rs. 275.6 millon in FY07.
- The company has reported earnings before depreciation, interest, depreciation and taxes (EBITDA) of Rs. 33.2 millon in FY08 as against Rs. 24.3 millon in FY07.
- Profit after-tax for the year increased 35% over the previous financial (Rs. 11.7 millon in FY08 against Rs. 8.66 millon in FY07).

Gross revenues over the past 5 years have grown at a compounded annual growth rate of 29%.



	2003-04	2004-05	2005-06	2006-07	2007-08
Revenues Rs./Crs	13.39	22.93	26.83	30.75	36.99

Revenue Analysis

Revenue break-up across key business divisions for the financial year ended March 31, 2008 and 2007 is given below.

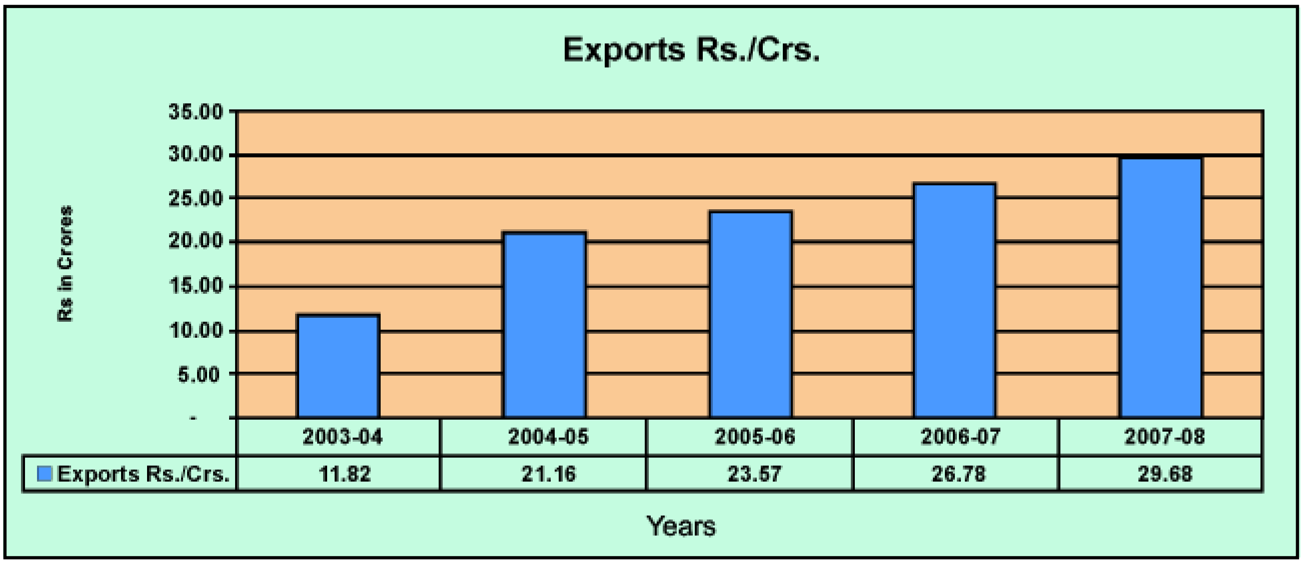
Particulars (Rs. in Million)	2007-08	2006-07	% Growth
Exports Sales & Incentives	299.20	267.80	11.73%
Domestic Sales	52.30	28.90	80.97%
Processing Income and Rentals	4.80	7.50	-36.00%
Other Income	13.60	3.30	312.12%
Total Revenues	369.90	307.50	20.29%

TBEL' achieved revenues of Rs. 370 million in FY08, a growth of 20.29% over FY07 revenues of Rs. 307.5 million. Export revenues including export related incentives grew 11.73% to Rs. 299 million in FY08 (Rs. 268 million in FY07). While volume growth in sales was 22.3% in FY08 over FY07, the USD depreciated 11% against the INR in FY08 (average INR realization rate was Rs. 45.07 in FY07 compared to Rs. 40.10 in FY08). Since the company's prices to its US customers are in dollars the rupee value of these sales were lower to that extent.

In constant Dollar terms (considering the average rate of fiscal FY07 of Rs. 45.07), the income in Rupee terms for fiscal FY08 was lower by Rs. 26.84 million.

Export revenues come mainly from the sale of ready-to-serve (RTS) meals in consumer packs, which continues to remain the key product line of the Company. These retail packs are exported and distributed to consumers through mainstream supermarkets and grocery stores in the US, Canada, Australia and other global markets. Exports comprise the bulk of the business and contribute over 85% of the company's revenues.

Growth of export sales over the past 5 years is summarized in the chart below. These have grown at an annual compounded growth rate of 26%.



Institutional sales grew robustly in FY08 to reach Rs. 52 million in FY08 compared to Rs. 29 million in FY07, a growth of 81% YoY. This was on account of a full year's sales of the vegetable pizza puff in prepared frozen foods line (PFF) in FY08 compared to just three months sale in FY07. Capacity utilization of this line was 40% (computed on a two-shift basis). The company is in the process of developing and marketing other products on this line and better its capacity utilization.

Apart from its RTS and PFF business, the company has an IQF (individual quick frozen) plant along with a cold store. This IQF plant has been mainly utilized for processing of our vegetables such as spinach and green peas that are procured in season and then stored in the cold store for use in our products. While we also do processing for third parties and receive processing income this revenue has declined in the current financial given the focus of the Company to process vegetables mainly for captive consumption. The cold store has a capacity of 1800 tons and excess capacity is leased out to various customers for which we earn cold storage rentals.

The company made a foreign exchange gain of Rs. 8.8 million against a gain of Rs. 1.4 million in the previous period. While Rs. 4.2 million was on account of forward contracts taken by the company in advance to hedge against USD currency depreciation, Rs. 4.6 million was a mark-to-market gain on the USD liability of $1.3 million it has against a borrowing facility from its parent, Preferred Brands International LLC (PBI).

EXPENDITURE ANALYSIS :

Raw and Packing Material

Material costs as a % of sales were 60.99% of sales compared to 61.29% in the previous financial. The material costs in FY07 included a one time inventory write-off of slow moving stock of Rs. 6 million. Adjusting this the material consumption would be 59%. The increase in costs in FY08 is on account of lower realization of the company's export sales to the US that are on fixed price dollar rates. Secondly, the institutional business of the company has also grown significantly in FY08 over FY07 (80% increase) wherein margins are normally lower than those of the retail business.

The company also buys a bulk of its raw materials such as vegetables and pulses from mandis and traders. The Company is exposed to variations in prices of raw vegetables such as onions, tomatoes, spinach, potatoes etc, and price escalation of the same does have an impact on the gross margins of the business.

Particulars of Material consumption during the year

(Rs. Millon)

Particulars	2007-08	2006-07
Sales	323.4	275.6
Material Consumed	197.3	162.4
% COGS	**61%**	**59%**

Export Freight

Export freight as a percentage of export revenues declined to 7.93% in FY08 as compared to 9.92% in FY07. We achieved this by negotiating bulk rates in advance for our export shipments. Fuel costs however have increased and rate increases have been seen in the last quarter of the year and this trend is expected to continue with the increasing pricing of gasoline products.

Manufacturing Cost

Manufacturing costs primarily consists of power and steam which is used to manufacture our products. In order to save on steam generation costs, we had converted our boiler to a flexible fuel boiler that could use either furnace oil or briquettes as inputs. In the past year we have used briquettes for all our steam generation requirements. This has reduced our steam cost per ton and has resulted in annual savings of Rs. 0.85 million. Aside from reducing the cost of steam we have reduced our consumption of fossil based fuels to a renewable source of fuel that is sourced locally from small-scale enterprises.

We have also upgraded and enhanced our electrical infrastructure by increasing the transformer capacity to 2500 KVA and upgraded the panels and cables at a total cost of Rs. 11.6 million. This was completed and commissioned in the third quarter of FY08.

Overall manufacturing costs which includes power, fuel, store, spares & consumables totaled Rs. 25.2 million in FY08 compared with Rs. 24.2 million in FY07. As a percentage of sales and operational income this fell to 7.09% in FY08 compared to 7.95% in FY07.

Mark-to-market loss on foreign exchange swap

TBEL also made a one-time provision (as per Accounting Standards AS-30) to mark-to-market a swap contract it has undertaken on its USD 1.3 million long-term loan. The swap is a currency swap effectively converting the liability to Swiss Francs and has a term expiring on February 13, 2009. The swap was made at an exchange rate of 1 USD = 1.24 CHF. This exchange rate is protected through an option structure provided the exchange rate between the USD and CHF does not breach the 1.09 level anytime between November 10, 2008 and February 11, 2009. The exchange rate as on March 31, 2008 was approximately 1 USD = 1CHF. The mark-to-market provision recorded in the financial statements as on March 31, 2008 is Rs. 12 million.

BALANCE SHEET ANALYSIS

Share Capital

There is only one class of equity shares having a face value of Rs. 10 each. Currently the Company has a total of 2,566,000 equity shares issued and fully paid up.

The Company also has 59,530 preference shares of face value of Rs. 100 each (1% non-cumulative, non-convertible, redeemable) which are due for redemption on August 31, 2008 at their issued premium of Rs. 1950 per preference share. The Company is proposing to extend the date of this redemption by seeking approval from Preferred Brands Foods (India) Limited (PBFIL) (owners of these preference shares) and from its shareholders. Subject to these approvals date of redemption of these preference shares will be extended to a maximum period of 20 years from the date of issue of these shares (31.08.1998). PBFIL will have the right to demand redemption at any time on these preference shares by giving a 90-day notice in writing to the Company.

