



FRESH & HEALTHY ENTERPRISES LIMITED
(A Wholly Owned Subsidiary of CONCOR)

SEVENTH ANNUAL REPORT
(2011-12)

MISSION AND OBJECTIVES

- ❖ To develop into a world class organisation using state-of-the-art technologies for procurement, transportation, storage and distribution of fruits and vegetables in the country.
- ❖ This is to be achieved by setting up modern controlled atmosphere storage facilities and by developing strong long term linkages with farmers, agricultural institutes logistics operators and governmental agencies with emphasis on information technology solutions for all activities.
- ❖ The company will strive to provide value for money to its customers and fulfill aspiration of its stakeholders by providing qualitative and efficient services.

CORPORATE OBJECTIVES

- ❖ To set up an integrated cold supply chain in India for fruits & vegetables using state-of-the-art technology.
- ❖ To establish standards of quality for fruits and vegetables procured and marketed by the company.
- ❖ To strive for providing value for money to farmers & customers.
- ❖ To follow highest standards of business ethics and be responsible to its social obligations.
- ❖ To maintain absolute integrity, honesty, transparency and fairplay in all its public dealings.

FRESH & HEALTHY ENTERPRISES LIMITED
(A Wholly Owned Subsidiary of CONCOR)

BOARD OF DIRECTORS

Shri Anil Kumar Gupta
Chairman

Shri Harpreet Singh
Director

Shri Yash Vardhan
Director

Ms. P. Alli Rani
Director

Dr. A. K. Bandyopadhyay
Director (w. e. f. 27.06.2011)

Lt. Gen. (Retd.) Arvind Mahajan
Director (w. e. f. 27.06.2011)

Shri N. K. Jawa
Chief Executive Officer

Ms. Suman Lata Khanna
Manager (Fin) & Company Secretary

STATUTORY AUDITORS

M/s Gupta Gupta And Associates
New Delhi.

BANKERS

Axis Bank
H.P. State Co-operative Bank
Punjab National Bank
UCO Bank
State Bank of India
State Bank of Patiala

REGISTERED OFFICE

CONCOR Bhawan,
C-3, Mathura Road,
Opposite Apollo Hospital,
New Delhi – 110076

FRESH & HEALTHY ENTERPRISES LIMITED
(A Wholly Owned Subsidiary of CONCOR)

Seventh Annual Report (2011-12)

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NOTICE

Notice is hereby given that the 7th Annual General Meeting of the Shareholders of the Company will be held as under -:

Day : Tuesday
Date : 28th August, 2012
Time : 12:00 Hrs.
Venue : Conference Hall,
CONCOR Bhawan,
C-3, Mathura Road,
Opposite Apollo Hospital,
New Delhi - 110076

to transact, with or without modifications, as may be permissible, the following business :

ORDINARY BUSINESS -:

To consider, and if thought fit, to pass the following resolutions as Ordinary Resolutions -:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2012, Profit & Loss Account for the year ended on that date and the report of Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Harpreet Singh, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Yash Vardhan, who retires by rotation and being eligible, offers himself for reappointment.

HUMAN RESOURCE MANAGEMENT

Human resource is the key asset of FHEL. As on 31.03.2012, the total employee strength of company remained 35 (which includes Regular-18, Adhoc-07, Deputationist-02, Management Trainees-04 and Contractual-04) employees. The company also gives training to employees whenever considered necessary.

INDUSTRIAL RELATIONS

Industrial relations remained harmonious and peaceful and no man-days were lost during the financial year. The company is complying with all the regulations prescribed under labour laws.

RESERVATION POLICY

FHEL has been following the Presidential Directives and Guidelines issued by the Government of India from time to time regarding reservation of SCs, STs, OBCs, Physically Handicapped and Ex-servicemen in letter and spirit. As on 31.03.2012, the total employees' strength (excluding deputationist) remained 33 including 05-OBC, 02-SC and 01-ST.

PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The particulars in respect of Conservation of energy, technology absorption are detailed in the Annexure.

There is no Foreign Exchange earning or outgo during the Financial year 2011-12.

AUDITORS

M/s. Gupta Gupta & Associates, Chartered Accountants, Delhi were appointed as Company's Statutory Auditors for the F/Y 2011-12. Statutory Auditor is paid remuneration of Rs 1,08,000/- plus Service Tax, as fixed by Board of Directors'.

BOARD OF DIRECTORS

The Board met 6 (Six) times for transacting business of the Company during the financial year 2011-12.

NOTES :

- (a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and proxy need not be a Member.
- (b) The instrument appointing proxy should however be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
- (c) All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered office of the Company during office hours on all working days up to and inclusive of the date of Annual General Meeting.

**EXPLANATORY STATEMENT PURSUANT TO SEC. 173(2)
OF THE COMPANIES ACT, 1956**

Item No. 5

1. Presently, FHEL has issued, subscribed & paid up Equity Share Capital of Rs. 76,32,96,420 (divided into 7,63,29,642 Equity Shares of Rs. 10/- each fully paid up).
2. CONCOR's Board of Directors in its 152nd meeting held on 21st February, 2012 approved the infusion of Fresh equity of Rs. 11 Crore for financing development of Infrastructure/Procurement Centers in other parts of India (to be released by CONCOR depending upon the progress of projects.), subject to valuation of Equity Shares by an independent agency to be appointed by CONCOR.
3. M/s. SBI Capital Markets Ltd. vide its Equity Advisory Report, April 2012 advised that FHEL's Equity Value Per Share is Rs. 10.03/- as on 1st April, 2012.
4. Recently, CONCOR (Holding Company) has been sanctioned land at Azadpur Mandi. Further, the land at Himachal Pradesh & Kashmir for development of infrastructure / procurement centers is in final stages of allotment. FHEL has to undertake development of these projects on priority.
5. In accordance with the Provisions of Section 81(1A)(a) read with Unlisted Public Companies (Preferential Allotment) Rules, 2003 as amended by Unlisted Public Companies (Preferential Allotment) Amendment Rules, 2011 consent of FHEL's shareholders is required to be obtained by special resolution for issue and allotment of 1,09,67,099 Equity Shares of Rs. 10/- each at premium of Re 0.03/- per share to CONCOR on account of fresh equity infusion of Rs. 11 Crore by CONCOR in FHEL for financing (depending upon the progress of projects) development of infrastructure / procurement centers in other parts of India.
6. As per Article 6 of Articles of Association of Company, Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property, goods or machinery supplied, sold or transferred or for services rendered to the Company, subject to the provisions of Articles and the Act.

7. After issue of 1,09,67,099 Fresh Equity Shares of of Rs. 10/- each, FHEL's Issued Share Capital shall be Rs. 87,29,67,410/- (divided into 8,72,96,741 Equity Shares of Rs. 10/- each). Fresh Equity share Capital shall be allotted by Board of Directors within sixty days from receipt of application money. Entire Equity Share Capital shall continue to be held by CONCOR (Holding Company).

None of the Director is concerned or interested in the resolution.

The Board recommends the passing of Resolution.

FRESH & HEALTHY ENTERPRISES LIMITED (FHEL)
(A Wholly owned subsidiary of CONCOR)

Directors' Report

To the shareholders

Your Directors are pleased to present their report on the business and operations of the Company together with the Audited Accounts for the financial year ending 31st March, 2012.

OPERATIONAL REVIEW

The company procured 6898.377 MT of Apples from Kinnaur district of Himachal Pradesh and sold 4805 MT (inclusive of opening stock of 915 MT) at Delhi, Mumbai, Chennai, Ahmedabad and other Fruit markets throughout India.

During the year under review, the company made significant improvements in operations by ensuring procurement of quality fruit, quick movement to Rai, Recycling of packing material, improvement in quality during storage and innovation in sorting/grading/packing of apples. The attempt has been made to supply international quality of domestic origin fruit to consumers.

MARKETING REVIEW

In 2011-12, FHEL procured 6898.377 MT of apples. Bulk of the apples stored were sold in the wholesale markets like Delhi, Chennai, Bangalore, Maharashtra etc. In the year 2011-12, the best of FHEL apples were sold at par with imported (Washington) Apples.

The company supplied apples to all the big Retail Chains namely Wal-Mart, More, Big Bazaar, Mother Dairy, Big Apple, etc. In addition a number of buyers from Punjab, Mumbai, and Chennai directly procured fruit from FHEL. In line with our endeavor nearly 80-90% of off-season sales were done at fixed rates.

During Diwali, FHEL sold nearly 113.77 MT of Supreme & AAA quality apples as Gift Packs/boxes valuing Rs. 101/- lacs of apples in gift packs of 6, 12, & 20/25 apples. In addition, sale of gift packs continued even afterwards till almost end of March, 2012. Apart from apples FHEL also procured & sold 206 MT of Kinnows to Retail chains. During off season FHEL has given chambers on hire for storage of Rice, Garlic & oranges.

As on 31.03.2012, the Company had inventory of 2878 MT of apples (one of the highest in the last 5 years) valuing Rs. 26.17 Cr.

FINANCIAL REVIEW

This was one of the most difficult years of business as the apple crop in Himachal Pradesh was one of the worst in the last 10 years, leading to very high rates during the procurement. The average procurement rate of apple in 2011-12 was Rs. 65.69/- per kg as compared to Rs. 34.77 per kg. during 2010-11.

During the year under review, Operating turnover of your Company registered a decline of 38% appx., decreasing from Rs. 64.35 Cr. in F/Y 2010-11 to Rs. 39.89 Cr. in F/Y 2011-12. Cost of Sales reduced by 28.51% appx., from Rs. 51.03 Cr. in F/Y 2010-11 to Rs. 36.48 Cr. in F/Y 2011-12. Further, Employee Benefits Expenses, Finance costs and other expenses for F/Y 2011-12 are Rs. 1.85 Cr., Rs. 8.26 Cr. and Rs. 2.47 Cr., respectively. After providing for depreciation, writing off of preliminary expenses & deferred tax amounting to Rs. 3.62 Cr. Rs. 0.02 Cr. and 0.19 Cr., respectively the Company suffered Net Loss of Rs. 12.22 Cr. as against Net Profit of Rs. 0.42 Cr. of previous year, mainly on account of high procurement costs during F/Y 2011-12.

CAPITAL STRUCTURE

There was no change in the Authorized Equity Share Capital of Rs. 50 Crore and Issued, Subscribed & Paid up Equity Share Capital of Rs. 48.27 Cr., with Container Corporation of India Ltd. (CONCOR) continuing to hold 100% of the Paid up Equity Share Capital of FHEL, during the financial year 2011-12.

