



Fresh & Healthy Enterprises Limited

(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, 2010.

OPERATIONAL REVIEW

The Company procured 2856 MT of Apples from Shimla / Kinnaur districts of Himachal Pradesh and sold 4206 MT (inclusive of opening stock of 2817 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 better quality fruit, quick movement to Rai, innovative modification in material handling system, washing and waxing of apples. The attempt has been made to supply international quality fruit of domestic origin to consumer.

MARKETING REVIEW

Traditionally, sale of fruit in the country starts from the Mandis in different areas. FHEL is selling most of the fruit in Delhi, Azadpur Mandi. However, substantial quantities were also sold in the wholesale market of Ahmedabad, Mumbai, Hyderabad, Bangalore & Pune. The company has been trying to improve quality and image of its apple which is reflected in the gap between price of imported and that of FHEL apples. In the year 2009-10, the best FHEL apples were sold at a rate 5-10% lower than that of imported Washington Apples, while in the previous years the gap was 25-30%.

The company has been in touch with almost all the Retail chains and during the year, made supplies to Heritage Foods, Bharti-Walmart, Big Apple and Reliance retail. Further, the company also had corporate tie-up with Ms. Unifrutti, a Multi national company for sale of fruit in south of India.

During Diwali, FHEL sold nearly 30 MT of apples in Gift Packs of 6, 12 & 20/25 apples. This is the highest volume sold by any player in the market place.

Apart from dealing in apple, FHEL also stored Oranges at Commercial scale & the fruit, after storage of nearly 45-50 days was well received by the market. During off season FHEL has given chamber on hire for storage of rice & Carrots. Successful Trials were also done for Banana & Mango Ripening and in the coming years substantial revenue is also expected from these activities.

FINANCIAL REVIEW

During the financial year ended 31st March, 2010, your Company registered an operating turnover of ₹ 24.92 Cr. with other income of ₹ 0.64 Cr. and Cost of Sales amounting to ₹ 23.78 Cr. Further, Employee cost and Administrative / other expenses are ₹ 1.49 Cr. and ₹ 1.79 Cr., respectively. After providing for Depreciation, Interest and writing off of Preliminary Expenses of ₹ 3.67 Cr., ₹ 3.82 Cr. and ₹ 0.07 Cr., respectively, Company suffered a loss of ₹ 9.06 Cr. for the financial year 2009-10 as against the Net Loss of ₹ 12.04 Cr. of previous year.

CAPITAL STRUCTURE

The Authorized Share Capital of Company stands increased from ₹ 35 Crore to ₹ 50 Cr. Container Corporation of India Ltd. (CONCOR) continued to hold 100% of the Equity Share Capital of FHEL during the financial year 2009-10.

CONVERSION OF CONCOR'S LOAN INTO EQUITY SHARE CAPITAL

During the year under review, Unpaid Working Capital Loan (F/Y 2007-08) of ₹ 12.46 Cr. together with interest provided thereon till 30th June 2008 aggregating to ₹ 13.38 Cr., due to CONCOR was converted into Equity Share Capital by issue and allotment of 1,32,73,810 nos. of Equity Shares of 10/- each, as per valuation of FHEL's Equity shares done by M/s Ernst & Young at ₹ 10.08/- per Equity Share (inclusive of share premium of Re. 0.08/- per Equity Share).

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SECURED LOANS

During F/Y 2009-10, Your Company paid four installments of ₹ 1.56 Cr. each aggregating to ₹ 6.24 Cr. towards repayment of Loan of ₹ 49.92 Cr. drawn from Axis Bank (formerly known as UTI Bank). After repayment, Secured Term loan from Axis Bank stood at ₹ 42.12 Cr. as on 31st March, 2010.

UNSECURED LOAN

CONCOR sanctioned an Interest free loan of ₹ 40 Cr. for carrying on operations during F/Y 2009-10. Out of this sanctioned loan, FHEL has drawn a sum of ₹ 22 Cr. due to poor crop of Apples and refunded ₹ 5 Cr. during F/Y 2009-10. Further, a sum of ₹ 11 Cr. was paid in respect of outstanding Interest free loan (2008-09) of ₹ 27.64 Cr. Total outstanding loan to CONCOR stood at ₹ 33.64 Cr. (₹ 16.64 Cr. for F/Y 2008-09 and ₹ 17 Cr. for F/Y 2009-10) as at 31st March, 2010.