Borrowings

The Company has taken an External Commercial Borrowing from its holding company in the United States, Preferred Brands International LLC (PBI) of US$1.3 mn. This loan was taken on December 31, 2005 and has a tenure of 10 years and carries an interest rate of LIBOR + 3.5%. Principal of the loan is repayable in 8 equal quarterly instalments of US$162,500 beginning July, 2013. This loan is secured by a first charge on the Company's assets to PBI.

The Company also has an unsecured facility from Axis Bank of Rs. 20 million. Balance as on March 31, 2008 was Rs. 16.6 million.

Fixed Assets

We did a major enhancement of our electrical infrastructure in FY08 by expanding our transformer capacity and upgrading our panels and cables. Total expenditure on electrical installations in FY08 was Rs. 11.6 million. Total assets capitalized in the year was Rs. 22.4 million.

Sundry Debtors

Sundry debtors amounted to Rs. 72.57 million which is net of provisions made against doubtful debts of Rs. 0.6 million. This compares to Rs. 84.50 million in FY07, which included a net provision of Rs. 1.3 million. Sundry debtors accounted for 19.6% of revenues in FY08 compared to 27% of revenues in FY07. In terms of days of receivable this was 72 days in FY08 compared to 99 days in FY07.

Inventory

Inventory of raw, packaging material and finished goods totaled Rs. 47.68 million at the end of FY08. This compared to Rs. 34.81 million at the end of FY07. Provisions against slow and non-moving stock was Rs. 6.4 million and Rs. 3 million at the end of FY08 and FY07 respectively. Net inventory stood at 12.8% of sales in FY08 compared to 11.5% of sales in FY07. In terms of number of days of sales this was 46 days in FY08 compared to 42 days in FY07.

Cash and Bank Balances

The total cash and bank balance as on March 31, 2008 totaled Rs. 19.78 million as compared to Rs. 13.21 million in FY07. This includes Rs. 16.19 million in deposits lying with the following banks.

Bank	FY08 (Rs million)	FY07 (Rs million)
Bank of Baroda	3.181	0.100
ICICI Bank	0.000	7.521
Axis Bank	11.079	0.000
Union Bank of India	1.930	1.843
Total	**16.190**	**9.464**

Current Liabilities

Sundry creditors amounted to Rs. 47.5 million as on March 31, 2008 (Rs. 64.36 million as on March 31, 2007). This amounted to 14.7% of sales as on March 31, 2008 compared to 23.4% of sales as on March 31, 2007. In terms of number of days of sales this amounts to 54 days as on March 31, 2008 (85 days in the previous year).

Provisions

Provisions include Rs. 12 million against a mark-to-market position of the foreign currency swap. As per accounting standards relating to employee benefits, a provision of Rs. 1.64 million against leave travel allowance and Rs. 1.19 million against gratuity existed on the financials as of March 31, 2008. The Company has also created a Tasty Bite Employees Gratuity Trust in which it has funded Rs. 2.7 million as on the date of this report.

Deferred Tax Liability

We recorded a deferred tax liability of Rs. 6.34 million as of March 31, 2008 (Rs. 2.15 million as of March 31, 2007). Deferred tax liabilities represents timing differences in the financial and tax books arising from depreciation on assets.

Ratio Analysis

Ratio Analysis	FY08	FY07
Ratios - Financial Performance		
Export Sales / Total Sales (%)	83.8%	89.5%
Domestic Revenue / Total Revenue (%)	16.2%	10.5%
Gross Profit / Total Revenue (%)	53.3%	54.6%
Aggregate Employee Cost / Total Revenue (%)	14.4%	14.2%
General and administrative expenses / Total Revenue (%)	15.4%	13.9%
Selling and marketing expenses / Total Revenue (%)	0.4%	0.5%
Earnings before depreciation, interest and taxes / Total Revenue (%)	8.6%	7.9%
Depreciation / Total Revenue (%)	2.3%	2.2%
Interest / Total Revenue (%)	1.9%	1.0%
Profit Before Tax / Total Revenue (%)	4.3%	4.7%
Profit After Tax / Total Revenue (%)	3.2%	2.8%
Ratios - Balance Sheet		
Debt-equity ratio	0.42	0.41
Current ratio	2.1	2.0
Days Accounts Receivable	72	100
Days Inventory	47	41
Days Account Payable	71	97
Ratios - Return		
ROCE (PBIT / average capital employed) (%)	11.8%	10.7%
Return on average invested capital (%)	5.8%	5.3%
Capital Output Ratio	0.55	0.61
Ratios - Per Share		
Basic EPS (Rs)	4.6	3.4
Book Value (Rs)	1.2	(3.4)
Price, end of year (Rs)	38.8	59.9
Price / Earnings, end of year	8.5	17.7
Market capitalization / Total revenue, end of year	0.27	0.50

C. OPPORTUNITIES AND THREATS

The international market for convenient, natural and specialty foods especially in the Indian and Thai category continued to see robust growth in FY08. The Tasty Bite brand occupies a 74% market share in natural supermarkets and a 54% market share in the mainstream grocery markets in the US. We believe that consumer trends will continue to drive growth at robust rates in all our export markets.

The institutional business for the Company in India has also grown significantly achieving a 80% growth over the previous financial. The increasing purchasing power of the Indian consumer and lifestyle trends is increasing the demand for convenient and eating-out options such as fast-food restaurants. This is reflected in the increase of quick-service restaurants and the emergence of a new category of products on the shelves of 'modern' retail in the country.

We remain optimistic of the Company's performance moving ahead and estimate that profit will further increase in FY09. Growth in revenue will be driven by width of distribution in key markets, increased product offering allowing for new uses of the Company's products as well as increasing frequency of usage.

In the Indian market, your Company will continue to focus upon the institutional business wherein it will look at providing intermediate and finished products to institutions and the food service industry. Strong customer partnerships will continue to be forged with leading food companies in the country.

D. RISKS, CONCERNS & RISK MITIGATION

A large part of our revenues comes from the US market. Economic slowdown or factors that impact the economic health of this economy has the potential to negatively impact our growth.

The Indian rupee has appreciated by 11% in FY08 compared with FY07. Further appreciation of the Indian rupee would impact our revenue growth since our products are fixed-priced to our US customers in dollars. While we have hedged our risks using forward and option contracts, the volatility of the rates in recent times could affect the results of our operations as well as impact our positions that have already been taken on our forward, option and swap contracts. Some of our packaging material is imported and priced in dollars, which provides a partial hedge against our dollar based export revenues.

The past year has seen a significant price increase in many agricultural commodities such as vegetable oil, rice, wheat and milk products. We do have rate contracts for some of our key raw materials but these are generally short term in nature and would not cover the entire year. Our cold store allows us to procure and store vegetables in season in order to manage these costs.

Our goods are manufactured in India and exported by sea to various global markets. Increasing costs of oil has resulted in increasing sea freight, which will impact our margins.

We are in a consumer business and we do not have minimum purchase commitments or contracts with our customers. Our growth is dependent upon the market demand for these kinds of products and our ability to deliver great tasting products at globally competitive prices.

The environment we operate in is highly competitive with consumer trends rapidly changing. Our success and growth will lie in our ability to identify these trends and develop products that will be accepted by our consumers.

Our revenues are dependent upon a few markets and within that to a limited number of customers (retailers, distributors and corporates). Our growth is also linked to our customers' growth in the markets they operate in.

E. HUMAN RESOURCES, INDUSTRIAL RELATIONS, SAFETY AND ENVIRONMENT

Our mission statement underlines the commitment of the company to create a "knowledge-driven, fun and energetic work environment".

The Company's success lies in its ability to attract, hire and retain qualified and motivated people in all functional areas. The selection process is based on a combination of education, experience and expertise. Given the growth in industry in general and the emergence of several competitors who have recently entered this area, the challenge of hiring and retaining quality talent continuous to remain large.

In order to provide a fulfilling career to its employees and a knowledge driven, fun and energetic work environment as stated in its mission statement, the Company invests in several programs at all levels of the organization. This includes internal and external training programs, cross-functional training and exercises on the job that reduces work monotony and fatigue. Continuous training programs in the organization have resulted in increased productivity, lesser manufacturing defects and increased product and process innovation. All of these efforts have resulted in a highly energetic and entrepreneurial work environment both at the factory and at the corporate office.

Our program to provide a matching education grant for children of our factory workers is going successfully. Currently 8 children are benefiting from this program.

Training has and continues to be an area we invest in so that we upgrade skills and knowledge to all employees. We use a combination of external trainers as well as internal managers who train new and existing employees in areas relating to their function. Cross functional training is also an important part of the training calendar. All senior managers commit time to training every month. A total of 153 (Mandays) of training was imparted to employees in FY08.

Industrial relations at the plant continued to be cordial and the committed efforts of the team and the sustained motivation of the employees has resulted in the Company posting significant productivity gains and achieving several production records. For instance, total volume of manufactured products in FY08 was 3655 MT against 2648 MT manufactured in FY07, an increase of 38%.

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

Quality: The Company's stated mission for quality is to "rise beyond certifications". The Company continues to be certified for ISO-9001/2000, HACCP (Hazard Analysis & Critical Control Points) and ISO-14001 compliant. It has also achieved ISO 22000 (Integrated Food Safety) and OHSAS 18001 (Occupational Health and Safety) certification during the year. In addition, we also received certification under BRC (British Retail Consortium). The certification received in FY06 by Preferred Brands International (PBI) for C-TPAT (Customs Trade Partnership against Terrorism) has allowed the Company to export its goods without too much delay or inspections into the United States of America.

Environment: The Company is certified for Environmental Management Systems (ISO-14001) and the management and employees continue to be deeply committed towards doing our little bit to preserve the environment. We believe it also often makes business sense. For instance, the conversion to a more eco-friendly briquettes- based boiler provided significant cost efficiencies as witnessed by the lower cost of steam generation and a payback of eight months.