Recently, FHEL's Shareholders' have accorded their consent for increasing Authorized Share Capital of the Company from Rs. 50 Cr. to Rs. 150 Cr. & consequent amendment in Clause V of Memorandum of Association of the Company, on account of decisions of CONCOR (Holding Company) in respect of Fresh Equity infusion of Rs. 28.14 Cr. in FHEL towards retiring of high cost debts taken from Axis Bank and Infusion of Fresh Equity of Rs. 11 Cr. for financing development of Infrastructure/Procurement Centers in other parts of India (to be released by CONCOR depending upon the progress of projects), subject to valuation of Equity Shares by an Independent Agency appointed by CONCOR.

Further, the Shareholders of the Company have also accorded approval for issue of 2,80,55,832 Equity Shares of Rs. 10/- each at a premium of Re. 0.03/- per share, as per the Valuation done by SBI Capital Markets Ltd. (independent agency) for the purpose of retiring of high cost debts taken from Axis Bank by FHEL.

SECURED LOANS

During F/Y 2011-12, Your Company paid four installments of Rs. 1.56 Cr. each aggregating to Rs. 6.24 Cr. towards repayment of Loan of Rs. 49.92 Cr. drawn from Axis Bank (formerly known as UTI Bank). After repayment, Secured Term loan from Axis Bank stood at Rs. 29.92 Cr. (inclusive of interest accrued & due of Rs. 0.28 Cr.) on 31st March, 2012.

In order to meet Working capital requirement for F/Y 2011-12, your Company entered into an arrangement with Axis Bank for sanction of Secured Working Capital Demand Loan & CC Limit of Rs. 20 Cr. each. Out of total Sanctioned Working Capital limit of Rs. 40 Cr., Company had drawn a sum of Rs 38.19 Cr. during F/Y 2011-12. After repayment of Rs. 9.47 Cr. to Axis Bank, Secured Working Capital limit stood at Rs. 28.72 Cr. on 31st March, 2012.

UNSECURED LOAN

During F/Y 2011-12, the Company also took Working Capital Loan of Rs. 15 Cr. from CONCOR (Holding Company).

Total outstanding loan due to holding Company (CONCOR) stood at Rs. 45.73 Cr. (inclusive of Rs. 16.64 Cr. for 2008-09, Rs. 11.50 Cr. for 2009-10, Rs. 15 Cr. for 2011-12 and interest accrued & due of Rs. 2.59 Cr. Net of TDS) as on 31.03.2012.

CONTROLLED ATMOSPHERE (CA) STORE

In order to increase the shelf life of fruits and vegetables produced in the Country, Company has a Controlled Atmosphere (CA) Store consisting of three units of 4000 MT capacity each at Rai, Sonapat. The facility has been operating successfully during the F/Y 2011-12.

PARTICULARS OF EMPLOYEES

The information required in accordance with the provisions of Section 217(2A) of Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended by Company (Particulars of Employees) Rules, 2011 is Nil, as no employee has drawn remuneration in excess of amount specified in said Rules.

HUMAN RESOURCE MANAGEMENT

Human resource is the key asset of FHEL. As on 31.03.2012, the total employee strength of company remained 35 (which includes Regular-18, Adhoc-07, Deputationist-02, Management Trainees-04 and Contractual-04) employees. The company also gives training to employees whenever considered necessary.

INDUSTRIAL RELATIONS

Industrial relations remained harmonious and peaceful and no man-days were lost during the financial year. The company is complying with all the regulations prescribed under labour laws.

RESERVATION POLICY

FHEL has been following the Presidential Directives and Guidelines issued by the Government of India from time to time regarding reservation of SCs, STs, OBCs, Physically Handicapped and Ex-servicemen in letter and spirit. As on 31.03.2012, the total employees' strength (excluding deputationist) remained 33 including 05-OBC, 02-SC and 01-ST.

PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

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There is no Foreign Exchange earning or outgo during the Financial year 2011-12.

AUDITORS

M/s. Gupta Gupta & Associates, Chartered Accountants, Delhi were appointed as Company's Statutory Auditors for the F/Y 2011-12. Statutory Auditor is paid remuneration of Rs 1,08,000/- plus Service Tax, as fixed by Board of Directors'.

BOARD OF DIRECTORS

The Board met 6 (Six) times for transacting business of the Company during the financial year 2011-12.

Lt. Gen. (Retd.) Arvind Mahajan and Dr. A. K. Bandyopadhyay have been nominated as Independent Directors of the Company w.e.f. 27.06.2011.

The following Directors' were on Board till the date of the Report -:

- (1) Shri Anil Kumar Gupta, MD, CONCOR & Chairman/FHEL;
- (2) Shri Harpreet Singh, Director (P &S)/CONCOR & Director/FHEL;
- (3) Shri Yash Vardhan, Director (IM & O)/CONCOR & Director/FHEL;
- (4) Ms. P. Alli Rani, Director (Finance)/CONCOR & Director/FHEL.
- (5) Lt. Gen. (Retd.) Arvind Mahajan, Director;
- (6) Dr. A. K. Bandyopadhyay, Director.

RETIREMENT OF DIRECTORS BY ROTATION

In terms of provisions of the Companies Act, 1956, Shri Harpreet Singh & Shri YashVardhan, Directors, are liable to retire by rotation and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit or loss of the Company for the year under review;
- (iii) That the directors have taken proper and 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 the directors have prepared the accounts for the financial year ended 31st March, 2012 on a 'going concern' basis.

CODE OF CONDUCT

The Company has adopted CONCOR's Code of Conduct for Board Members & Senior Management of the Company.

Based on the affirmation received from Board Members and Senior Management Personnel, it is hereby declared that all the members of the Board and Senior Management Personnel have affirmed compliance of Code of Conduct for the financial year ended on March 31st, 2012.

CORPORATE GOVERNANCE REPORT

Report on Corporate Governance is enclosed.

CONCLUSION

Your Company acknowledges the support and understanding extended by Container Corporation of India Limited, Bankers and Auditors of the Company.

For and on behalf of the Board of Directors


(Anil Kumar Gupta)
CHAIRMAN

Place : New Delhi

Date : 17/05/2012

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF THE FRESH AND HEALTHY ENTERPRISES LIMITED, DELHI FOR THE YEAR ENDED 31ST MARCH 2012.

The preparation of financial statements of Fresh and Healthy Enterprises Limited for the year ended 31st March 2012 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statement under Section 227 of the Companies Act, 1956 based on independent audit in accordance with auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 09.05.2012.

I, on behalf of the Comptroller and Auditor General of India, have decided not to review the report of the Statutory Auditors on the accounts of Fresh and Healthy Enterprises Limited, Delhi for the year ended 31st March 2012 and as such have no comments to make under Section 619(4) of the Companies Act, 1956.

For and on the behalf of
The Comptroller and Auditor General of India


(Dinesh Bhargava)
OSD/COFMOW

Place: New Delhi
Dated: June 2012

Annexure to the Directors' Report

CORPORATE GOVERNANCE REPORT

Fresh & Healthy Enterprises Ltd. (FHEL) is a Wholly Owned Subsidiary of Container Corporation of India Ltd. (CONCOR) to carry on Cold chain business.

COMPANY'S PHILOSOPHY

FHEL's mission is to develop into world class organization using state of the art technologies for procurement, transportation, storage and distribution of fruits and vegetables in the Country. The Company strives to provide value for money to its customers and fulfill aspiration of its stakeholders by providing qualitative and efficient services and to conduct its business according to best principles of good Corporate Governance as indicated by the disclosures given in the Annexure.

BOARD OF DIRECTORS

In terms of Article 86 (a) & 86(b) of Articles of Association of Company, MD / CONCOR is the ex-officio Part-time Chairman on the Board of FHEL and all other members of Board are nominated by CONCOR, subject to the provisions of Companies Act, 1956 and Govt. guidelines in force.

The Board of Directors of Company presently consists of Six Part-time Directors including a Chairman (Ex-officio) and two Independent Directors, nominated by CONCOR (Holding company).

The Board met 6 (Six) times for transacting business during the financial year 2011-12 on the following dates :-

<u>Board Meeting No.</u>	<u>Board Meeting Dates</u>
32	18 th April, 2011
33	23 rd June, 2011
34	20 th July, 2011
35	13 th Oct., 2011
36	8 th Dec., 2011
37	3 rd Feb., 2012

The Company has adopted CONCOR's Code of Conduct for Board Members & Senior Management of the Company.

Based on the affirmation received from Board Members and Senior Management Personnel, it is hereby declared that all the members of the Board and Senior Management Personnel have affirmed compliance of Code of Conduct for the financial year ended March 31st, 2012.

The Composition of Directors, attendance at the Board Meetings during the year, the last Annual General Meeting, the number of other directorships and committee memberships are given below :-

Sl. No.	Category of Directorship	Name of Director	No. of Board Mtgs Attended	Attendance At last AGM	No. of Other Committee Membership/Chairmanship	No. of Other Directorship / Chairmanship
(I)	Part-time Ex-Officio/Non-Executive Chairman					
1.	Director, Managing CONCOR	Sh Anil Kumar Gupta	Six	Yes	Nil	Three
(II)	Part-time /Non-Executive Directors					
2.	Dir. (P & S)/CONCOR	Sh. Harpreet Singh	Six	Yes	Nil	Two
3.	Dir. (Intl. Mktg & Ops.)	Sh. Yash Vardhan	Five	Yes	Nil	One
4.	Dir. (Finance)/CONCOR	Ms. P. Alli Rani	Six	Yes	Nil	One
(III)	Part-time Non-Executive Directors (Independent)*					
5.		Lt. Gen. (Retd.) Arvind Mahajan	Four	Yes	Nil	Three
6.		Dr. A. K. Bandyopadhyay	Four	Yes	One	Two

* Nominated w.e.f. 27.06.2011

AUDIT COMMITTEE

The Audit Committee comprised -:

Shri Harpreet Singh	- Member
Shri Yash Vardhan	- Member
Ms. P. Alli Rani	- Member

With the nomination of Lt. Gen. (Retd.) Arvind Mahajan as Independent Director on FHEL's Board, Audit Committee was reconstituted on 20th July, 2011, as under -:

Lt. Gen. (Retd.) Arvind Mahajan,	- Member
Shri Harpreet Singh	- Member
Ms. P. Alli Rani	- Member

Lt. Gen. (Retd.) Arvind Mahajan, Independent Director is the Chairman of Audit Committee.

Ms. Suman Lata, Manager (Fin) & CS is the Secretary of the Committee.