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 3 units of 4000 MT capacity each at Rai, Sonapat. The facility has been operating successfully during the F/Y 2009-10.

PARTICULARS OF EMPLOYEES

Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not applicable.

HUMAN RESOURCE MANAGEMENT

Human resources are the key assets of FHEL. During the year, five ad-hoc employees were regularized taking strength of regular employees to 13. All the employees have high level of motivation to achieve the objectives. The company also gives training to employees on regular basis.

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 for SCs, STs, OBCs, Physically Handicapped and Ex-servicemen in letter and spirit. As on 31.03.2010, there was total regular working strength of 13 employees including one OBC and two SC employees.

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 2009-10.

AUDITORS

M/s. S. S. Poddar & Co., Chartered Accountants, New Delhi were appointed as Company's Statutory Auditors for the F/Y 2009-10. Statutory Auditor is paid remuneration of ₹ 1,00,000/- plus Service Tax, as fixed by Board of Directors'.

BOARD OF DIRECTORS

The Board met 7 (Seven) times for transacting business of the Company during the financial year 2009-10.

Shri Anil Kumar Gupta, Director took over charge as Chairman, FHEL & MD/CONCOR w.e.f. 01.11.2009 vice Shri Rakesh Mehrotra, ex-MD/CONCOR & Chairman, FHEL, who superannuated on 31.10.2009.

Ms. P. Alli Rani, the then Executive Director (Finance)/CONCOR was nominated as Director, FHEL w.e.f. 09.07.2009 on superannuation of Shri Suresh Kumar, ex-Director (Finance)/CONCOR & Director/FHEL on 30.06.2009.

Shri Yash Vardhan, Director (IM & O)/CONCOR was nominated as Director/FHEL w.e.f. 06.01.2010 vice Director (Domestic Div)/CONCOR & Director/FHEL.



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Further, Shri T. R. Doongaji & Prof. Janat Shah were nominated by CONCOR as Non-official Part-time Directors w.e.f. 02.09.2009.

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) Shri T. R. Doongaji, Non-official Part-time Director;
- (6) Prof. Janat Shah, Non-official Part-time Director.

RETIREMENT OF DIRECTORS BY ROTATION

In terms of provisions of the Companies Act, 1956, Shri Anil Kumar Gupta, Chairman and Shri Harpreet Singh, Director, 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, 2010, 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, 2010 on a 'going concern' basis.

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 : 13.08.2010

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

The Board met 7 (Seven) times for transacting business during the financial year 2009-10 on the following dates :

Board Meeting No.	Board Meeting Dates
19	13th April, 2009
20	16th June, 2009
21	23rd July, 2009
22	7th Sept., 2009
23	13th Oct., 2009
24	21st Jan., 2010
25	27th March, 2010

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.	Managing Director, CONCOR	Sh. Rakesh Mehrotra*	Five	Yes	Nil	Three
2.	Managing Director, CONCOR	Sh Anil Kumar Gupta**	Seven	Yes	Nil	Four
(II) Part-time /Non-Executive Directors						
3.	Dir. (P & S)/CONCOR	Sh. Harpreet Singh	Seven	Yes	Two	Two
4.	Dir. (Intl. Mktg & Ops.)	Sh. Yash Vardhan@	Two	Yes	Two	Seven
5.	Dir. (Finance)/CONCOR	Sh. Suresh Kumar#	Two	No	One	Two
6.	Dir (Finance)/CONCOR	Ms. P. Alli Rani##	Five	Yes	Six	Four
(III) Part-time Non-official /Non-Executive Directors (Independent)						
7.		Sh. T. R. Doongaji^	Three	No	Three	Two
8.		Prof. Janat Shah^	Three	Yes	One	Nil

* Superannuated on 31.10.2009.

** Taken charge as MD/CONCOR & Chairman/FHEL w.e.f. 01.11.09.



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@ Nominated w.e.f. 06.01.2010.

Superannuated on 30.06.2009.