We recognize that by nature, the food processing industry is a prodigious consumer of water, another increasingly scarce resource. We have invested a lot of resources in effluent treatment through biological intervention rather than polluting chemicals. More importantly, the effluent treatment plant becomes a valuable source of irrigation allowing us to recycle water to our agricultural farm where we grow vegetables and herbs that are important raw materials in our processing plant.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Tasty Bite Eatables Limited has in place adequate systems and processes for internal controls to provide reasonable assurance with regard to information and maintenance of proper accounting records, reliability of financial information, and efficient utilization of the Company's resources and safeguarding of assets.

The CEO and CFO certification provided in this report discusses the adequacy of the internal controls systems and procedures.

G. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's results include, among others, economic conditions affecting demand / supply, price conditions in the 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.

AUDITORS' REPORT

TO

THE MEMBERS OF TASTY BITE EATABLES LIMITED

1. We have audited the attached Balance Sheet of ***TASTY BITE EATABLES LIMITED*** as at March 31, 2008 and also the Profit and Loss Account of the Company for the year ended as on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
   a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
   b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of these books.
   c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
   d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
   e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
      i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31,2008;
      ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
      iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on March 31, 2008 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2008, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For and on behalf of
Kalyaniwalla Mistry And Associates
Chartered Accountants

Anil A. Kulkarni
Partner
Membership No.47576
Date : May 27, 2008
Place : Pune

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph (3) of our report of even date on the accounts of **Tasty Bite Eatables Limited** ended March 31, 2008.

1) (i) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(ii) As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification and the same have been properly dealt with in the accounts.

(iii) There was no disposal of fixed assets during the year.

2) (i) The Management has conducted physical verification of inventory at reasonable intervals. In our opinion, the frequency of verification is reasonable.

(ii) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(iii) The Company is maintaining proper records of inventory. As informed to us, no material discrepancies were noticed on verification between the physical stocks and the book records and the same have been properly dealt with in the accounts.

3) (i) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

(ii) The question of commenting on the rates of interest and other terms and conditions of the loans granted being prejudicial to the interest of the Company, regular receipt of principal and interest and reasonable steps taken for recovery of principal and interest does not arise.

(iii) There is no overdue amount of loans taken from, or granted to companies, firms, or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

(iv) The Company has taken loan from one party listed in the register maintained under section 301 of the Companies Act, 1956. The total loan amount outstanding at the year end is Rs. 5,20,28,600/-.

(v) In our opinion, the rate of interest and other terms and conditions of loans taken from Companies and parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.

(vi) The Company is regular in repaying the principal amounts as stipulated and has also been regular in the payment of interest.

4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.

5) (i) Based upon the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered in the register maintained under that section.

(ii) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000 in respect of any party during the year, have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time.

6) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder.

7) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.

8) According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, for any of the activities of the Company.

9) (i) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues including dues pertaining to Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, Customs Duty, Cess and any other statutory dues with the appropriate authorities. We have been also informed that there are no undisputed dues which have remained outstanding at the end of the financial year for a period of more than six months from the date they became payable.

(ii) According to the information and explanations given to us, there are no dues of Sales Tax, Value Added Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty or Cess 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
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Dues and Interest Dues	1,09,33,763 4,30,191	1996-2007 1991-1997	Employees' Provident Fund Tribunal
Central Sales Tax Act, 1956	Tax, Interest and Penalty	7,88,036	1999-2000	Sales Tax Tribunal
Bombay Sales Tax Act, 1959	Tax, Interest and Penalty	1,42,177	1999-2000	Sales Tax Tribunal
Delhi Sales Tax Act, 1975	Tax, Interest and Penalty	48,702	2003-2004	Deputy Commissioner of Sales Tax (Appeal)
Income Tax Act, 1961	Tax	2,81,439	2002-2003	Income Tax Appellate Tribunal
Income Tax Act, 1961	Tax and Interest	7,86,268	2001-2002	Income Tax Appellate Tribunal

Of the above, the Company has deposited Rs. 20,62,118/- towards Provident Fund dues, Rs. 5,92,177/- towards Sales Tax and Rs.8,90,949/- towards Income Tax.

10) In our opinion and according to the information and explanations given to us, the Company has accumulated losses as at the end of the financial year. However, such losses do not exceed fifty percent of its net worth. The Company has not incurred cash losses in the current financial year and immediately preceding financial year.

11) According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions or debenture holders.

12) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis, of security by way of pledge of shares, debentures or other securities.

13) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.

14) The Company does not deal or trade in shares, securities, debentures and other investments.

15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

16) In our opinion and according to the information and explanations given to us, the term loan obtained by the Company was applied for the purpose for which the loan was obtained.

17) According to the information and explanations given to us and on an overall examination of the Balance Sheet, Cash Flow Statement and other records examined by us, the Company has not used funds raised on short-term basis for long-term investment.

18) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

19) The Company did not issue any debentures during the year.

20) The Company has not raised any money through a public issue during the year.

21) According to the information and explanations given to us by the Management and to the best of our knowledge and belief, no fraud on, or by the Company has been noticed or reported during the year.

For and on behalf of
Kalyaniwalla Mistry And Associates
Chartered Accountants

Anil A. Kulkarni
Partner
Membership No.47576
Date : May 27, 2008
Place : Pune

BALANCE SHEET AS AT MARCH 31, 2008

	Schedule	Rs. '000	Current Year Rs. '000	Previous Year Rs. '000
SOURCES OF FUNDS:				
1. SHAREHOLDERS' FUNDS				
a) Share Capital	1	**31,613**		*31,613*
b) Reserves and Surplus	2	**131,292**		*131,292*
			162,905	*162,905*
2. LOAN FUNDS				
a) Secured Loans	3	**52,029**		*56,667*
b) Unsecured Loans	4	**16,607**		*9,556*
			68,636	*66,223*
3. DEFERRED TAX LIABILITY			**6,340**	*2,148*
	TOTAL		**237,881**	*231,276*
APPLICATION OF FUNDS:				
4. FIXED ASSETS	5			
a) Gross Block		**210,981**		*188,595*
b) Less: Depreciation		**99,668**		*91,021*
c) Net Block		**111,313**		*97,574*
d) Capital Work-in-Progress		**684**		*5,626*
			111,997	*103,200*
5. INVESTMENTS	6		**-**	*50*
6. CURRENT ASSETS, LOANS AND ADVANCES	7			
a) Inventories		**47,683**		*34,814*
b) Sundry Debtors		**72,577**		*84,504*
c) Cash and Bank Balances		**19,784**		*13,214*
d) Other Current Assets		**17**		*17*
e) Loans and Advances		**48,911**		*40,528*
		188,972		*173,077*
7. Less: CURRENT LIABILITIES AND PROVISIONS	8			
a) Current Liabilities		**72,091**		*81,778*
b) Provisions		**19,525**		*3,516*
		91,616		*85,294*
8. NET CURRENT ASSETS			**97,356**	*87,783*
9. MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	9		**-**	*18*
10. PROFIT AND LOSS ACCOUNT		**28,528**		*40,225*
	TOTAL	**237,881**		*231,276*
NOTES TO ACCOUNTS	17			

The Schedules referred to above form an integral part of the Balance Sheet

As per our Report attached

For and on behalf of
KALYANIWALLA MISTRY AND ASSOCIATES
CHARTERED ACCOUNTANTS

Anil A. Kulkarni
PARTNER

Signatures to the Balance Sheet and Schedules 1 to 9 & 17.

For and on behalf of the Board

Ravi Nigam **Director** | *Sohel Shikari* **Director** | *Tanuja Sardesai* **Company Secretary**

Date : May 27, 2008
Place : Pune

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2008

		Schedule		Current Year	Previous Year
			Rs. '000	Rs. '000	Rs. '000
INCOME:					
1.	Sales (Net of Returns)		**323,413**		*275,579*
2.	Operational Income	10	**32,838**		*28,678*
3.	Other Income	11	**13,639**		*4,660*
				369,890	*308,917*
EXPENDITURE:					
4.	Materials Consumed	12	**203,473**		*166,714*
5.	Manufacturing and Other Expenses	13	**140,956**		*115,991*
6.	Interest and Finance Charges	14	**7,108**		*3,200*
7.	Depreciation		**8,647**		*6,712*
			360,184		*292,617*
8.	Inventory Change	15	**(6,225)**		*1,930*
				353,959	*294,547*
PROFIT/ (LOSS) BEFORE TAX:				**15,931**	*14,370*
Provision for Income Tax					
9.	Current Tax (including Fringe Benefit Tax)			**4,790**	*497*
10.	MAT Credit Entitlement			**(3,279)**	-
11.	Deferred tax			**4,192**	*3,182*
PROFIT/(LOSS) AFTER TAX:				**10,228**	*10,691*
12.	Prior Period Items (Net)	16		**(1,469)**	*2,027*
				11,697	*8,664*
13.	Deficit Brought Forward			**(40,225)**	*(48,889)*
DEFICIT CARRIED FORWARD				**(28,528)**	*(40,225)*
Basic and Diluted Earnings per share (Rs.) face value Rs. 10 per share		17		**4.56**	*3.38*
NOTES TO ACCOUNTS		17			

The Schedules referred to above form an integral part of the Profit and Loss Account

As per our Report attached

For and on behalf of

KALYANIWALLA MISTRY AND ASSOCIATES
CHARTERED ACCOUNTANTS

Anil A. Kulkarni
PARTNER

Signatures to the Profit and Loss Account and Schedules 10 to 17.