The Committee met 5 (Five) times during the financial Year 2011-2012.

The details of the attendance of the members in the Committee meetings held during F/Y 2011-12 are as under :-

S. No.	Name of Members	No. of Committee Meetings Attended
1.	Lt. Gen. (Retd.) Arvind Mahajan	Two
2.	Shri Harpreet Singh	Four
3.	Shri YashVardhan	Three
2.	Ms. P. Alli Rani	Five

The Committee reviews the Company's Annual / quarterly financial Results before submission to the Board. The Committee attempts to ensure that decision making in the company is objective and that there are adequate internal controls to ensure efficient realization of revenue, and due propriety of expenditure.

Remuneration Committee & Policy

No remuneration is paid to Functional Directors of Holding Company nominated by CONCOR in FHEL. They draw their remuneration from CONCOR as per IDA Pay Scales and terms & conditions determined by Govt.

Lt. Gen. (Retd.) Arvind Mahajan, Part-time Non-Executive Director (Independent)/FHEL who was also Part-time Non-Executive Director (Independent) of CONCOR, was paid sitting fee of Rs. 20,000/- per meeting attended by him. Further, Dr. A. K. Bandyopadhyay, Part-time Non-Executive Director (also Part-time Non-Executive Director (Independent) of CONCOR, was paid sitting fee of Rs. 20,000/- for one meeting only, as per his volition.

Hence, no Remuneration Committee has been constituted.

SUBSIDIARY COMPANY

FHEL is a Wholly Owned Subsidiary Company of CONCOR and its turnover or net worth is less than 20% of turnover or net worth, respectively of CONCOR (Holding Company). The Company is voluntarily following Corporate Governance Guidelines and had two Independent Directors of BOD of CONCOR on its Board, and one Independent Director in Audit Committee, who had also been designated as the Chairman of Audit Committee. The Company also follows the practice of putting up of Minutes of Board Meetings of FHEL to the BOD of Holding Company, viz. CONCOR.

GENERAL BODY MEETINGS

Details of location, time and date of last three AGMs are as under :

<u>AGM Date</u>	<u>Location</u>	<u>Time</u>
20.08.11	Conference Hall, Container Corporation of India Ltd. CONCOR Bhawan, C-3, Mathura Road, Opposite Apollo Hospital, New Delhi – 110076	10:30 Hrs.
16.09.10	----- Do -----	15:00 Hrs.
07.09.2009	-----Do-----	17:00 Hrs.

No Special Resolution was passed during previous three AGMs.

AGM of Current Year

Date : 28th August, 2012
 Time : 12:00 Hrs.
 Venue : Conference Hall, Container Corporation of India Ltd., CONCOR Bhawan, C-3, Mathura Road, Opposite Apollo Hospital, New Delhi – 110076.

DISCLOSURES

- (i) Transactions with related parties as per requirements of Accounting Standard (AS -18) 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in Note - 18.
- (ii) There were no instances of penalties / strictures imposed on the Company by any statutory authority (except a minor penalty of Rs. 2,000/- by H. P. VAT during F/Y 2011-12) due to non compliance on any matter related to any guidelines issued by Government during the last three years.
- (iii) Compliance with the requirement of these guidelines are detailed in this report
- (iv) FHEL has been following Presidential Directives and Guidelines issued by the Govt. of India from time to time regarding reservation of SCs, STs, OBCs, Physically Handicapped & Ex-Servicemen in letter and spirit.
- (v) No Expenditure has been debited in the Books of Accounts, which is not for the purpose of business.
- (vi) The Company has not incurred any expense which is personal in nature and incurred for the Board of Directors and Top Management.
- (vii) Details of Administrative and office expenses as percentage of total expenses -:

<u>Fin. Year</u>	<u>Admn. & Office Exp. (Rs. in Lakhs)</u>	<u>Total Expenses (Rs. in Lakhs)</u>	<u>Percentage of Admn. & Office Expenses Vis-à-vis Total Expenses</u>
2011-12	247.42	5269.94	4.69%
2010-11	284.10	6403.94	4.44%

MEANS OF COMMUNICATION

Financial Results : The annual, half yearly and quarterly results are regularly posted by the Company on its website.

Annual Report : Annual Report containing inter-alia Audited Annual Accounts, Directors' Report, Auditors' Report and other information is circulated to members and others entitled thereto. Management Discussion & Analysis report forms a part of the Annual report.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

Name	Date of Birth	Date of appointment	Qualifications	Expertise in specific functional areas	List of Other Companies in which Directorship Held	Details of Other Committee Membership
Shri Harpreet Singh	24.11.1957	16.09.2010	Grad. I. Mech E (London), AMIE (Mech. Engg.), Institution of Engineers India, AMIE (Elect. Engg.), Institution of Engineers India, MBA (Finance)	Management of Projects & Services	Two@	One@@
Shri YashVardhan	24.08.1956	16.09.2010	M. Sc. M. Phil	Railway Operations Commercial, Safety and Planning. Setting up & Management of Container Terminals	Six \$	Three \$\$

@ 1. Container Corporation of India Ltd., 2. Star Track Terminals Pvt. Ltd.

@@ 1. Star Track Terminals Pvt. Ltd. – Member, Audit Committee.

\$ 1. Container Corporation of India Ltd. 2. Hind CONCOR Terminals (Dadri) Pvt. Ltd. 3.APM Terminals Mumbai 4. India Gateway Terminals Pvt. Ltd. 5. Container Gateway Ltd. 6. CONYK Car Track Pvt. Ltd.

\$\$ 1. Container Corporation of India Ltd. – Member, Shareholders Grievance Committee
2 APM Terminals Mumbai – Member, Audit Committee
3 India Gateway terminal Pvt. Ltd. – Member, Audit Committee

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure & Developments :

Fruit & vegetable business in India is almost entirely in the unorganized sector. The farm sizes are small and traditionally growers either bring their produce to nearby markets/mandis or send the produce to commission agents for sale. All the players in the supply chain: growers, commission agents, other middlemen and retailers, are totally unorganized. Only recently a few retail chains are also moving slowly and are developing formats which can generate profits. Due to the perishable nature of the Commodity, the emphasis on fresh produce in retail chains is very low and this also is bought from nearby mandis only. Further, the country lacks Cold Chain infrastructure and therefore, generally during the season we see glut in the market & prices dip to unsustainable levels. All factors mentioned above lead to losses of produce.

Most of the Cold Store facilities available are used for Potato storage. There is a gap with respect to availability of Cold Chain Infrastructure & Knowledge of storage of other Fruits & Vegetables. This presents both a problem & an opportunity in this sector.

FHEL is one of the first companies who have invested in specialized CA Store for storage of apples. Over the last 4 years some more facilities have come up in the country.

2. Strength & Weakness :

Strengths -:

- a) Fruit & Vegetable market in India is huge (approx Rs. 2,00,000 Crore) & hence holds tremendous business potential.
- b) There is huge latent demand for quality produce, as country is importing large quantities of Fruits.
- c) High Margins in this trade are possible, as the differential in cost at farm gate & at retail is large.

Weaknesses -:

- (a) The sector is highly unorganized.
- (b) Knowledge of Pre Harvest care and Post Harvest Management is lacking and therefore experiments have to be conducted and so process is slow.
- (c) Retail Chains have not come up as expected and so organized distribution is not possible.
- (d) The trade is by & large on credit to stakeholders who do not have bankable credentials.

3. Opportunity & Threats :

Opportunities -:

- (a) Once the business is organized for one commodity, it will be easier to do so for other fruits & vegetables and thus, there is opportunity for huge upside in sales.
- (b) Since every year fruit imports are growing impressively, it shows customers are preferring quality fruit and thus organized business can make a significant contribution.

Threats -:

- (a) Traditional linkages between middlemen & grower, this affects sourcing of fruit in times of shortages.
- (b) Cheap imports or reduction in custom duty.
- (c) Non-availability of Trained Manpower.

4. Segment-wise or Product-wise Performance

The Company is dealing in logistics of fresh fruits. All the activities of the Company revolve around this business and all the operations are in India. As such, there is no other reportable segment defined by Accounting Standard AS-17 related to Segment reporting.

5. Outlook :

India is a huge country and the market for quality fruit & Vegetables is growing rapidly. India is the second largest producer of Fruits & vegetables in the world and this business is in excess of nearly Rs. 2,00,000 Crores. Out of this more than Rs. 70,000 crore worth of fruit & vegetables perish due to lack of Cold Chain Infrastructure and lack of organized distribution and marketing. Due to the nature of business and perishable nature of the commodity, it is indeed a big challenge to organize it and generate profits. The company has been able to make substantial improvements in the business each year. Our main focus at present is on apples coming from Himachal Pradesh. The growing areas of Himachal Pradesh are dependent on rainfall for crop. Further, there are risks of hail storm during the summer months April – June which effects crop. Otherwise Himachal Pradesh produces apples worth approx Rs.2,000 Crore per annum. The apple from Kinnaur Command premium price and company has a substantial presence in this area. The demand for Shimla & Kinnaur apples is expected to remain good.

6. Risks & Concerns :

- (i) The business is dependent on weather conditions, particularly rainfall. It can be adversely impacted with hail storm during pre-harvest period.
- (ii) Unorganized nature of the trade.
- (iii) Un-economical small farm holdings
- (iv) Competition from Cheaper imports
- (v) Lack of trained manpower
- (vi) Local competition

7. Internal Control Systems and their Adequacy :

The Company has in place well defined roles, responsibilities and authorities for employees at various levels. This coupled with robust internal MIS systems, ensures appropriate information flow to facilitate effective monitoring. Adherence to these processes is monitored through frequent internal audits. The Company has internal audit system that requires internal audit firm to certify the appropriateness of internal controls in operation and checks deviations from laid down procedures. The Internal Auditor is the external firm directly reporting to management at higher level, thus ensuring its independence. Reports of internal auditor are reviewed and compliances are ensured.

8. SECURED LOANS

During F/Y 2011-12, Your Company paid four installments of Rs. 1.56 Cr. each aggregating to Rs. 6.24 Cr. towards repayment of Loan of Rs. 49.92 Cr. drawn from Axis Bank (formerly known as UTI Bank). After repayment, Secured Term loan from Axis Bank stood at Rs. 29.92 Cr. (inclusive of interest accrued & due of Rs. 0.28 Cr.) on 31st March, 2012.