Nominated w.e.f. 09.07.2009

^ Part-time Non-Executive Directors (Independent)/CONCOR, nominated in FHEL w.e.f. 02.09.2009.

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

AUDIT COMMITTEE

The Audit Committee comprised :-

Shri Suresh Kumar	-	Chairman
Shri Anil Kumar Gupta	-	Member
Shri Harpreet Singh	-	Member

On account of superannuation of Shri Suresh Kumar, Director(Finance)/CONCOR on 30.06.2009, Ms. P. Alli Rani, Director (Finance)/CONCOR was inducted on 09.07.2009, as Member of the Committee headed by Shri Anil Kumar Gupta, the then Director (Domestic)/CONCOR and Director/FHEL.

Thereafter, Shri T. R. Doongaji, Part-time Non-officio Director was nominated as Member of the Committee w.e.f. 17.09.2009 in place of Shri Harpreet Singh, Director (P & S)/CONCOR and Director/FHEL. Also, Shri Yash Vardhan, Director (IM & O)/CONCOR was nominated as Member of Committee w.e.f. 06.01.2010.

Presently, Committee comprises of the following :-

Shri T. R. Doongaji	-	Chairman
Shri Yash Vardhan	-	Member
Ms. P. Alli Rani	-	Member

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

The committee met 6 (Six) times during the financial Year 2009-2010.

The details of the attendance of the members in the Committee meetings are as under :-

S. No.	Name of Members	No. of Meetings Attended
1.	Shri Suresh Kumar	Two
2.	Shri Anil Kumar Gupta	Four
3.	Shri Harpreet Singh	Three
4.	Ms. P. Alli Rani	Four
5.	Shri Yash Vardhan	Two
6.	Shri T. R. Doongaji	Three

The Committee reviews the Company's broad structure, various capital and civil projects, & 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.

Part-time Non-Executive Directors (Independent)/FHEL who are also Part-time Non-Executive Directors (Independent) of CONCOR, are paid sitting fee of Rs. 20,000/- per meeting attended by them.

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 has two Independent Directors of BOD of CONCOR on its Board, and one Independent Director in Audit Committee, who has 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.

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GENERAL BODY MEETINGS

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

AGM Date	Location	Time
07.09.2009	Conference Hall, First Floor, Container Corporation of India Ltd. CONCOR Bhawan, C-3, Mathura Road, Opposite Apollo Hospital, New Delhi- 110076	17:00 Hrs.
22.08.2008	-----Do-----	15:00 Hrs.
30.07.2007	-----Do-----	12:00 Hrs.

No Special Resolution was passed during previous three AGMs.

AGM of Current Year

Date	:	16.09.2010
Time	:	1500 Hrs.
Venue	:	Conference Room, First Floor, CONCOR Bhawan, C-3, Mathura Road, New Delhi- 110076

DISCLOSURES

- 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 Schedule 14.
- There were no instances of penalties / strictures imposed on the Company by any statutory authority due to non compliance on any matter related to any guidelines issued by Government during the last three years.
- Compliance with the requirement of these guidelines are detailed in this report
- 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.
- No Expenditure has been debited in the Books of Accounts, which is not for the purpose of business.
- The Company has not incurred any expense which is personal in nature and incurred for the Board of Directors and Top Management.
- Details of Administrative and office expenses as percentage of total expenses :-

Fin. Year	Admn. & Office Exp. (₹ in Lakhs)	Total Expenses (₹ in Lakhs)	Percentage of Admn. & Office Expenses Vis-a-vis Total Expenses
2009-10	179.43	3462.27	5.18%
2008-09	199.48	4751.81	4.20%

There is a marginal increase of 0.98% as compared to last year mainly because during the current year, Company could not procure enough quantity of Apples and some of the expenditures of fixed nature remained same.

MEANS OF COMMUNICATION

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

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.