For and on behalf of the Board

Ravi Nigam
Director

Sohel Shikari
Director

Tanuja Sardesai
Company Secretary

Date : May 27, 2008
Place : Pune

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE 1: SHARE CAPITAL

		Current Year Rs. '000	Previous Year Rs. '000
1.	**AUTHORISED:**		
	4,400,000 Equity shares of Rs. 10/- each.	**44,000**	*44,000*
	60,000 1% Non-Cumulative, Non-Convertible Redeemable Preference Shares of Rs. 100/- each	**6,000**	*6,000*
		50,000	*50,000*
2.	**ISSUED, SUBSCRIBED AND PAID UP**		
	- 2,566,000 Equity shares of Rs. 10/- each fully paid up	**25,660**	*25,660*
	- 59,530 1% Non-Cumulative, Non-Convertible Redeemable Preference Shares of Rs. 100/- each fully paid up.	**5,953**	*5,953*
	TOTAL	**31,613**	*31,613*

Note:

a) Out of the above 1,904,510 (Previous Year: 1,904,510) Equity shares and 59,530 (Previous Year: 59,530) Preference Shares are held by the Holding Company - Preferred Brands Foods India Limited.

b) 1% Non-Cumulative, Non-Convertible Redeemable Preference Shares are redeemable on August 31, 2008 at a premium of Rs. 1,950/- per share. (Refer Note No. 2 of Schedule 17 : Notes To Accounts)

SCHEDULE 2: RESERVES AND SURPLUS

		Rs. '000	Current Year Rs. '000	Previous Year Rs. '000
1.	**CAPITAL RESERVE**		**5,734**	*5,734*
2.	**SECURITIES PREMIUM ACCOUNT**			
	As per last Balance Sheet	**12,700**		*25,598*
	Less: Transfer to Reserve for Premium on Preference Share Capital	**3,225**		*12,898*
			9,475	*12,700*
3.	**RESERVE FOR PREMIUM ON PREFERENCE SHARE CAPITAL**			
	As per last Balance Sheet	**112,858**		*99,960*
	Add: Transfer from Securities Premium Account	**3,225**		*12,898*
			116,083	*112,858*
	TOTAL		**131,292**	*131,292*

	Current Year Rs. '000	Previous Year Rs. '000
SCHEDULE 3: SECURED LOANS		
Loan from Holding Companies	**52,029**	*56,667*
(Refer Note No. 3 of Schedule 17 : Notes To Accounts)		
TOTAL	**52,029**	*56,667*

Note :

Borrowings are secured by way of first priority charge and mortgage over all the movable and immovable properties, present and future, all rights in the contracts of the borrower, borrowers right, title and interest in all receivables, returns from investments.

	Current Year Rs. '000	Previous Year Rs. '000
SCHEDULE 4: UNSECURED LOANS		
Loan From Banks		
- Overdraft	**16,607**	*9,556*
TOTAL	**16,607**	*9,556*
Amount repayable within one year	**16,607**	*9,556*

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008
SCHEDULE 5: FIXED ASSETS

Rs. '000

ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01-Apr-07	Additions	Deductions	**As at 31-Mar-08**	Upto 31-Mar-07	For the Year	On Deductions	**Upto 31-Mar-08**	**As at 31-Mar-08**	*As at 31-Mar-07*
Freehold Land	1,255	-	-	**1,255**	-	-	-	**-**	**1,255**	*1,255*
Buildings	34,157	3,073	-	**37,230**	9,311	1,213	-	**10,524**	**26,706**	*24,846*
Plant and Machinery	139,087	6,720	-	**145,807**	73,039	6,757	-	**79,796**	**66,011**	*66,048*
Office Equipment	2,214	612	-	**2,826**	552	117	-	**669**	**2,157**	*1,662*
Computers	5,257	238	-	**5,495**	4,466	264	-	**4,730**	**765**	*791*
Furniture & Fixtures	4,017	95	-	**4,112**	3,555	54	-	**3,609**	**503**	*462*
Vehicles	44	51	-	**95**	39	7	-	**46**	**49**	*5*
Electrical Installations	2,564	11,597	-	**14,161**	59	235	-	**294**	**13,867**	*2,505*
TOTAL	188,595	22,386	**-**	210,981	91,021	8,647	**-**	**99,668**	**111,313**	
Previous Year	*128,661*	*59,934*	-	***188,595***	*84,309*	*6,712*	-	***91,021***		*97,574*
Capital Work-in Progress										
A. Capital Work-in-Progress									**465**	*1,631*
B. Advance for Capital Goods (Unsecured, Considered Good)									**219**	*3,995*
TOTAL									**684**	*5,626*

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

	Rs. '000	Current Year Rs. '000	*Previous Year Rs. '000*
SCHEDULE 6: INVESTMENTS			
AT COST			
TRADE			
LONG TERM			
EQUITY SHARES (fully paid up)			
Unquoted:			
The Shamrao Vithal Co-Operative Bank Ltd.		-	*50*
(2,000 Shares of Rs. 25 each)			
		-	*50*
SCHEDULE 7: CURRENT ASSETS, LOANS AND ADVANCES			
1. INVENTORIES			
a) Raw Materials	**18,009**		*9,564*
b) Stores and Spares	**471**		*1,352*
c) Packing Material	**21,655**		*22,575*
d) Work-in-Progress	**4,338**		*621*
e) Finished Goods	**3,210**		*702*
		47,683	*34,814*
2. SUNDRY DEBTORS			
(Unsecured - Considered good, unless otherwise stated)			
a) Debts outstanding for a period exceeding six months (Including doubtful debts Rs. 600 thousand; Previous Year Rs. 1,304 thousand)	**4,199**		*6,187*
b) Other Debts	**68,978**		*79,621*
	73,177		*85,808*
c) Less : Provision for Doubtful Debts	**600**		*1,304*
		72,577	*84,504*

Note:

Sundry debtors include dues from Preferred Brands Foods India Limited, being a Company under the same management Rs. 20,000; Previous Year : Rs. 20,000.

	Rs. '000	Current Year Rs. '000	*Previous Year Rs. '000*
3. CASH AND BANK BALANCES			
a) Cash in Hand	**159**		*135*
b) Balances with Scheduled Banks			
- in Current Accounts	**3,435**		*3,615*
- in Deposit Account	**16,190**		*9,464*
		19,784	*13,214*

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

			Current Year	*Previous Year*
		Rs. '000	Rs. '000	*Rs. '000*
4.	**OTHER CURRENT ASSETS**		**17**	*17*
5.	**LOANS AND ADVANCES**			
	(Unsecured - considered good, unless otherwise stated)			
	a) Advances recoverable in cash or in kind or for value to be received.	**37,629**		*35,016*
	(includes dues from Preferred Brands Foods India Limited, being a Company under the same management Rs. 3000; Previous Year : Rs. 3000)			
	b) Sundry Deposits	**4,895**		*3,194*
	c) Advance Payment of Taxes	**6,387**		*2,318*
	(includes MAT Credit Entitlement Rs. 3,279 thousand; Previous Year : Rs. 235 thousand)			
			48,911	*40,528*
	TOTAL		**188,972**	*173,077*

SCHEDULE 8: CURRENT LIABILITIES AND PROVISIONS

1.	**CURRENT LIABILITIES**			
	a) Acceptances	**-**		*2,914*
	b) Sundry Creditors (Refer Note no. 7 of Schedule 17)	**47,476**		*64,365*
	c) Advances and Deposits	**-**		*20*
	d) Other Liabilities	**24,615**		*14,479*
			72,091	*81,778*
2.	**PROVISIONS**			
	a) For Preference Dividend	**-**		*119*
	b) For Dividend Tax	**8**		*8*
	c) For Derivative Contracts	**12,059**		*-*
	d) For Retirement Benefits	**2,832**		*2,925*
	e) For Taxation	**4,626**		*464*
			19,525	*3,516*
	TOTAL		**91,616**	*85,294*

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

			Current Year	Previous Year
		Rs. '000	Rs. '000	*Rs. '000*
SCHEDULE 9: MISCELLANEOUS EXPENDITURE				
	(to the extent not written off or adjusted)			
1.	Share Issue Expenses			
	As per last Balance Sheet	**18**		*36*
	Less: Written off during the year	**18**		*18*
			-	*18*
	TOTAL		**-**	*18*
SCHEDULE 10: OPERATIONAL INCOME				
1.	Cold Storage Rent		**3,174**	*5,042*
2.	Processing Charges		**1,605**	*2,452*
3.	Export Incentives		**28,059**	*21,184*
	TOTAL		**32,838**	*28,678*
SCHEDULE 11: OTHER INCOME				
1.	Interest (Gross) (Tax Deducted at Source Rs. 77,324; Previous Year Rs. 9,137)		**3,471**	*1,733*
2	Gain / (Loss) on Exchange Rate Fluctuations (Net)		**8,863**	*1,369*
3	Dividend Income		**5**	*10*
4	Sundry Balances Written Back		**1,132**	*56*
5	Excess Provision Written Back		**167**	*521*
6	Miscellaneous Income		**1**	*971*
	TOTAL		**13,639**	*4,660*
SCHEDULE 12: MATERIALS CONSUMED				
	RAW MATERIALS INCLUDING PACKING MATERIAL			
	Opening Inventory		**32,139**	*24,865*
	Add: Purchases		**210,997**	*173,988*
			243,136	*198,853*
	Less: Closing Inventory		**39,663**	*32,139*
	TOTAL		**203,473**	*166,714*