In order to meet Working capital requirement for F/Y 2011-12, your Company entered into an arrangement with Axis Bank for sanction of Secured Working Capital Demand Loan & CC Limit of Rs. 20 Cr. each. Out of total Sanctioned Working Capital limit of Rs. 40 Cr., Company had drawn a sum of Rs 38.19 Cr. during F/Y 2011-12. After repayment of Rs. 9.47 Cr. to Axis Bank, Secured Working Capital limit stood at Rs. 28.72 Cr. on 31st March, 2012.

9. UNSECURED LOAN

During F/Y 2011-12, the Company also took Working Capital Loan of Rs. 15 Cr. from CONCOR (Holding Company).

Total outstanding loan due to holding Company (CONCOR) stood at Rs. 45.73 Cr. (inclusive of Rs. 16.64 Cr. for 2008-09, Rs. 11.50 Cr. for 2009-10, Rs. 15 Cr. for 2011-12 and interest accrued & due of Rs. 2.59 Cr. Net of TDS) as on 31.03.2012.

10. Fixed Assets

(Rs. in Cr.)

<u>Year Ended March 31</u>	<u>2012</u>	<u>2011</u>	<u>%age Incr.(Decr.)</u>
Original Cost of Assets	81.77	81.69	0.10
Less : Accumulated Dep.	16.68	13.06	27.72
Net Fixed Assets	65.09	68.63	(5.16)

An amount of Rs. 0.08 Cr. was capitalized during the year. The main addition is on account of purchase of plant & machinery.

11. Inventory

	Item	Opening	Purchased	Sold	Consumed*	Closing
Fruits	Qty (Kgs.) C/Y	9,14,869	71,13,336	50,09,231	1,40,568	28,78,406
	Qty (Kgs.) P/Y	13,74,109	93,61,373	95,38,540	2,82,073	9,14,869
	Amount (in Rs.) C/Y	4,74,74,162	45,65,80,603	35,31,44,871	-	26,16,81,179
	Amount (in Rs.) P/Y	7,95,35,123	32,55,17,973	58,86,51,869	-	4,74,74,162
Packing Material	Qty (No.) C/Y	7,62,328	8,57,527	2,93,022	70,487	12,56,346
	Qty (No.) P/Y	6,34,440	27,07,583	12,97,200	12,82,495	7,62,328
	Amount (in Rs.) C/Y	1,25,73,700	1,69,28,189	1,01,34,440	48,01,426	1,45,66,023
	Amount (in Rs.) P/Y	66,11,502	3,77,37,207	1,78,46,571	1,39,28,438	1,25,73,700

* Consumption includes moisture Loss, spoilage, testing of fruit etc.

12. Sundry Debtors

Sundry Debtors are 26.80% of operating income of the year. Provision for doubtful debts are Rs. 25,304/-.

13. Cash & Bank

The Company keeps available cash in short term Fixed Deposits with Banks for meeting financial obligations regarding Secured & Unsecured Loans.

14. Income

Income from operations has decreased by 38.01% over F/Y 2010-11.

15. Expenses

Cost of Sales has decreased by 28.51% over F/Y 2010-11.

16. Administrative & Other Expenses

The Administrative & other expenses have decreased by 13.04% over F/Y 2010-11.

17. Employee Remuneration

The Employee Cost has declined by 29.31% in comparison to last year.

18. Material Developments in Human Resources, Industrial Relations Front, including number of people employed

Human resource is the key asset of FHEL. As on 31.03.2012, the total employee strength of company remained 35 (which includes Regular-18, Adhoc-07, Deputationist-02, Management Trainees-04 and Contractual-04) employees. The company also gives training to employees whenever considered necessary.

Industrial relations remained harmonious and peaceful and no man-days were lost during the financial year. The company is complying with all the regulations prescribed under labour laws.

As on 31.03.2012, the total employees' strength (excluding deputationist) remained 33 including 05-OBC, 02-SC and 01-ST.

19. Environment Protection and Conservation, Technological Conservation, Renewable Energy Developments, Foreign Exchange Conservation

Environmental protection and conservation, Technological conservation:

The company recognizes the vital importance of providing safe and healthy working environment and it complies with relevant statutory requirement w.r.t Occupational Health and safety within India.

The company believes sound environmental management enhances our competitive strength and benefits by contributing to the overall environment and economical well being of the communities we serve.

Measures taken for environmental protection and conservation:

The company has facility for **rainwater harvesting pits** at the CA Store, Rai where all the rain water collected (on roof top of the store and pavement) is re-charged to the ground.

Air pollution is arrested by proper installation of chimney of DG Sets as per the norms of Pollution control board.

Sound pollution of DG Sets is avoided by proper installation of Insulated canopy.

Disposal of sewer is made to the HSIIDC sewer treatment plant, thereby causing no **ground pollution**.

Water conservation is achieved by using electronic controllers for avoiding overflow of 442KL water tanks and timely detection and rectification of water leakages.

Foreign Exchange Conservation :

India imports a large volume of Fruits & Vegetables. If we have proper Cold Chain Infrastructure large amount of foreign exchange can be conserved. As per the data bank of Deptt. of Commerce, in 2010-11, nearly, 1,34,577 MT of apples were imported from across the world and further same is 80,027 MT for the period of April-June (2011-12). The company's main business is to encourage domestic horticulture which will automatically reduce imports and conserve foreign exchange.

20. Corporate Social Responsibility

As a step towards attaining social objective, Company has helped orchard owners so as to improve yield with expenditure of Rs. 5 lakhs during F/Y 2011-12.

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY

During the year 2011-12, regular in-house Audits in areas of Refrigeration and Air Conditioning, Compressed Air, Lube Oil Systems, Lighting, Water Balancing, Cooling Water System, were carried out at Controlled Atmosphere (CA) Store, Rai.

The details of various measures taken during the year under various heads of Energy Conservation are as follows :-

1. POWER CONSUMPTION FOR REFRIGERATION AND AIR CONDITIONING, AUXILIARY UNITS
 - (a) Energy Saving Screw Compressors and Chillers have been installed and used for refrigeration of CA Store, Processing Area Air Conditioning and Office building. Also, Variable frequency drives (VFDs) have been used for Refrigeration compressors, Cooling coil fan motors (312 motors), Air cooling unit fan motors for Air-conditioning (51 motors), Cooling tower fan motors (6 motors), Carbon dioxide scrubbers (12 motors).
 - (b) Cooling towers and Condenser water pumps are operated based on ambient conditions and actual requirement.
 - (c) Optimization of Running of refrigeration compressors and air conditioning system.
 - (d) Cleaning and replacement of air filters for air compressors, nitrogen generator compressors and diesel generators.

2. Lighting :

Energy Conservation in lighting is achieved by use of Energy efficient tube lights for entire plant, use of CFL's for office building, use of electronic ballasts, cleaning of light fittings for optimum utilization of light illumination and lighting voltage optimization. During the year special care was taken to ensure that lights operated only in areas where it was required. Area identified and implemented were External lighting, utility area, corridors, sorting hall, packing hall, machine room, and office building.

Heat energy

Conservation of heat energy in the cold room is prevented by optimum insulation, proper insulation, insulation and cladding for pipe lines, minimal heat loss/ gain, cleaning of chilled water tubes, condenser water tubes and Minimum Infiltration of external Air to Cold Store and processing area by proper sealing of incoming and exit gates.

4 Fuel oil :

By regular and proper preventive maintenance and calibrations of components of diesel generators, minimum fuel consumption is ensured. By putting off Nitrogen Generator plant, forklifts and stacker charging, the load on the DG is reduced, and these equipment are run when power supply is available from electricity Boards.

5 Lubricants :

Optimisation of lubricants consumption is achieved by prescribed topping up of lube oil and attending to lube oil leakages on day to day basis.

6 Water for cooling towers and processing :

Water conservation is achieved by use of electronic controllers for avoiding over flow for 442 KL water tanks, re-use of processed water, waste water and fruit washing water for horticulture and timely detection and rectification of water leakages.

7 Battery chargers for material handling equipments and other

Chargers are installed with automatic low current charging devices for energy saving.

(B) Additional investments & Proposals for reduction in Consumption of Energy

Request is submitted to Uttar Haryana Bijli Vitran Nigam Ltd., Haryana for proposing for independent feeder for power supply directly from 132 KV Substation to our store. At present the common feeder is supplying power to us along with all nearby industries. In case of any breakdown on HT line of any industries, the entire HT line is shut down. If independent feeder is sanctioned, power availability will increased.

(C) Impact of measures taken for Energy Conservation

Units consumed per MT in 2011-12 is 55.78 KWH as compared to 59.07 KWH in 2010-11

FORM -A

Disclosure of particulars with respect of Conservation of Energy

A. Power and fuel Consumption		Current Year	Previous Year
1	Electricity		
1.1	Purchased		
	Unit	2425092.67	2483544.19
	Total Amount	13332228.37	13863501.60
	Rate/ Unit	5.50	5.58
1.2	Own Generation		
1.2.1	Through Diesel generator		
	Unit (KWH)	888609.60	437478.40
	Unit per liter of Diesel oil	3.68	3.68
	Cost / Unit	10.76	9.64
1.2.2	Through steam turbine / generator		
	Unit (KWH)	Nil	Nil
	Unit per liter of fuel oil / gas	Nil	Nil
	Cost / Unit	Nil	Nil
2	Coal (specify quality and where used)		
	Quantity (tonnes)	Nil	Nil
	Total Cost	Nil	Nil
	Average rate	Nil	Nil
3	Furnace Oil		
	Quantity (K.Ltrs.)	Nil	Nil
	Total Amount	Nil	Nil
	Average rate	Nil	Nil
4	Others / internal generation (please give details)		
	Quantity	Nil	Nil
	Total Cost	Nil	Nil
	Rate / Unit	Nil	Nil
B	Consumption per unit of production (per ton of storage of apples)		

Detail	Current Year (2011-12)	Previous Year (2010-11)
a. Total Nos of Units consumed (KWH)	3313702.27	2921022.5
b. Total Cost (Rs.)	22889723.17	18080460.8
c. Cost per unit (a / b) Rs.	6.91	6.1
d. Cumulative annaul Tonnage (MT)	59404.49	49451.5
e. Power cost per Unit (Rs.) [b / d]	385.32	365.6

FORM -B

(See rule 2)

Form for disclosure of particulars with respect to Technology absorption

A. Research and development (R & D)

1) Specify areas in which R & D carried out by the company.:

Studies were conducted in the in - house laboratory on the shelf life extension of Guava Fruits.

Experiment are conducted on the shelf life extension of lemon, Kinnow, and oranges in CA films.

Commercial storage of other fruits & vegetable are Kinnow, Rice, Garlic, carrot, orange, flower seeds and ripening of mango.