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DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT/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 of Directorship held	Details of Other Committee Membership
Sh. Anil Kumar Gupta	24.09.1956	22.08.2008	M.A. Mphil. Economics, MBA (NMP)	Railway Operations Commercial & Safety related issues. Expertise in Container Terminal Planning and Management & Marketing of Services.	Four*	Nil
Shri Harpreet Singh	24.11.1957	07.09.2009	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%	Two%%
Sh. Yash Vardhan	24.08.1956	06.01.2010	M.sc. & Mphil	Railway Operations Commercial, Safety and Planning. Setting up & Management of Container Terminals	Seven#	Two##
Ms. P. Alli Rani	15.05.1960	09.07.2009	MA MPhil	Worked in Planning Commission, Railway Finance & Telecom Finance for 26 years.	Six\$	Six\$\$
Sh. T. R. Doongaji	04.11.1943	02.09.2009	M. A. (Pol. Sc.), M. A. (Pol Sc.); USA; Dip. Business Management	General Corporate Management; Turnaround Strategy; Quality Management.	Three@	Three@@
Prof. Janat Shah	22.09.1958	02.09.2009	Fellow of Management from IIM, Ahmadabad (Equivalent to Ph.D), B. Tech from IIT, Mumbai	Supply Chain Management	Two&	One&&

* 1. Container Corporation of India Ltd. 2. Gateway Terminals India Pvt. Ltd. 3. Conyk Car Trac Pvt. Ltd. 4. Infinite Logistics Solutions Pvt. Ltd

% 1. Container Corporation of India Ltd. 2. Infinite Logistics Solutions Pvt. Ltd

%% 1. Infinite Logistics Solutions Pvt. Ltd. – Member & Chairman of Remuneration Committee 2. Infinite Logistics Solutions Pvt. Ltd. – Member & Chairman of Appointments Committee.

1. Container Corporation of India Ltd. 2. AllCargo Logistics Park Pvt. Ltd 3. Hind CONCOR Terminal (Dadri) Pvt. Ltd. 4. India Gateway Terminal Pvt. Ltd. 5. Gateway Terminals India Pvt. Ltd. 6. Container Gateway Ltd. 7. CONYK Car Track Pvt. Ltd.

1. Container Corporation of India Ltd. - Member of Shareholders Grievance Committee 2. Gateway Terminals Pvt. Ltd. – Member of Audit Committee

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- \$ 1. Container Corporation of India Ltd., 2. M/s. Himalayan Terminals Pvt. Ltd. 3. M/s. Star Track Terminals Pvt. Ltd. 4. M/s. Albatross CFS Pvt. Ltd. 5. M/s. CMA-CGM Logistics Park (Dadri) Pvt. Ltd. 6. M/s. Infinite Logistics Solutions Pvt. Ltd.
- \$\$ 1. Container Corporation of India Ltd. – Member of Investment Committee 2. Himalayan Terminals Pvt. Ltd.- Member of Audit Committee 3. Albatross CFS Pvt. Ltd. – Member & Chairperson of Audit Committee 4. Star Track Terminals Pvt. Ltd. – Member & Chairperson of Audit Committee 5. CMA-CGM Logistics Park (Dadri) Pvt. Ltd. – Member & Chairperson of Audit Committee 6. Infinite Logistics Solutions Pvt. Ltd. – Member & Chairperson of Audit Committee
- @ 1. Container Corporation of India Ltd. 2. Forbes & Company Ltd. 3. Associated Building Co. Ltd.
- @@1. Container Corporation of India Ltd. – Chairman of HR & Remuneration Committee 2. Container Corporation of India Ltd. - Chairman of Strategy Committee. 3. Forbes & Co. Ltd. – Member of Audit Committee.
- & 1. Container Corporation of India Ltd. 2. Sabare International Ltd.
- &&1. Container Corporation of India Ltd. – Member of Audit Committee



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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 2 years some more facilities have come up in the country.

2. Strength & Weakness :

Strengths -:

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

Weaknesses -:

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

3. Opportunity & Threats :

Opportunities -:

- 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.
- 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 -:

- Traditional linkages between middlemen & grower, this affects sourcing of fruit in times of shortages.
- Cheap imports or reduction in custom duty.
- 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.

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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 ₹ 2,00,000 Crores. Out of this more than ₹ 60,000 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. However, our main focus at present is on apples coming from Himachal Pradesh. The growing areas of Himachal Pradesh are dependent on rainfall for crop. While in 2009-10, the company expected to generate marginal net profit but it could not be done as the crop failed due to poor snowfall in winters and very little rainfall till harvesting period.