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

	Rs. '000	Current Year Rs. '000	*Previous Year Rs. '000*
SCHEDULE 13: MANUFACTURING AND OTHER EXPENSES			
Salaries, Wages, Bonus and Gratuity		**49,737**	*40,747*
Contribution to Provident and Other Funds		**1,744**	*1,362*
Workmen and Staff Welfare Expenses		**1,860**	*1,877*
Stores and Spares Consumed		**14,555**	*13,818*
Power and Fuel		**10,704**	*10,373*
Repairs and Maintenance:			
a) Plant and Machinery	**1,836**		*1,926*
b) Buildings	**1,389**		*599*
c) Others	**705**		*848*
		3,930	*3,373*
Rent, Rates and Taxes		**5,854**	*2,077*
Telephone and Postage		**1,778**	*1,586*
Travelling and Conveyance		**4,711**	*3,848*
Legal and Professional Charges		**3,243**	*4,180*
Printing and Stationary		**910**	*758*
Insurance		**950**	*568*
Freight		**21,591**	*24,666*
Sales Promotion		**86**	*91*
Selling and Distribution Expenses		**1,453**	*1,349*
Bad Debts Written Off		**1,864**	-
Provision for Doubtful Debts		**(704)**	*93*
Miscellaneous Expenditure Written Off		**18**	*18*
Provision for Loss on Derivative Contracts		**12,059**	-
Auditor's Remuneration		**604**	*620*
Sundry Balances Written Off		**199**	*26*
Miscellaneous Expenses		**3,810**	*4,561*
TOTAL		**140,956**	*115,991*
SCHEDULE 14: INTEREST AND FINANCE CHARGES			
1. Interest			
- on other loans			
- Banks	**1,340**		*352*
- Others	**4,528**		*1,933*
		5,868	*2,285*
2. Other Finance Charges		**1,240**	*915*
		7,108	*3,200*
TOTAL			

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

		Rs. '000	Current Year Rs. '000	*Previous Year Rs. '000*
SCHEDULE 15: INVENTORY CHANGE				
1.	Opening Inventory			
	a) Finished Goods	**702**		*771*
	b) Work-in-Progress	**621**		*2,482*
			1,323	*3,253*
2.	Less : Closing Inventory			
	a) Finished Goods	**3,210**		*702*
	b) Work-in-Progress	**4,338**		*621*
			7,548	*1,323*
3.	(Increase) / Decrease in Inventory		**(6,225)**	*1,930*
SCHEDULE 16: PRIOR PERIOD ITEMS				
1.	Short Provision for Sales Tax Liability		**-**	*1,125*
2.	Excess Provision for Purchases		**(1,469)**	*-*
3.	Short Provision for Expenses		**-**	*902*
			(1,469)	*2,027*

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULES 17 : NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting:

The financial statements have been prepared on accrual basis under the historical cost convention, in conformity in all material aspects with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the requirements of the Companies Act, 1956.

b) Fixed Assets and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use.

Depreciation is provided under the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956, pro-rata to the period of use. Assets installed on Leasehold Premises are depreciated over the period of Lease.

c) Inventories:

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

Work-in-progress and Finished Goods are valued at standard cost or net realisable value, which ever is lower. The standard cost comprises of direct material, direct labour and factory overheads.

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

d) 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.

e) 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.

f) 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, remaining unsettled at the year-end, backed by underlying assets or liabilities are also translated at the year-end exchange rates. Exchange gains / losses are recognized in the Profit and Loss Account. The premium / discount on forward contracts is amortised over the life of the contact.

g) Revenue Recognition:

Sale of goods is recognized on dispatch to customers. Sales are net of returns and sales tax.

Income from cold storage is recognized on accrual basis on time proportionate basis and income from processing activities is recognized on accrual basis as and when the services are rendered.

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.

h) Research and Development Expenditure:

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

i) Export Incentives:

Export incentives receivable under various schemes of the government are accounted for on accrual basis as on actual date of shipment from the factory to the extent the management is certain of income.

j) 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 profit and loss account. The liability in respect of defined benefit schemes like gratuity and leave encashment benefit 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.

k) Miscellaneous Expenditure:

Preliminary expenditure is being amortised over a period of ten years.

l) Deferred tax:

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 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 Profit and Loss Account in the period of change. Deferred tax assets are recognised only to the extent management is virtually certain as to the sufficiency of future taxable income against which the tax assets can be realised.

m) 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.

n) 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.

o) Earnings Per Share

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

2. **PREFERENCE SHARES**

1% Non-Cumulative, Non-Convertible Redeemable Preference Shares of Rs.100/- each are due for redemption on August 31, 2008. The Company intends to extend the term of redemption of 1% Non-Cumulative, Non-Convertible Redeemable Preference Shares to a further period not exceeding beyond twenty years from the date of allotment of the said preference shares. The preference shareholder reserves the right to demand for redemption of preference shares during the extended period. The other terms and conditions of the issue of the said preference shares shall remain unchanged. The Company has obtained the consent letter from the Preference Shareholder for extending the term of redemption of these Preference Shares. This is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting.

3. **SECURED LOANS**

The Company (TBEL) has taken ECB of $ 1.3 million from Preferred Brands International LLC, U.S.A. (PBI), its ultimate holding company, for capacity expansion and modernisation of the existing manufacturing infrastructure. TBEL has received RBI approval ref. FED.CO.ECBD. / 03.02.766 / 2005-06 dated November 09, 2005. As per the agreement between TBEL and PBI, the whole amount of $ 1.3 million is earmarked by PBI for TBEL. TBEL has drawn down entire amount of the loan in the year ended March 31, 2007. As per the terms of 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 the absence of a written demand, the Company has to repay the principal sum in eight approximately equal installments on each payment date commencing with the first payment date occurring eight years after the date of drawdown. The loan is not pre-payable.

4. **CONTINGENT LIABILITIES**

a) Claims against the Company not acknowledged as debts and not provided for:

   i) Sales Tax demands disputed by the Company and under appeal **Rs.9,30,213/-** (Previous Year: Rs.7,88,036/-).

   ii) Income tax claims disputed by the Company and under appeal **Rs.37,56,017/-** (Previous Year: Rs.2,81,439/-).

   iii) Provident Fund demand disputed by the Company and under appeal **Rs.1,13,63,954/-** (Previous Year: Rs.4,30,191/-).

b) Guarantees given by the Company's bankers against counter guarantees given by the Company of **Rs.32,00,000/-** (Previous Year: Rs.9,50,000/-).

5. **DERIVATIVE INSTRUMENTS**

The derivative instruments outstanding as at March 31, 2008 are as under:

i) Forward contracts USD-INR for the purpose of hedging its exposure to foreign currency receivables: **USD 33,50,000** (Previous Year: USD 13,13,969).

ii) Currency swap contract USD-CHF for the purpose of hedging its exposure to External Commercial Borrowings: **USD 13,00,000** (Previous Year: USD 13,00,000).

iii) Currency options contracts USD-INR for the purpose of hedging its exposure to foreign currency receivables: **USD 14,00,000** (Previous Year: Nil).

The Company has provided for the losses on derivative instruments by marking them to market as at March 31, 2008.

6. Estimated amount of contracts remaining to be executed on Capital Account and not provided for **Rs.2,69,293/-** (Previous Year: Rs.1,42,67,343/-).

7. **LIABILITIES**

Micro, Small and Medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 have been identified by the Company on the basis of the information available and the auditors have relied on the same. Sundry Creditors include total outstanding dues of micro enterprises and small enterprises amounting to Rs.43,74,686/-. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period are given below:

Rupees '000

a. Dues remaining unpaid as at 31st March, 2008

Principal.. .... **2,455**

Interest.. .... **Nil**

b. Interest paid in terms of Section 16 of the Act... .... **Nil**

c. Amount of interest due and payable for the period of delay on payments

made beyond the appointed day during the year .... **Nil**

d. Amount of interest accrued and remaining unpaid as at 31st March, 2008... .... **Nil**

e. Amount of further interest remaining due and payable in succeeding years

for the purpose of disallowance under section 23 of the Act .... **Nil**

8. The Company was hitherto, recognizing leave encashment liability on the basis of actual calculations at the end of each year. The Company has now refined the accounting policy and accounts for the leave encashment liability on the basis of actuarial valuation report. Consequent thereto, there is an increase in the leave encashment liability of the Company as a result of which, the profit for the year is lower by an amount of Rs.6,60,373/- and the provision for leave encashment is higher by a similar amount.

9. Exchange differences arising on payment of liabilities for purchase of fixed assets from outside India and year end conversion of such liabilities which were until the previous year adjusted to the carrying cost of the respective fixed assets, are charged or credited to the Profit and Loss Account, consequent to the applicability of Companies (Accounting Standard) Rules, 2006. Consequent thereto, the gross block of fixed assets is higher by Rs.8,56,571/- and the profit for the year is higher by similar amount.