2) Benefits derived as a result of the above R & D: storage of Rice, Garlic, Orange and carrot, being done for third parties. Further small quantities of mango are being ripened for third parties.

3) Future plan of action Trials are proposed to be done with ripening of mangos and banana on large scale.

4) Expenditure on R & D

i. Capital	: Nil
ii. Recurring	: Nil
iii. Total	: Nil
iv. Total R & D expenditure as a	: Nil
Percentage of total turnover	:-

B. Technology absorption, adaptation and innovation

1) Efforts, in brief, made towards technology absorption, adaptation and innovation

As of now our focus has been is doing as many trials as is possible to store different fruits and vegetables with this new technology, so that utilization of the Store is maximized. Thus many trials as mentioned above have been done and these have been quite successful. Due to the same the utilization has been increased substantially.

2) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc

All fruits and vegetables storage is helping the company in offering these commodities for sale in off season. This is increasing consumer satisfaction import substitution and more remuneration prices for produce to farmers.

3). In case of imported technology (imported during the last 5 years, reckoned from the beginning of the financial year), following information may be furnished

a) Technology imported

b) Year of import

c) Has technology been fully absorbed

d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action

a) CA technology for long term storage of fruit and vegetables.

b) 2007-08

c) In progress

d) Presently used for apples. Trials with other fruits and vegetables under progress

FINRA HEALTHY ESTROGENS LIMITED
BALANCE SHEET AS AT 31st MARCH 2012

(Amount in Rs. hundred)

Particulars	Note No.	31.03.2012	
		Audited	Audited
I EQUITY AND LIABILITIES			
1 Shareholder's Funds			
a) Share Capital	1	4,827,381.00	4,827,381.00
b) Reserve and Surplus	2	(5,113,684.07)	(3,891,271.82)
c) Money Received against Share warrants		<u>(286,303.07)</u>	<u>936,109.18</u>
2 Share application Money pending allotment			
3 Non-current Liabilities	3		
a) Long Term Borrowings		2,340,031.99	2,964,040.52
b) Deferred Tax Liabilities (Net)			18,852.45
c) Other Long Term Liabilities		44,979.47	27,892.40
d) Long Term Provisions		<u>2,385,011.46</u>	<u>3,010,785.37</u>
4 Current Liabilities	4		
a) Short Term Borrowings		7,158,958.93	3,932,269.57
b) Trade Payables		82,709.06	97,892.54
c) Other Current Liabilities		1,110,404.21	881,849.58
d) Short Term Provisions		6,304.74	1,381.21
		<u>8,358,376.94</u>	<u>4,913,392.90</u>
Total		<u>10,457,085.33</u>	<u>8,860,287.45</u>
II Assets			
1 Non-Current Assets			
a) Fixed Assets	5		
i) Tangible Assets		6,509,096.06	6,862,701.63
b) Non-Current Investments			
c) Deferred Tax Assets (Net)			
d) Long Term Loans and advances	6	46,349.54	45,867.71
e) Other non-current Assets	7	4,397.12	5,657.93
		<u>6,559,842.72</u>	<u>6,914,227.27</u>
2 Current Assets	8		
a) Current investments		2,781,835.92	622,302.62
b) Inventories		1,068,957.19	1,237,155.39
c) Trade Receivables		12,537.48	40,434.22
d) Cash and Cash equivalents		29,404.38	39,149.37
e) Short-term Loans and advances		4,507.64	7,018.58
f) Other Current Assets		<u>3,897,242.61</u>	<u>1,946,060.18</u>
Total		<u>10,457,085.33</u>	<u>8,860,287.45</u>
Significant Accounting Policies	14		
Other Notes	15-31		
Total		<u>10,457,085.33</u>	<u>8,860,287.45</u>

As per our report of even date
For Gupta Gupta & Associates
Chartered Accountant

CA Elka Jain
Partner
M.No. 512940
Date: 9/5/12
Place: New Delhi



For and on behalf of Board of Directors

Anil Kr. Gupta
Chairman

Naresh Kr. Jawa
CEO

P. Anil Rani
Director

Suman Lata
Mgr(F) & CS

FRESH & HEALTHY ENTERPRISES LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2012

Particulars	Note No.	(Amount in Rs. hundred)	
		As at 31.03.2012 Audited	As at 31.03.2011 Audited
I Revenue from Operations	9	3,989,266.88	6,434,840.13
II Other Income	10	39,410.93	30,112.82
III Total Revenue (I+II)		4,028,677.81	6,464,952.95
IV Expenses:		4,931,655.17	3,918,887.43
Purchases of Traded Goods	11	(2,162,693.40)	261,687.63
Change in Inventories		878,889.82	922,045.72
Direct Expenses	12	184,677.77	142,814.23
Employee Benefits Expenses		826,435.17	507,676.88
Finance Costs		361,605.50	364,078.96
Depreciation and Amortization Expenses	13	249,372.48	286,750.92
Other Expenses		5,269,942.51	6,403,941.77
Total Expenses		(1,241,264.70)	61,011.18
V Profit before exceptional and extraordinary items and Tax (III - IV)		(1,241,264.70)	61,011.18
VI Exceptional Items		(1,241,264.70)	61,011.18
VII Profit Before extraordinary items and tax (V-VI)		(1,241,264.70)	61,011.18
VIII Extraordinary Items		(1,241,264.70)	61,011.18
IX Profit before Tax (VII - VIII)		(1,241,264.70)	61,011.18
X Tax Expense:			18,852.45
(1) Current Tax			18,852.45
(2) Deferred Tax		(18,852.45)	
(2) Tax Adjustment for Prior Periods			18,852.45
XI Profit / (Loss) for the period from continuing operations (IX-X)		(1,222,412.25)	42,158.73
XII Profit/ (Loss) from discontinuing operations			
XIII Tax Expense of discontinuing operations			
XIV Profit/ (Loss) from discontinuing operations (XII-XIII)		(1,222,412.25)	42,158.73
XV Profit/(Loss) for the period (XI + XIV)		(1,222,412.25)	42,158.73
XVI Earning per Equity Share(Rs.)		(2.63)	0.09
(1) Basic		(2.63)	0.09
(2) Diluted			

As per our report of even date
 For Gupta Gupta & Associates
 Chartered Accountant

CA Ekta Jain
 Partner
 M.No. 512940
 Date: 9/5/12
 Place: New Delhi

For and on behalf of Board of Directors

Anil Kr. Gupta
 Chairman

P. Anil Rani
 Director

Naresh Kr. Jawa
 CEO

Suman Lata
 Mgr(F) & CS

FRESH & HEALTHY ENTERPRISES LIMITED
 NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited

NOTE 1 : SHARE CAPITAL

Authorised share capital (5,00,00,000 equity shares of Rs.10/- each)	500,000,000	500,000,000
	500,000,000	500,000,000
Issued, Subscribed & Paid-up Share Capital (*) (4,82,73,810 Equity Shares of Rs.10/- each fully paid-up)	482,738,100	482,738,100
	482,738,100	482,738,100

(*) Note

1. 100% shares are held by Container corporation of India Ltd (Holding company).

2. Shares held by shareholders holding more than 5% shares

Shareholder		
M/s Container Corporation of India Ltd. (nos.)	48,273,810	48,273,810
Percentage of shares held	(100%)	(100%)

3. CONCOR's BOD has approved the following:

(i) Fresh Equity infusion of Rs. 28.14 crores in Fresh & Healthy Enterprises Ltd. towards retiring of high cost debts taken from Axis Bank; and

(ii) Infusion of Fresh Equity of Rs. 11.00 crores for financing development of infrastructure/procurement centers in other parts of India (to be released depending upon the progress of the projects).

For the purpose of giving effect to above, FHEL's Shareholders' in their recently held Extra-ordinary General Meeting on 04.05.2012, have accorded their approval for increase of Authorized Share Capital of the Company from Rs. 50 Cr. to Rs. 150 Cr. and consequent amendment in Clause V of Memorandum of Association of the Company. Further, the Shareholders have also accorded their consent for fresh issue to CONCOR of 2,80,55,832 Equity Shares of Rs. 10/- each at premium of Rs. 0.03/-, as per valuation done by M/s. SBI Capital Markets Ltd. (Independent Agency appointed by CONCOR), towards retiring of high cost debts taken from Axis Bank Ltd. by Fresh & Healthy Enterprises Ltd.



[Handwritten Signature]

FRESH & HEALTHY ENTERPRISES LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)		
	As at 01.04.2011 Audited	Addition/ deduction/ appropriation	As at 31.03.2012 Audited
NOTE 2 : RESERVES AND SURPLUS			
Securities Premium Reserve	1,061,900	-	1,061,900
Surplus (Profit and Loss Account)			
Opening Balance	(390,189,082)		
Profit/(Loss) after Tax for the year		(122,241,225)	
Closing Balance			(512,430,307)
Total	(389,127,182)	(122,241,225)	(511,368,407)



FRESH & HEALTHY ENTERPRISES LIMITED
 NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited
NOTE 3 : NON-CURRENT LIABILITIES		
Long Term Borrowings		
Term Loan from Banks	234,003,199	296,404,052
Term Loan from Axis Bank Ltd. (Secured)		
(Secured against first charge on the present and future fixed assets (movable and immovable) of the company and Second charge on the present and future assets of the company) (Repayment in equal principal quarterly installments of Rs. 1,56,00,213.25 due in April, July, October and January)		
Deferred Tax Liabilities (Net)		1,885,245
Other Long Term Liabilities		
Long Term Provisions		
Provision for Employee Benefits	4,497,947	2,789,240
Others		
Total	238,501,146	301,078,537



FRESH & HEALTHY ENTERPRISES LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited
NOTE 4: CURRENT LIABILITIES		
Short Term Borrowings		
<u>Loans Repayable on Demand from Banks</u> (Secured against hypothecation of all current assets both present and future)	284,463,143	111,794,207
<u>Loans and Advances from Related Party</u> Container Corporation of India Ltd. (Holding Co.; Unsecured)	431,432,750	281,432,750
Trade Payables		
- Micro & Small Enterprises	8,270,906	9,789,254
- Others		
Other Current Liabilities		
<u>Current Maturities of Long Term Debt</u> (Secured against first charge on the present and future fixed assets (movable and immovable) of the company and Second charge on the present and future assets of the company)	62,400,853	62,400,853
Interest Accrued & Due on Borrowings	31,312,851	7,000,277
Advance/Deposits from parties	6,079,949	6,324,906
Others	11,246,768	12,458,922
Short Term Provisions		
Provision for Employee Benefits	630,474	138,121
Others		
Total	835,837,694	491,339,290



FRESH & HEALTHY ENTERPRISES LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Descriptions	Gross Block			Depreciation*			Net Block			
	As at 01.04.11	Additions during the year	Sale/adjustment	As at 31.03.12	As at 01.04.11	For the year	Sale / adjustment	Up to 31.03.12	As at 31.03.12	As at 31.03.11
Tangible Assets										
Building	191,591,146	-	-	191,591,146	22,623,455	6,235,449	-	28,858,904	162,732,242	168,567,091
Plant & Machinery	453,815,016	679,833	-	454,494,849	78,858,009	21,527,994	-	100,386,003	354,108,846	374,957,001
Computer	1,322,052	15,320	-	1,337,372	693,793	216,894	-	910,687	426,685	528,259
Furniture & Fittings	1,619,828	21,140	-	1,640,968	484,495	92,536	-	577,031	1,063,937	1,135,323
Bins	168,574,930	83,700	-	168,658,630	27,993,057	8,087,677	-	36,080,734	132,577,896	140,581,873
Total	816,922,972	739,993	-	817,722,965	130,652,809	36,160,550	-	166,813,359	650,909,606	686,270,163
Previous Year	814,316,428	2,606,544	-	816,922,972	94,244,913	36,407,896	-	130,652,809	686,270,163	720,071,515

* Depreciation on assets created on leasehold land is provided in line with the accounting policy of the company irrespective of the land lease period, as the leases are likely to be renewed / extended. Depreciation has been provided as per SLM method in accordance with Companies Act, 1956.