10. DEFERRED TAXATION

In accordance with the 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:

Particulars	**As at 31st March 2008 (Rs. In thousands)**	**As at 31st March 2007 (Rs. In thousands)**
Deferred Tax Asset		
Unabsorbed Depreciation and Losses	**-**	6,549
Provision for Retirement Benefits	**963**	939
Others	**4,608**	821
Deferred Tax Liability		
Depreciation on Fixed Assets	**(11,911)**	(10,457)
Deferred Tax Asset / (Liability)	**(6,340)**	(2,148)

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

11. EMPLOYEE BENEFITS

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

	Gratuity (Funded) Rupees
Change in Present Value of Obligation	
Present value of the obligation at the beginning of the year	27,90,213
Current Service Cost	2,81,876
Interest Cost	2,45,767
Contribution by Plan Participants	-
Actuarial (Gain) / Loss on Obligation	(6,06,389)
Foreign Currency exchange rate changes	-
Benefits Paid	-
Past Service Cost	-
Amalgamations/ Curtailments/ Settlements	-
Present value of the obligation at the end of the year	27,11,467
Change in Plan Assets	
Fair value of Plan Assets at the beginning of the year	-
Expected return on Plan Assets	-
Actuarial (Gain) / Loss on Plan Assets	31,287
Foreign Currency exchange rate changes	-
Contributions by the Employer	16,00,000
Contributions by Plan Participants	-
Benefits Paid	-
Amalgamations/ Settlements	-
Fair value of Plan Assets at the end of the year	15,68,713
Amounts Recognized in the Balance Sheet:	
Present value of Obligation at the end of the year	27,11,467
Unrecognized Past Service Cost	-
Fair value of Plan Assets at the end of the year	15,68,713
Net Obligation at the end of the year	(11,42,754)
Amounts Recognized in the statement of Profit and Loss:	
Current Service Cost	2,81,876
Interest cost on Obligation	2,45,767

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

		Gratuity (Funded) Rupees
Expected return on Plan Assets		-
Expected return on Reimbursement Right recognised as an asset		-
Net Actuarial (Gain) / Loss recognised in the year		(5,75,102)
Past Service Cost		-
Effect of Curtailment or Settlement		-
Net Cost Included in Personnel Expenses		-
Actual return on Plan Assets		-
Estimated contribution to be made in next financial year		-
Actuarial Assumptions		
i)	Discount Rate	8%
ii)	Expected Rate of Return on Plan Assets	8%
iii)	Salary Escalation Rate	5%
iv)	Employee Turnover	2%
v)	Mortality	LIC (1994-96) Ultimate

Note:

- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- This being the first year of implementation of AS-15 Employee Benefits (Revised 2005) previous year figures have not been furnished.

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

12. RELATED PARTY DISCLOSURE

1. Relationships :

   (i) HOLDING COMPANY
   Preferred Brands Foods India Limited.

   (ii) ULTIMATE HOLDING COMPANY
   Preferred Brands International, LLC

   (iii) FELLOW SUBSIDIARY
   Preferred Brands Australia Pty. Ltd.

   (iv) KEY MANAGEMENT PERSONNEL
   Mr. Ravi Nigam - Executive Director

   (v) RELATIVES OF KEY MANAGEMENT PERSONNEL
   Mrs. Ruby Nigam

2. Following transactions were carried out with the related parties in the ordinary course of business:
   (i) Details Relating to parties referred to in items 1 (i), (ii) & (iii) above (Rupees in Thousands) :

Sr. No.	Particulars	Holding Company		Ultimate Holding Company		Fellow Subsidiary	
		2007-08	2006-07	**2007-08**	2006-07	**2007-08**	2006-07
1	Sales	**-**	-	**212,129**	*188,573*	**50,631**	*46,304*
2	Interest Income	**-**	-	**2,110**	*1,237*	**55**	*89*
3.	Expenses Charged to Other Companies	**-**	-	**2,101**	*1,332*	**911**	*3,965*
4	Expenses Charged by Other Companies	**-**	-	**1,286**	*999*	**1,428**	*973*
5	Interest on Loan Taken	**-**	-	**4,527**	*5,211*	**-**	-
6	Outstanding Receivables	**23**	*23*	**42,360**	*44,141*	**17,872**	*23,382*
7	Loan Taken	**-**	-	**52,029**	*56,667*	**-**	-

(ii) Details Relating to parties referred to in items 1 (iv) & (v) above (Rupees in Thousands) :

	Particulars	Key Management Personnel		Relatives of Key Management Personnel	
		2007-08	*2006-07*	**2007-08**	*2006-07*
1	Remuneration	**3,359**	*2,386*	-	-
2	Interest paid / payable	**-**	*36*	-	-
3	Loans Accepted	**-**	*1,500*	-	-
4	Receiving of Services	**-**	**-**	**240**	*240*

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

13. SEGMENT INFORMATION FOR THE YEAR ENDED MARCH 31, 2008

i) Information about Primary Business Segments (Rupees in Thousands)

PARTICULARS	RTS		COLD STORAGE & PROCESSING		UNALLOCATED		TOTAL	
	2008	2007	**2008**	2007	**2008**	2007	**2008**	2007
Revenue								
External	**361,751**	296,764	**4,779**	7,494	**3,360**	3,290	**369,890**	307,548
Inter-segment		-		-		-	-	-
Total revenue	**361,751**	296,764	**4,779**	7,494	**3,360**	3,290	**369,890**	307,548
Result								
Segment result	**19,281**	49,900	**335**	1,345	**-**	-	**19,616**	51,245
Unallocated expenditure net of unallocated income					**(3,705)**	(36,667)	**(3,705)**	(36,667)
Interest expenses	-	-	-	-	**(2,597)**	(1,951)	**(2,597)**	(1,951)
Interest income	-	-	-	-	**2,612**	1,733	**2,612**	1,733
Dividend income and profit on sale of investments	-	-	-	-	**5**	10	**5**	10
Profit before taxation and exceptional items	**19,281**	49,900	**335**	1,345	**(3,685)**	(36,875)	**15,931**	14,370
Provision for taxation					**(4,790)**	(497)	**(4,790)**	(497)
Deferred tax	**-**	-	**-**	-	**(4,192)**	(3,182)	**(4,192)**	(3,182)
Prior period items	**-**	-	**-**	-	**1,469**	(2,027)	**1,469**	(2,027)
Exceptional items	**-**	-	**-**	-	**-**	-	**-**	-
Profit after taxation and exceptional items	**19,281**	49,900	**335**	1,345	**(11,198)**	(42,581)	**8,418**	8,664
Tax credit	-	-	**-**	-	**3,279**	-	**3,279**	-
Net profit	**19,281**	49,900	**335**	1,345	**(7,919)**	(42,581)	**11,697**	8,664
Other information								
Segment assets	**278,920**	231,113	**14,280**	13,922	**7,769**	25,679	**300,969**	270,714
Segment liabilities	**147,944**	132,347	**176**	20	**18,472**	15,669	**166,592**	148,036
Capital expenditure	**15,205**	32,115	**2,139**	4,476	**100**	6,727	**17,444**	43,318
Depreciation	**7,783**	4,419	**820**	650	**44**	1,643	**8,647**	6,712
Non cash expenses other than depreciation	-	-	**-**	-	**18**	18	**18**	18

ii) Information about Secondary Business Segments (Rupees in Thousands)

Revenue by geographical market	India		Outside India		Total	
	2008	2007	**2008**	2007	**2008**	2007
External	**103,267**	71,534	**266,623**	236,014	**369,890**	307,548
Inter-segment	**-**	-	**-**	-	**-**	-
Total	**103,267**	71,534	**266,623**	236,014	**369,890**	307,548
Carrying amount of segment assets	**240,716**	203,193	**60,253**	67,521	**300,969**	270,714
Additions to fixed assets	**22,386**	37,943	**-**	5,375	**22,386**	43,318

iii) NOTES :

a) The Company is organised into two main business segments, namely: 'Ready to serve' (RTS) which also includes Frozen Products. Cold Storage comprising of providing cold storage on rental basis and Processing activities. Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns, the organisation structure and the internal financial reporting systems.

b) Segment Revenue and Expenses: Segment revenue and expenses are directly attributable to the segment. It does not include loss on sale of assets, interest expenses, interest income, tax expenses and common expenses which cannot be allocated on a reasonable basis.

c) Segment Assets and Liabilities: All segment assets that are not directly attributable to any segment are referred to as Unallocated Assets. Segment assets include all operating assets used by the segment and consist principally of fixed assets including capital work in progress, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include share capital and reserves and surplus.

d) The Segment Revenue in the geographical segments considered for disclosure are as follows:
Revenue within India includes sales to customers located within India and earning in India. Revenue outside India includes sales to customers located outside India and earnings outside India.

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

14. ANNUAL CAPACITIES AND PRODUCTION

Sr. No.	Item	Installed Capacity		Actual Production	
		Current Year MT	*Previous Year MT*	Current Year MT	*Previous Year MT*
1.	Ready to Serve Foods	**5,000**	*5,000*	**2,826**	*2,343*
2.	Frozen Vegetable	**12,200**	*12,200*	**829**	*305*

Notes :
Installed capacities are as certified by the Management.
Licenced Capacity has not been mentioned as the product have been delicenced

15. INVENTORY OF FINISHED GOODS

Sr. No.	Item	March 31, 2008		March 31, 2007	
		Quantity MT	Value Rs. '000	Quantity MT	Value Rs.'000
1.	Ready to Serve Foods	**27**	**1904**	*1*	*80*
2.	Frozen Vegetable	**38**	**1306**	*19*	*622*
			3,210		*702*

16. SALES TURNOVER

Sr. No.	Item	Current Year		*Previous Year*	
		Quantity MT	Value Rs. '000	Quantity MT	Value Rs.'000
1.	Ready to Serve Foods	**2,703**	**271,453**	*2,188*	*246,614*
2.	Frozen Vegetable	**794**	**51,211**	*446*	*28,583*
3.	Scrap Sales	*	**749**	*	*382*
	TOTAL		**323,413**		*275,579*

* Considering the varied nature of items, quantitative information has not been given.

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

17. MATERIALS CONSUMED

Sr. No.	Item	Current Year		*Previous Year*	
		Quantity MT	Value Rs. '000	Quantity MT	Value Rs.'000
1.	Raw Material and Packing Material		**203,473**		*166,714*
	TOTAL		**203,473**		*166,714*

Note:

Considering the varied number of items, quantitative information has not been given.