FRESH & HEALTHY ENTERPRISES LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited
NOTE 6 : LONG TERM LOANS AND ADVANCES		
Capital Advances		
Security Deposits	2,251,136	2,632,160
- Govt. Authorities (Unsecured, Considered Good)		
- Others		
Other Loans and Advances		
Loans to Employees (Secured, Considered Good)	2,383,818	1,954,611
Total	4,634,954	4,586,771

NOTE 7 : OTHER NON-CURRENT ASSETS		
Interest accrued on deposits, loans and advances (Secured, Considered Good)	244,712	175,793
Others	195,000	390,000
	439,712	565,793



FRESH & HEALTHY ENTERPRISES LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited
NOTE 8: CURRENT ASSETS		
Inventories (As taken, valued & certified by Management)		
Stock-in-Trade	261,681,179	47,404,162
Stores and Spares	16,502,413	14,826,100
	278,183,592	62,230,262
Trade Receivables*		
Outstanding for period exceeding six Months		
Unsecured Considered good	84,28,809/-	
Unsecured Considered doubtful	<u>25,304/-</u>	
	84,54,113/-	
Less : Provision for Doubtful Debts	<u>25,304/-</u>	12,652
Others Unsecured Considered Goods	8,428,809	123,702,887
	98,466,910	123,715,539
Cash and Cash equivalents		1,714
Cash (Including Imprest)		
Balances with Scheduled Bank		
- in Current Accounts	185,671	3,099,159
- in Flexi Accounts	796,275	686,222
- in Term Deposits		
Balances held as security against		
- Guarantees**	271,802	256,327
	1,253,748	4,043,422
Short-term Loans and advances		
Loans to Related Parties		
Loans to Others		
Loans to Employees (Secured, Considered Good)	508,552	422,400
Advances (Unsecured, Considered Good) (Recoverable in Cash or in kind or value to be received)	29,000	45,873
Deposits (Unsecured, Considered Good)		
- Govt. Authorities	813,664	916,453
- Others	52,000	63,000
Advance Income Tax/TDS (Net of Provisions)	1,537,222	2,467,211
	2,940,438	3,914,937
Other Current Assets		
Interest accrued on deposits, Loans and advances	9,024	5,903
Others	441,740	695,955
	450,764	701,858
Total	389,724,261	194,606,018

* An amount of Rs. 12,652/- (P/Y: Rs.12,652/-) has been provided towards Bad & Doubtful Debtors.
 ** Rs. 2,00,000/- is not freely available as the same is margin money for Bank Guarantee to Sales Tax Department.



FRESH & HEALTHY ENTERPRISES LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited
NOTE 9 : REVENUE FROM OPERATIONS		
Sale of Fresh Fruits	353,144,871	590,072,961
Sale - Off Seasonal Activity	20,655,380	30,662,546
Sale of Cartons	10,134,440	17,846,571
Sale of Scrap	1,641,045	1,020,326
Cooling Charges	13,350,952	3,881,609
Total	398,926,688	643,484,013

* 1. The company has diversified its business into other fruits apart from apple. The Break-up is as below:

Fruit	31.03.2012	31.03.2011
Apples	349,236,668	588,651,869
Kinnow	3,859,964	1,421,092
Orange and Others	48239	
Total	353,144,871	590,072,961

2. Sales have been accounted for based on the consignment notes received from the marketing associates.



FRESH & HEALTHY ENTERPRISES LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited
NOTE 10 : OTHER INCOME		
Interest earned on Short Term Bank Deposits (TDS Rs. 97,184/-; P/Y Rs. 1,72,814/-)	978,570	681,191
Interest earned on Loans to employees	68,919	77,756
Interest earned others	1,090,858	215,702
Other non-operating Income	1,802,746	2,036,633
Total	3,941,093	3,011,282



FRESH & HEALTHY ENTERPRISES LIMITED
NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited
NOTE 11		
Purchases of Traded Goods	476,237,328	354,151,536
Stock-in-Trade	16,928,189	37,737,207
Stores and Spares	<u>493,165,517</u>	<u>391,888,743</u>
Change in Inventories		
<u>Opening Stock</u>	47,404,162	79,535,123
Stock-in-Trade	14,107,700	8,145,502
Stores and Spares	<u>61,511,862</u>	<u>87,680,625</u>
<u>Closing Stock</u>	261,681,179	47,404,162
Stock-in-Trade	16,100,023	14,107,700
Stores and Spares	<u>277,781,202</u>	<u>61,511,862</u>
Increase/(Decrease) in Inventory	<u>(216,269,340)</u>	<u>26,168,763</u>
Direct Expenses		
CA store maintenance	11,691,803	10,295,000
Freight Exp	28,175,526	36,975,521
Handling Expenses	628,253	1,523,296
Loading/Unloading Charges	7,345,094	12,207,291
Power & Fuel	22,839,675	18,618,627
Testing Exps./ Charges /Consumable Goods	18,009	32,052
Procurement Supervision Consultants	8,690,409	7,363,080
Water Spray at Control Room	225,950	227,100
Consumable Goods*	1,143,192	1,556,072
APMC Fees	4,555,395	3,115,647
Lease Rent - Plastic Bins	2,189,175	-
Performance Award	257,000	150,000
Store Rent	127,201	140,886
Hiring Charges Equipment	2,300	-
	<u>87,888,982</u>	<u>92,204,572</u>
Total Cost	<u>364,785,159</u>	<u>510,262,078</u>



FRESH & HEALTHY ENTERPRISES LIMITED
 NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited
NOTE 12: EMPLOYEES BENEFITS EXPENSES		
Salary, Allowances & Other Employee Benefits	14,982,163	11,205,177
Contribution to CPF & FPF	1,295,824	1,009,860
Rent for Leased Accommodation	397,126	446,257
Employees Welfare & Medical	1,317,051	1,592,165
Gratuity	474,113	
Training Expenses	1,500	27,964
Total	18,467,777	14,281,423



FRESH & HEALTHY ENTERPRISES LIMITED
 NOTES TO ACCOUNTS FOR THE YEAR ENDED 31.03.2012

Particulars	(Amount in Rs.)	
	As at 31.03.2012 Audited	As at 31.03.2011 Audited
NOTE 13 : OTHER EXPENSES	328,931	279,021
Printing & Stationery Exp	1,741,199	1,314,540
Travelling & Conveyance	63,191	2,400
Travelling & Conveyance -Dir.	2,365,892	2,363,920
Rent Office Space/ Rai Land and Licence Fee*	-	12,744
Research & Development Exps.	2,163,099	1,568,907
office/ CA Store Upkeeping Exps.	63,054	47,822
Electricity Expenses		
Repairs & Maintenance	28,047	17,986
- Building	1,514,378	773,102
- Plant & Machinery	1,084,342	1,085,529
Security Expenses	1,740,725	2,202,837
Office Vehicle/ Car Hire Charges	53,504	37,144
Business Development	675,676	629,633
Postage , Telephone & Internet	17,923	8,100
Books & Periodicals	44,514	47,684
Bank Charges	602,012	671,502
Legal & Professional Charges	9,343,208	14,274,335
Agency Charges-Commission	517,243	566,849
Insurance Premium	2,850	3,425
Subscription & Membership Fee	2,000	-
Penalty	-	-
Exhibition Exps.	527,272	1,601,027
Discount	992,412	547,219
Advertisement		
Auditors Remuneration	84,944	83,387
- Statutory Audit Fee	36,405	35,737
- Tax Audit Fee	12,652	12,652
Provision for Doubtful Debts	236,775	222,590
Miscellaneous Expenses	500,000	-
Corporate Social Responsibility	195,000	265,000
Preliminary Expenses w/off		
Total	24,937,248	28,675,092

* The land has been given on lease by HSIIDC Limited, Rai for 30 years from 26.03.2003, further expandable for a period of 99 years for which no lease premium has been paid. Lease rent is @ Rs.1.50 per sq. mtr. per month for 66,400 sq. mtr. area for first 15 years and thereafter will be fixed mutually.



Fresh & Healthy Enterprises Limited

NOTE 14: SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Convention & Concepts

The financial statements are prepared under the historical cost convention generally on accrual basis, in accordance with the applicable mandatory Accounting Standards and relevant presentational requirements of the Companies Act, 1956. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

B. Fixed Assets

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. Cost of acquisition is net of interest on capital advances and is inclusive of freight, duties, taxes and other incidental expenses. In respect of assets due for capitalization where final bills /claims are to be received or passed, the capitalization is based on engineering estimates. Final adjustments for cost and depreciation are made retrospectively in the year of ascertainment of actual cost and finalization of claim. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized.

C. Borrowing cost

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets and all other borrowing costs are charged to revenue. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

D. Inventories

Inventories are valued at cost or Net realizable value, whichever is lower. Cost includes direct purchase cost and proportion of direct allocable expenses. Cost is determined on specific identification method for fresh fruits and FIFO method for other inventories.

E. Depreciation

Depreciation is provided on the straight line method at the rate and in the manner provided in Schedule XIV of the Companies Act, 1956.

F. Impairment of assets

An asset is said to be impaired when the carrying amount of asset is more than the recoverable value of the asset. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired.

G. Retirement Benefits

Gratuity liability to employees is provided for on accrual basis based on valuation done by an independent actuary as at the balance sheet date.

Liability for leave travel concession & leave salary payable to employees is provided for on accrual basis based on valuation done by an independent actuary as at Balance Sheet date.

Contribution to defined contribution schemes such as Provident fund & Family Pension Fund are charged to Profit and Loss account as and when accrued.



H. Revenue Recognition:

Sales

Revenue from Sale of Goods is recognized when the significant risk and reward of ownership of goods are transferred to the customer and no significant uncertainty as to its determination or realization exists.

Rental Income

Revenue is recognized on accrual basis.

Other Income

Revenue is recognized on accrual basis.

I. Taxes on Income

i) Provision for current tax is made as per applicable provisions of Income Tax Act, 1961.

ii) Deferred tax is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent years.

J. Provisions, Contingent Liabilities & Contingent Assets:

Provisions are recognized in respect of obligations where based on the evidence available, their existence on the Balance Sheet date is considered probable.

Contingent liabilities are determined on the basis of available information. These liabilities are not provided for and disclosed by way of notes on accounts.

Contingent assets are not recognized in the accounts unless there are absolute certainties of its recovery in future.

K. Preliminary expenses

Preliminary Expenses are amortized over a period of five years.

L. Leases

Lease rentals are in the nature of operating lease. Therefore, same are recognized with reference to lease terms.

M. Claims/ Counter-Claims/ Penalties/ Awards

Claims/ counter-claims/ penalties/ awards are accounted for in the year of its settlement.



Notes to Accounts

15. a) Contingent Liabilities not provided for:

	2011-12	2010-11
i) Bank Guarantees (Rs.)	200,000/-	200,000/-
ii) An amount of Rs. 85,72,859/- is due from Global Agri System P Ltd. The case is under litigation and out of this, Rs. 84,28,809/- is outstanding for more than six months; (P/Y Rs. NIL).		
iii) Notice of Demand u/s 156 of the Income Tax Act, 1961 for Rs. 2,27,406/- has been received from TDS Ward 49(2), New Delhi on 28.03.2012.		

b) Contingent Assets not provided for:

(i) Claims for Rs. 4,73,827/- have been lodged and is under consideration as on 31.03.2012 (P/Y Rs. 2,15,560/-) with M/s United India Assurance Ltd.

16. Related party disclosure

Related party disclosure as required under accounting standard -18 on "Related Party disclosures" issued by the Institute of Chartered Accountants of India are given below:

a) Relationship:

i) Parties whose control exists

Holding company - Container Corporation of India Ltd.

ii) Key management personnel

Sh. Anil Kumar Gupta	Chairman
Sh. Harpreet Singh	Director
Ms. P. Alli Rani	Director
Sh. Yashvardhan	Director
Lt. Gen. (Retd.) Arvind Mahajan	Director
Dr. (Prof.) A.K. Bandyopadhyay	Director

b) The following transactions were carried out with related party in the ordinary course of business :

	2011-12	2010-11
i) Parties whose control exists (Holding Company)		
Unsecured Loan Taken	Rs. 15,00,00,000	Rs. NIL
Intt. Free Unsecured Loan Refunded	Rs. NIL	Rs. 5,50,00,000
Interest on Loan	Rs. 3,22,38,486	Rs. 49,00,000
Interest Paid	Rs. 75,75,421	Rs. NIL
TDS Deducted on Interest on Loan	Rs. 32,23,855	Rs. 4,90,000
Lease Rental of Plastic Bins	Rs. 21,89,175	Rs. NIL
TDS Deducted on Lease Rental	Rs. 43,784	Rs. NIL
ii) Key management personnel		
<u>Sitting Fee to Independent Directors:</u>		
Lt. Gen. (Retd.) Arvind Mahajan	Rs. 1,20,000	Rs. NIL
Dr. (Prof.) A.K. Bandyopadhyay	Rs. 20,000	Rs. NIL
Sh. Janat Shah	Rs. NIL	Rs. 60,000
Sh. T.R. Doongaji	Rs. NIL	Rs. 1,80,000

c) Balances at the end of the Year

i) Parties Whose Control Exists (Holding Company) :

Unsecured Loan	Rs. 43,14,32,750	Rs. 28,14,32,750
Interest Accrued and Due	Rs. 2,58,49,210	Rs. 44,10,000
Lease Rental of Plastic Bins	Rs. 21,45,391	Rs. NIL

ii) Key management personnel : Nil

17. Earning Per Share

	31.03.2012	31.03.2011
Profit/loss after taxation as per Profit and Loss account (Rs.)	(12,22,41,225)	42,15,873
Weighted Average number of Equity Shares outstanding (Nos.)	4,82,73,810	4,82,73,810



19. Details of expenditure and earnings in foreign currency (in Rs.):		2011-12	2010-11
a) Expenditure in Foreign Currency		NIL	NIL
b) Earning in Foreign Currency		NIL	NIL

20. Additional information required as per Part II of schedule VI of companies Act 1956 regarding purchase, sale and stock of main items:

Item		Opening	Purchased	Sold	Consumed*	Closing
Fruits	Qty (Kgs.) C/Y	9,14,869	71,13,336	50,09,231	1,40,568	28,78,406
	Qty (Kgs.) P/Y	13,74,109	93,61,373	95,38,540	2,82,073	9,14,869
	Amount (in Rs.) C/Y	4,74,74,162	45,65,80,603	35,31,44,871	-	26,16,81,179
	Amount (in Rs.) P/Y	7,95,35,123	32,55,17,973	58,86,51,869	-	4,74,74,162
Packing Material	Qty (No.) C/Y	7,62,328	8,57,527	2,93,022	70,487	12,56,346
	Qty (No.) P/Y	6,34,440	27,07,583	12,97,200	12,82,495	7,62,328
	Amount (in Rs.) C/Y	1,25,73,700	1,69,28,189	1,01,34,440	48,01,426	1,45,66,023
	Amount (in Rs.) P/Y	66,11,502	3,77,37,207	1,78,46,571	1,39,28,438	1,25,73,700

* Consumption includes moisture Loss, spoilage, testing of fruit etc.

21. As per As-19, amounts charged to Profit & Loss Account in respect of operating leases for office premises and accommodation provided to staff is Rs 27,37,218/- (Previous Year Rs. 27,69,709/-) which is net of recovery of Rs. 2,75,168/- (Previous Year Rs. 32,968/-). The period of lease arrangements varies from case to case.

22. The company is dealing in logistics of fresh fruits. All the activities of the company revolve around this business and all the operations are in India. As such there is no other reportable segment defined by Accounting Standard As-17 related to segment reporting.

23. The company has, with effect from 1st April 2010, adopted Accounting Standard 15, Employee Benefits (revised 2005), issued by the Institute of Chartered Accountants of India (ICAI). The disclosures as required as per the above accounting standard are as under:

(a) Defined Contribution plans:

i) Employers' contribution to Provident Fund

Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, 'CONCOR Employees CPF Trust', which invests the fund in permitted securities. The contribution to the fund for the period is recognized as expense and is charged to profit & loss account. The obligation of the company is limited to such fixed contribution. However, the trust is required to pay a minimum rate of interest on contributions to the members as specified by Government. During the year, the company has recognized the following amounts in the profit & loss account.

i) Employers' contribution to Provident Fund - Rs. 10.40 Lakh (p/y: Rs. 8.21 lakh)

(b) Defined Benefit Plans:

Gratuity: The Company has a defined benefit gratuity plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is non funded. The liability for the same is recognized on the basis of actuarial valuation.



Leave Travel Concession: The Company provides LTC facility to its employees, which is regulated in accordance with the policy framed in this regard. The liability for the same is covered under the 'Provision for Leave Travel Concession'.

Leave Encashment: The Company has a defined benefit leave encashment plan for its employees. Under this plan, they are entitled to encashment of earned leaves and medical leaves subject to certain limits and other conditions specified for the same. The liabilities towards leave encashment have been provided on the basis of actuarial valuation.

(c) Summarized Position:

(Amount in Rs.)

Particulars	Leave Travel Concession (Non-Funded)		Gratuity (Non-Funded)		Leave Encashment (Non-Funded)	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Expenses Recognised in Profit & Loss Account	3,23,641	254,941	4,74,113	-	13,98,554	-
Amount Recognized in the Balance Sheet:						
Present Value of obligations as at 31 st March (i)	2,69,248	1,39,208	12,25,676	7,51,563	32,37,701	20,36,590
Fair Value of Plan Assets (ii)	-	-	-	-	-	-
Difference (ii)-(i)	(2,69,248)	(1,39,208)	(12,25,676)	(7,51,563)	(32,37,701)	(20,36,590)
Net Asset/(Liabilities) recognised in the Balance Sheet	(2,69,248)	(1,39,208)	(12,25,676)	(7,51,563)	(32,37,701)	(20,36,590)

(d) Actuarial assumptions: Principal assumptions used for actuarial valuation are:

	2011-12	2010-11
i) Method Used	Projected Unit Credit Method	Projected Unit Credit Method
ii) Discount Rate	8.50%	8.00%
iii) Future Salary Increases	5.50%	5.50%

Salary increase rate has been assumed keeping in view the inflation rate on long term basis.

24. During the year the company had no employee drawing remuneration equal to or more than the limits prescribed under the Companies (Particulars of Employees) Amendment Rules, 2011.

25. During the year, provision for current tax is not made as the company has brought forward losses and unabsorbed depreciation amounting to Rs. 61.77 crore upto A/Y 2012-13 in accordance with the provisions of Income Tax Act, 1961.

26. As at 31 March 2012, the Company has carried out tax computation in accordance with Accounting Standard-22 - Accounting for Taxes on Income notified under the Companies (Accounting Standards) Rules, 2006. Management is of the view that it is not virtually certain to realize the deferred tax assets in the near future. In the absence of virtual certainty of realisability of deferred tax assets, the deferred tax assets has been recognized only to the extent of deferred tax liability. The Company has taken a view of Calculating Deferred Tax Assets and Deferred Tax Liability from the current year onwards by calculating figures of previous year's also. The components of deferred taxes as at 31 March 2012 are as follows:

Particulars	As at 31 March 2012
Deferred tax liability	
Excess depreciation as per Income tax Act, 1961, over depreciation as per books (a)	7,94,23,288
Total	7,94,23,288
Deferred tax assets	
Excess depreciation as per books, over	-



depreciation as per Income tax Act, 1961	
Provision for gratuity	2,18,034
Provision for LTC	33,109
Provision for doubtful debts	7,819
Brought forward losses and unabsorbed depreciation	19,08,78,780
Total	19,11,87,831
Recognition of deferred tax assets to the extent of deferred tax liability (b)	7,94,23,288
Net deferred tax assets/(liability) [(a)-(b)]	Nil

27. The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006, as at the Balance Sheet date and therefore no such disclosures under the said Act have been made.