		Current Year Rs. '000	Previous Year Rs. '000
18.	**MANAGERIAL REMUNERATION**		
a)	Whole Time Directors		
	– Salaries and Bonus	**3,041**	*2,307*
	– Contribution to Provident Fund	**318**	*79*
b)	Non-Whole Time Directors		
	– Professional Fees	**140**	*160*
	– Directors Sitting Fees	**30**	*40*
		3,529	2,586
19.	**AMOUNTS PAID TO AUDITORS (Excluding Service Tax)**		
a)	Audit Fees	**325**	*250*
b)	Audit under other statutes	**150**	*150*
c)	Certificates	**129**	*220*
	TOTAL	**604**	620

20. DISCLOSURE IN RESPECT OF LEASES

The total of future minimum lease payments under non-cancelable operation leases:

a)	Not later than one year	**588**	*1584*
b)	Later than one year and not later than five years	**193**	*720*
c)	Later than five years	**-**	-

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2008

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

21. CONSUMPTION OF RAW MATERIALS AND STORES

Particulars	Current Year		Previous Year	
	Rs. '000	%	Rs.'000	%
a) Raw Materials including Packing Material				
- Imported	**38,015**	**19**	*24,359*	*15*
- Indigenous	**165,458**	**81**	*142,355*	*85*
	203,473	**100**	*166,714*	*100*
b) Stores and Spare Parts				
- Imported	**232**	**2**	-	-
- Indigenous	**14,323**	**98**	*13,818*	*100*
TOTAL	**14,555**	**100**	*13,818*	*100*

	Current Year Rs. '000	Previous Year Rs. '000
22. VALUE OF IMPORTS ON C.I.F. BASIS		
a) Raw Materials & Packing Materials	**37,126**	*34,621*
b) Plant & Machinery	**226**	*5,375*
TOTAL	**37,352**	*39,996*
23. EXPENDITURE IN FOREIGN CURRENCY		
- Travel	**1,333**	*526*
- Interest	**4,527**	*5,211*
- Others	**2,714**	*1,935*
TOTAL	**8,574**	7,672
24. EARNINGS IN FOREIGN CURRENCY		
- F.O.B. Value of Exports	**248,719**	*226,179*
- Interest Income	**2,165**	*1,326*
TOTAL	**250,884**	*227,505*
25. EARNING PER SHARE		
Profit after tax in Profit & Loss Account (Rs/000) (excluding extraordinary income and Dividend on Preference Shares)	**11,697**	*8,664*
Weighted Average No. of Equity shares outstanding	**2,566,000**	*2,566,000*
Basic and Diluted EPS (Rs.)	**4.56**	*3.38*

26. PREVIOUS YEAR FIGURES

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

Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956 :
Balance Sheet Abstract for the Year Ended March 31, 2008 and Company's General Business Profile

I) Registration Details:

Registration No.	:	37347
State Code	:	11
Balance Sheet Date	:	March 31, 2008

II) Capital Raised During the Year: (Amount in Rs. Thousand)

Public Issue	:	NIL
Right Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	NIL

III) Position of Mobilisation and Deployment of Funds: (Amount in Rs. Thousand)

Total Liabilities	:	237,881
Total Assets	:	237,881
Sources of Funds		
Paid-up Capital	:	31,613
Reserves and Surplus	:	131,292
Secured Loans	:	52,029
Unsecured Loans	:	16,607
Applicaiton of Funds		
Net Fixed Assets	:	111,997
Investments	:	-
Net Current Assets	:	97,356
Misc. Expenditure	:	-
Accumulated Losses	:	28,528

IV) Performance Of Company : (Amount in Rs. Thousand)

Turnover	:	369,890
Total Expenditure	:	353,959
Profit/Loss Before Tax	:	15,931
Profit/Loss After Tax	:	10,228
Earning Per Share in Rs.	:	4.56
Dividend Rate %	:	NIL

V) Generic Names Of 3 Principal Products / Services of Company:
(As per monetary terms)

a) Item Code No. (ITC Code)	:	20059000
Product Description	:	Ready to Serve Meals Fresh Frozen vegetables and fruits Processing Charges and Cold Storage Rentals

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2008

			Current Year	*Previous Year*
		Rs. '000	**Rs. '000**	*Rs. '000*
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	Net Profit Before Tax and Extraordinary Items		**15,931**	***14,370***
	Adjustment for:			
	Depreciation	**8,647**		*6,712*
	Interest Expense	**7,108**		*3,200*
	Interest Income	**(3,471)**		*(1,733)*
	Loss / (Gain) from Foreign Exchange Transactions	**(5,341)**		(929)
	Preliminary Expenses written off	**18**		*18*
			6,961	*7,268*
	Operating Profit Before Working Capital Changes		**22,892**	*21,638*
	Adjustments for:			
	Trade and Other Receivables	**4,214**		*(14,316)*
	Inventories	**(12,869)**		*(5,544)*
	Trade Payables	**6,355**		*10,788*
			(2,300)	*(9,072)*
	Cash Generated from Operations		**20,592**	*12,566*
	Income Tax Paid :			
	Current Tax (including Fringe Benefit Tax)		**(1,511)**	*(497)*
	Cash Flow Before Extraordinary Items		**19,081**	*12,069*
	Prior Period Items		**1,469**	*(2,027)*
	Net Cash Flow from Operating Activities		**20,550**	*10,042*
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**			
	Purchase of Fixed Assets	**(17,444)**		*(43,318)*
	Sale of Investments	**50**		-
	Net Cash Used in Investing Activities		**(17,394)**	*(43,318)*
	Balance carried forward		**3,156**	*(33,276)*

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2008

		Rs. '000	Current Year Rs. '000	*Previous Year Rs. '000*
Balance Brought Forward			**3,156**	*(33,276)*
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**			
	Change in borrowings	**7,051**		42,478
	Interest Expense	**(7,108)**		*(3,200)*
	Interest Income	**3,471**		*1,733*
	Net Cash Used in Financing Activities		**3,414**	*41,011*
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:		**6,570**	*7,735*
	CASH AND CASH EQUIVALENTS AS AT THE BEGINNING			
	Cash and Bank Balances	**13,214**		*5,479*
			13,214	*5,479*
	CASH AND CASH EQUIVALENTS AS AT THE ENDING			
	Cash and Bank Balances	**19,784**		*13,214*
			19,784	*13,214*
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:		**6,570**	*7,735*

NOTES

1 The Cash Flow statement has been prepared following the indirect method except in case of taxes paid which have been considered on the basis of actual movement of cash.

2 Purchase of fixed assets includes movements in Capital Work-in-process between the beginning and end of year.

3 Change in borrowings are shown net of receipts and payments.

4 Cash and cash equivalents represent cash and bank balances including deposits towards margin money amounting to Rs.1,930 thousand (Previous Year: Rs.1,843 thousand).

5 Previous year's figures have been regrouped / reclassified wherever necessary.

6 Figures in brackets represent outflows.

For and on behalf of
KALYANIWALLA MISTRY AND ASSOCIATES
CHARTERED ACCOUNTANTS

Anil A. Kulkarni
PARTNER

For and on behalf of the Board

Ravi Nigam
Director

Sohel Shikari
Director

Tanuja Sardesai
Company Secretary

Date : May 27, 2008
Place : Pune

TASTY BITE EATABLES LIMITED
204, Mayfair Towers,
Wakdewadi, Shivajinagar,
Pune – 411 005

NOTICE

Notice is hereby given that the Twenty-fourth Annual General Meeting of the Members of Tasty Bite Eatables Limited will be held on Friday, the 22nd August 2008 at 10.30 a.m. at the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2008, the Profit & Loss Account for the year ended on that date together with the schedules and Notes attached thereto, alongwith the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Vasudevan, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. K. P. Balasubramaniam, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and to pass with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT M/s Kalyaniwalla & Mistry, Chartered Accountants, be and are hereby appointed as Auditors of the Company in place of retiring auditors, M/s Kalyaniwalla Mistry and Associates, Chartered Accountants , who shall not be reappointed, and the new Auditors shall hold the office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting and that the Audit Committee of the Board of Directors be and is hereby authorized to determine the terms & conditions and remuneration payable to the said auditors."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**:

   "RESOLVED THAT approval of the shareholders, be and is hereby accorded to vary the rights attached to the Company's 1%, 59,530 Non-Cumulative, Non-Convertible, Redeemable Preference Shares ('the said shares') of Rs. 100/- each fully paid up aggregating Rs. 59.53 lacs issued to Preferred Brands Foods India Limited redeemable on 31 August, 2008 at a premium of Rs. 1950/- per share, by extending the term of redemption from 10 years from the date of allotment of the said shares to a further period not exceeding beyond 20 years from the date of allotment of the said preference shares, with Preferred Brands Foods India Limited reserving right to demand for redemption of the said preference shares during such extended period, the other terms and conditions of the issue of the said preference shares shall remain unchanged.

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

Dated : May 27, 2008
Place : Pune

Tanuja Sardesai
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Special Business at Item No. 5 of the Notice is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING, DULY STAMPED AND SIGNED.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, August 18, 2008 To Friday, August 22, 2008 (Both days Inclusive).

4. The persons who have become members of the company before the book closure are also entitled to attend the meeting.

5. Members desirous of obtaining any detailed information concerning the accounts and operations of the Company are requested to address their queries to the Executive Director to reach the Company at least seven days before the date of the meeting so that the required information may be made available at the meeting.

6. 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.

7. All the documents referred to in the Notice & Explanatory Statement 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 Annual General Meeting.