28. The impact of pay revision in respect of security expenses etc. will be accounted for on receipt of claims.

29. In the opinion of the management, during the year there are no indications that impairment of any asset has taken place. Accordingly, no provision for impairment of assets is required as per Accounting Standard 28.

30. As per Accounting Standard 29, the particulars are as under:

Particulars	(Amount in Rs.)	
	2011-12	2010-11
Opening Balance	27,88,153/-	32,34,271/-
Addition during the year	18,72,667/-	-
Amount used/incurred	1,97,443/-	4,46,118/-
Closing Balance	44,63,377/-	27,88,153/-

31. a) Unless Otherwise stated, the figures are in rupees.

b) Previous year's figures have been recast/regrouped/rearranged wherever considered necessary to confirm to compliance with revised Schedule-VI.

"SIGNATURES TO NOTES I TO 31"

As per our Report of even date
For Gupta Gupta & Associates
Chartered Accountants

CA Ekta Jain
Partner
M.No. 512940
Date: 9/5/11
Place: New Delhi.

For and on behalf of Board of Directors

Anil Kumar Gupta
Chairman

Naresh Kr. Jawa
C.E.O.

P. Alli Rani
Director

Suman Lata
Mgr.(F) & C.S.

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2012

(Amount in Rs.)

Particulars	For the Year ended 31.03.2012	For the Year ended 31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) before tax and extraordinary items	(122,241,225)	6,101,118
Adjustments for :		
Depreciation	36,160,550	36,407,896
Preliminary Expenses	195,000	265,000
Interest Debited	82,643,517	50,767,688
Interest Earned	(2,138,346)	(681,191)
Operating Profit before Working Capital changes	(5,380,504)	92,860,511
Adjustments for :		
Trade & other receivables	16,819,820	(102,865,836)
Inventories	(215,953,330)	25,450,363
Advances & other Current Assets (Decrease)	1,117,516	(902,454)
Trade & other Payable	(2,659,645)	13,972,824
Cash Flow from operating Activities	(206,056,143)	28,515,408
Less: Taxes paid	-	-
Net Cash Flow from operating activities	(206,056,143)	28,515,408
B. CASH FLOW FROM INVESTING ACTIVITIES		
Decrease/ (Increase) in Fixed Assets	(799,993)	(2,606,544)
Interest Received	2,129,322	675,288
Net Cash from / (Used) in Investing Activities	1,329,329	(1,931,256)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital at premium	-	-
Preliminary Expenses	-	-
Increase in Working Capital Limit	172,668,936	111,794,207
Proceeds from Borrowings	150,000,000	-
Repayment of Borrowings	(62,400,853)	(117,400,853)
Interest paid	(58,330,943)	(46,808,171)
Net cash from/(Used) in financing Activities	201,937,140	(52,414,817)
Net Increase/(Decrease) in Cash and Cash Equivalents	(2,789,674)	(25,830,665)
Opening cash and Cash Equivalents	3,843,422	29,674,087
Closing Cash and Cash Equivalents	1,053,748	3,843,422
Net Increase/(Decrease) as per Books	(2,789,674)	(25,830,665)

Cash and Cash Equivalents included in the Cash flows statement comprise the following:

Cash (Including Imprest)	-	1,714
Balances with Scheduled Bank	-	-
- in Current Accounts	185,671	3,099,159
- in Fixed Accounts	796,275	686,222
- in Term Deposits	-	-
Balances held as security against	-	-
- Guarantees	271,802	256,327
Total	1,253,748	4,043,422
Balances Freely Not Available	200,000	200,000
(Margin Money for BQ to Sales Tax Deptt., Haryana)	-	-
Cash & Cash Equivalents Available	1,053,748	3,843,422

As per our report of even date
For Gupta Gupta & Associates
Chartered Accountant

CA Ekta Jain
Partner
M.No. 512940
Date: 9/5/12
Place: New Delhi



For and on behalf of Board of Directors

Anil Kr. Gupta
Chairman

नरेश जवा
Naresh Kr. Jawa
CEO

P. Alli Rani
Director

सुमन लता
Suman Lata
Mgr(F) & CS



CHARTERED ACCOUNTANTS

**GUPTA
GUPTA
AND
ASSOCIATES**

BRANCH OFFICE:

22, FIRST FLOOR,
SURAJ NAGAR, AZADPUR,
NEW DELHI-110033

Ph.: (011)-27672941

Auditors' Report

The Members of Fresh & Healthy Enterprises Limited

- 1) We have audited the attached balance sheet of Fresh & Healthy Enterprises Limited as at 31st March 2012 and the profit and loss account and the Cash Flow Statement for the year ended on that date annexed thereto. 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 the 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 statement. 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 Companies (Auditors' Report) Order' 2003 issued by Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure 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:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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 those books.
 - (iii) The balance sheet and profit and loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account
 - (iv) In our opinion, the balance sheet and profit and loss account and 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.
 - (v) In terms of Department of Company Affairs GSR 829(E) dated 21st October, 2003 Government Companies are exempt from applicability of provisions of Section 274(1)(g) of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with accounting policies and schedule of notes 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:
 - (a) In the case of the balance sheet, of the state of affairs of the company as at 31st March 2012;
 - (b) In the case of the profit and loss account, of the profit for the year ended on that date, and
 - (c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Gupta Gupta & Associates PTA & AS
Chartered Accountants

(CA Ekta Jain)
Partner
CHARTERED ACCOUNTANTS

M.No. 512940

Place : New Delhi
Date : 09.05.2012

Annexure to Auditors' Report
Referred to in paragraph 3 of our report of even date

Re.: Fresh & Healthy Enterprises Limited

- (I)
- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) Fixed assets of the company have been physically verified by management during the year and no material discrepancies between the book records and the physical verification have been noticed. In our opinion, the frequency of physical verification is reasonable having regard to the size of the company.
 - (c) During the year, the company has not disposed off a major part of the plant and machinery so as to affect the going concern status of the company.
- (II)
- (a) As informed to us the inventory has been physically verified by the company as at 31st March 2012. Management considered it reasonable to conduct physical verification of all the items once in a year. 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.
 - (b) In our opinion and according to the explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
 - (c) (i) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventory.
(ii) As explained to us the discrepancies noticed on verification between the physical stocks and book records which were not material, have been properly dealt with in the books of accounts.
- (III)
- (a) As informed, Company has not granted any loan to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and as such clause 4(iii) (a) to 4(iii)(d) of the Companies (Auditor's Report) Order, 2003(as amended) are not applicable..
 - (b) The company has taken unsecured loan from one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.45, 72, 81,960/- and the year end balance of loans taken from such party was Rs 45, 72, 81,960/-.
 - (c) In our opinion, terms and conditions on which loans have been taken from 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.
 - (d) The Company has been regular in repaying the principal amounts as stipulated.
- (IV) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls of the company.



- (V) a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 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.
- (VI) The company has not accepted any deposits from the public. Accordingly paragraph 4(vi) of the order is not applicable.
- (VII) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (VIII) In our opinion, the company is not required to maintain cost records under section 209(1) (d) of the companies Act, 1956.
- (IX) (a) According to the records of the Company, the company has generally been regular in depositing with appropriate authorities undisputed statutory dues.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other undisputed were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (X) (i) Accumulated losses of the company at the end of the financial year are higher than fifty percent of its net worth.
- (ii) The company has incurred cash loss during the year.
- (iii) The company had not incurred any cash loss in the immediately preceding financial year.
- (XI) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders as at the balance sheet date.
- (XII) According to the information and explanations given to us and based on the documents and records produced to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (XIII) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause 4(XIII) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (XIV) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investment. Accordingly, the provisions of clause 4(XIV) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.



- (XV) In our opinion and according to the information and explanations given to us the company has not given any guarantee for loans taken by its associates or subsidiaries from banks or financial institutions.
- (XVI) In our opinion, the term loans have been applied for the purpose for which they are raised.
- (XVII) According to the information and explanations given to us and on an overall examination of the balance sheet and Cash Flow Statement of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (XVIII) On the basis of records available and representations made before us, the company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (XIX) During the period covered by our audit report, the company did not have any outstanding debentures during the year.
- (XX) During the period covered by our audit report, the company has not raised any money by public issue.
- (XXI) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

Place : New Delhi
Date : 09.05.2012

For Gupta Gupta & Associates
Chartered Accountants


(CA Ekta Jain)
Partner
M.No. 512940

FRESH & HEALTHY ENTERPRISES LIMITED
(A Wholly Owned Subsidiary of CONCOR)

Reg. office : CONCOR Bhawan, C – 3, Mathura Road, Opposite Apollo Hospital,
New Delhi – 110076.

PROXY FORM

The undersigned member of Fresh & Healthy Enterprises limited, a wholly owned Subsidiary of CONCOR, hereby appointsofor failing him, as the Nominee of the undersigned to attend and act on behalf of the undersigned at the Sixth Annual General Meeting of the Said Company scheduled to be held on 28th August, 2012 and at any adjournment or adjournments there of in the same manner, to the same extent and with the same powers as if the undersigned was present at the said General Meeting or such adjournment or adjournments thereof.

Dated
Place

(Signature of Member)
Name
Address

Affix Re. 1
Revenue
Stamp

Note :

The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the above mentioned Registered office address not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need be a member of the Company.

FRESH & HEALTHY ENTERPRISES LTD.

(A Wholly Owned Subsidiary of CONCOR)

Regd. Office : CONCOR Bhawan, C - 3,

Mthura Road,

Opposite Apollo Hospital,

New Delhi - 110076.

Ph. No. 011-41673093, 94, 95, & 96

Fax : 011-41673112

Website : www.fhel.co.in

OFFICES

CA STORE CUM OFFICE

Fresh & Healthy Enterprises Ltd.

CA Store,

HSIDC, Rai,

Sonepat - 131029

SHIMLA OFFICE

Fresh & Healthy Enterprises Ltd.

HPMC Building,

Subzi Mandi,

Shimla - 171001

SALES OFFICE

C - 97, 2nd Floor,

New Subzi Mandi,

Azadpur,

Delhi - 110033