8. A special notice pursuant to section 190 of the Companies Act 1956, has been received under Section 225 (1) from a member proposing the appointment of M/s Kalyaniwalla & Mistry, Chartered Accountants, as the Auditors of the Company in place of retiring auditors, M/s Kalyaniwalla Mistry and Associates, the retiring Auditors of the Company. The Company has sent a copy of the notice to the retiring Auditors. We state that the Company has not received any representation from the retiring Auditors up to the date of notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

ITEM NO. 5

Extension of period of Redemption of Preference Shares

The Company vide an Extra-ordinary General Meeting held on 31st August 1998 converted its loan & allotted 59,530 fully paid up 10 years 1% Non-Cumulative, Non- convertible Redeemable Preference Shares of Rs. 100 each redeemable at premium of Rs. 1950/-. Preferred Brands Foods India Limited is currently the single preference shareholder holding the said 59,530 Preference Shares.

The Preference Shares are due for redemption on 31 August 2008. Considering the inadequacy of profits, the Company is not in a position to redeem the Preference shares and hence, the Company had requested Preferred Brands Foods India Limited, to grant its approval to the extension of term for redemption of preference shares to further period not exceeding beyond 20 years from the date of allotment of preference shares. The preference shareholder, viz. Preferred Brands Foods India Limited has accorded its consent to the said extension of the term of redemption reserving the right to demand for redemption during the extended period.

The approval of the equity shareholders is sought to give effect to the abovementioned resolution.

Mr. Ashok Vasudevan, Mrs. Meera Vasudevan, Mr. Ravi Nigam and Mr. Sohel Shikari being Directors of Preferred Brands Foods India Limited are interested in this resolution.

Details of Directors seeking re-appointment at the ensuing Annual General Meeting
(In pursuance of clause 49 of the Listing Agreement)

Name of the Director	Mr. Ashok Vasudevan	Mr. K.P. Balasubramanium
Date of Birth	9th March 1955	15th July 1941
Qualification	Bachelor's Degree in Agricultural Economics, MBA	Graduate in Science (Maths) with Diploma in Business Administration from London, Fellow Institute of Directors, London and Member British Institute of Management London.
Experience	He headed the India desk of Pepsi World Trade from its world beverage headquarters in Somers, New York. He was a member of Pepsi's start-up team in India as Vice President - Exports. He has also been involved in the design of several joint ventures in India and the US. Before joining Pepsi, he spent 10 years with the Unilever group in India in Management Development and Sales & Marketing.	He has a rich and vast experience in Beer, Food Products and Garment Industries. He has successfully negotiated trade agreements for promoting different brands of Mysore Breweries Ltd. He has also promoted Export Garments & Spices for Pal Industries Ltd. He has introduced manufacture and distribution of Mineral Water with Brand name " Stream" in Karnataka & Andhra Pradesh. He is also a Director of many other Companies in India and President of Karnataka Brewers & Distillers Association.
Directorship held in other Companies	- Preferred Brands Food India Ltd - ASG Omni India Pvt. Ltd. - Textrade Pvt. Ltd.	- TMC Enterprises Pvt Ltd - Jaybear Investment & Finance Pvt Ltd - EIE Enterprises Pvt Ltd - Kar Mobiles Ltd - Ritz Hotel (Mysore) Ltd
Shares held in the Company as on 31.03.08	Nil	1500

PROXY FORM

TASTY BITE EATABLES LIMITED

Regd.Office : **204, Mayfair Towers, Wakdewadi, Shivajinagar, Pune – 411 005**

I/We…………………………………………………..........……… of………………….......................................……… in the State of ……………………..........................……… being a Member/Members of the above named Company hereby appoint Mr./Ms. ……………………………………………..……. of ………………….............................……. in the State of ………….............………….. as my/our proxy to vote for me/us on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Friday, the 22nd August, 2008 at 10.30 A.M. and at any adjournment thereof.

Affix One Rupee Revenue Stamp here

Regd.Folio No/ DP ID & Client ID No...............................   Signature…………………………….

Address……………………………………

....

No. of shares held…………………………………………….

Notes : (1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself/herself.

(2) The proxy duly signed across revenue stamp of One Rupee must reach the Registered Office of the Company not less than 48 hours before the time of meeting.

TASTY BITE EATABLES LIMITED

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall.

Name of the attending Member ………………………………………..……… (IN BLOCK LETTERS)

Member's Folio No/DP ID Client ID…………………............No. of shares held by the Member……..................…….

Name of Proxy……………………………..………………… (IN BLOCK LETTERS) (To be filled in if the Proxy attends instead of Member)

I hereby record my presence at the 24th ANNUAL GENERAL MEETING held at 204, Mayfair Towers, Wakdewadi, Shivajinagar, Pune, Maharashtra - 411 005 .

Member's/ Proxy's Signature……………………………………………

(To be signed at the time of handing over this slip)

DNV

Det Norske Veritas

Management System Certificate

Certificate No. 10097-2007-HSO-IND

This is to certify that
the Occupational Health and Safety Management System
of

TASTY BITE EATABLES LTD.

at

204, Mayfair Towers, Wakdewadi, Shivajinagar, Pune - 411 005, INDIA
490, Bhandgaon, Taluka Daund, Pune - 412 214, INDIA

has been found to conform to the Occupational Health and Safety Management System Standard:

OHSAS 18001:1999

This Certificate is valid for the following product or service ranges:

PRODUCT DEVELOPMENT & MANUFACTURE OF READY-TO-SERVE (RTS) THERMALLY PROCESSED VEGETARIAN AND CHICKEN PRODUCTS; READY-TO-COOK CURRY PASTES AND FORMED FROZEN PRODUCTS AND OTHER INTERMEDIATES

Original Certification date: 2007-10-23

This Certificate is valid until: 2010-10-23

Place and date: Chennai, 2007-11-01

for the Certifying Unit: DNV Certification Services, Region India

Det Norske Veritas 1864

Compliance to the Standard in respect to the indicated is verified by the DNV approved registered Team Leader:

R.C. Puri
Lead Auditor

Krishnakumar N.R.
Management Representative

Lack of fulfillment of conditions as set out in the Appendix may render this Certificate invalid.

DNV

Det Norske Veritas

Management System Certificate

Certificate No. 10094-2007-AQ-IND-RvA

This is to certify that
the Quality Management System
of

TASTY BITE EATABLES LTD.

at

204, Mayfair Towers, Wakdewadi, Shivajinagar, Pune - 411 005, INDIA
490, Bhandgaon, Taluka Daund, Pune - 412 214, INDIA

has been found to conform to the Quality Management System Standard:

ISO 9001:2000

This Certificate is valid for the following product or service ranges:

PRODUCT DEVELOPMENT & MANUFACTURE OF READY-TO-SERVE (RTS) THERMALLY PROCESSED VEGETARIAN AND CHICKEN PRODUCTS; READY-TO-COOK CURRY PASTES AND FORMED FROZEN PRODUCTS AND OTHER INTERMEDIATES

Original Certification date: 2007-10-29

This Certificate is valid until: 2010-10-29

Place and date: Chennai, 2007-11-01

for the Accredited Unit: DNV Certification B.V., The Netherlands

MGMT. SYS. RvA C 024

Compliance to the Standard in respect to the indicated scope is verified by the DNV approved registered Team Leader:

Sujitkumar Nair
Lead Auditor

Krishnakumar N.R.
Management Representative

Lack of fulfillment of conditions as set out in the Appendix may render this Certificate invalid.

DNV

Det Norske Veritas

Management System Certificate

Certificate No. 10095-2007-AE-IND-RvA

This is to certify that
the Environmental Management System
of

TASTY BITE EATABLES LTD.

at

204, Mayfair Towers, Wakdewadi, Shivajinagar, Pune - 411 005, INDIA
490, Bhandgaon, Taluka Daund, Pune - 412 214, INDIA

has been found to conform to the Environmental Management System Standard:

ISO 14001:2004

This Certificate is valid concerning all activities related to:

PRODUCT DEVELOPMENT & MANUFACTURE OF READY-TO-SERVE (RTS) THERMALLY PROCESSED VEGETARIAN AND CHICKEN PRODUCTS; READY-TO-COOK CURRY PASTES AND FORMED FROZEN PRODUCTS AND OTHER INTERMEDIATES

Original Certification date: 2007-10-29

This Certificate is valid until: 2010-10-29

Place and date: Chennai, 2007-11-01

for the Accredited Unit: DNV Certification B.V., The Netherlands

MGMT. SYS. RvA C 425

Compliance to the Standard in respect to the indicated scope is verified by the DNV approved registered Team Leader:

Sujitkumar Nair
Lead Auditor

Krishnakumar N.R.
Management Representative

Lack of fulfillment of conditions as set out in the Appendix may render this Certificate invalid.

DNV

Det Norske Veritas

Food Safety System Certificate

Certificate No. 10096-2007-AFSMS-IND-RvA

This is to certify that

Tasty Bite Eatables Ltd.

204, Mayfair Towers, Wakdewadi, Shivajinagar, Pune – 411005, INDIA
490, Bhandgaon, Taluka Daund, PUNE - 412 214, INDIA

Is evaluated and approved according to the Food Safety Standard:

ISO 22000:2005

This Certificate is valid for the following product or service ranges:

PRODUCT DEVELOPMENT & MANUFACTURE OF READY-TO-SERVE (RTS) THERMALLY PROCESSED VEGETARIAN AND CHICKEN PRODUCTS; READY-TO-COOK CURRY PASTES AND FORMED FROZEN PRODUCTS AND OTHER INTERMEDIATES

Initial Certification date: November 8th, 2007

This Certificate is valid until: November 8th, 2010

Place and date: Rotterdam, November 8th, 2007

for the Accredited Unit: Det Norske Veritas Certification B.V., The Netherlands

MGMT. SYS. RvA C 024

The audit has been performed under the supervision of

Sujitkumar Nair
Lead Auditor

B. Poldermans
Management Representative

Lack of fulfillment of conditions as set out in the Certification Agreement may render this Certificate invalid.

Tasty Bite Eatables Limited

204, Mayfair Towers, Shivajinagar, Pune