However, such a risk is once in a few years. Otherwise Himachal Pradesh produces apples worth approx ₹ 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 condition, particularly rainfall.
- (ii) Unorganized nature of the trade.
- (iii) Un economical small farm holdings
- (iv) Competition from Cheaper imports
- (v) Lack of knowledge
- (vi) Lack of trained manpower
- (vii) 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 2009-10, the Company paid four installments of ₹ 1.56 Cr. each aggregating to ₹ 6.24 Cr. towards repayment of Loan of ₹ 49.92 Cr. drawn from Axis Bank (formerly known as UTI Bank). After repayment, Secured Term loan from Axis Bank stood at ₹ 42.12 Cr. as on 31st March, 2010.

9. Unsecured Loan

CONCOR sanctioned an Interest free loan of ₹ 40 Cr. for carrying on operations during F/Y 2009-10. Out of this sanctioned loan, FHEL has drawn a sum of ₹ 22 Cr. due to poor crop of Apples and refunded ₹ 5 Cr. during F/Y 2009-10. Further, a sum of ₹ 11 Cr. was paid in respect of outstanding Interest free loan (2008-09) of ₹ 27.64 Cr. Total outstanding loan to CONCOR stood at ₹ 33.64 Cr. (₹ 16.64 Cr. for F/Y 2008-09 and ₹ 17 Cr. for F/Y 2009-10) as at 31st March, 2010.



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10. Fixed Assets

Year Ended March 31	2010	2009	(₹ in Cr.) %age Incr.(Decr.)
Original Cost of Assets	81.43	81.31	0.15
Less : Accumulated Dep.	9.42	5.76	63.54
Net Fixed Assets	72.01	75.55	(4.69)

An amount of ₹ 0.12 Cr. was capitalized during the year. The main addition is on account of purchase of plant & machinery.

11. Inventory

Particulars	Fruits		Packing Material		Wax	
	Qty(Kgs)	Amount(₹)	Qty(No)	Amount(₹)	Qty(Ltr)	Amount (₹)
Opening Stock	28,17,275	12,55,89,888	4,37,513	42,33,520	2,229	15,74,000
Purchases	28,55,850	12,07,64,234	6,80,491	1,03,68,477	-	-
Sale	42,05,745	21,86,78,044	1,85,883	43,65,865	-	-
Consumed*	93,271	-	2,97,681	36,24,630	50	40,000
Closing Stock	13,74,109	7,95,35,123	6,34,440	66,11,502	2,179	15,34,000

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

12. Sundry Debtors

Sundry Debtors are 8.37% of operating income of the year. Provision for doubtful debts are nil.

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 reduced by 29.31% due to low crop & consequent procurement in comparison to previous year.

15. Expenses

Cost of Sales has reduced by 33.04% due to low procurement and improved systems of operations.

16. Administrative Expenses

The Administrative expenses have decreased by 10.05% over F/Y 2008-09.

17. Employee Remuneration

The Employee Cost has declined by 19.96% in comparison to last year.

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

Human resources are the key assets of FHFL. During the year, five ad-hoc employees were regularized taking strength of regular employees to 13. All the employees have high level of motivation to achieve the objectives. The company also gives training to employees on regular basis.

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 31.03.2010, there was total regular working strength of 13 employees including one OBC and two SC employees.

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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.

The **cull/damaged fruit** which comes out after sorting-grading is **disposed to the pig farms** thereby pollution is arrested.

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.

Plantation of saplings was done around the CA Store.

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. In 2008-09, nearly, 1, 25,000 MT of fruit were imported from across the world. In value term it would be around ₹ 1500 crores. 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 plan to help ten orchard owners so as to improve land yield.



Fresh & Healthy Enterprises Limited

(A Wholly owned subsidiary of CONCOR)

Annexure to Directors' Report

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 2009-10, 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. Areas identified and implemented were External lighting, utility area, corridors, sorting hall, packing hall, machine room and office building.

3. Heat energy :

Loss/Gain of heat energy in the cold room is prevented by optimum thermal insulation thickness for stores and cladding for pipe lines for 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 calibration of components of diesel generators, minimum fuel consumption is ensured. This year during lean period/unseason, the small 63KVA DG Set is run in place of 1250KVA on low loads which led to saving of fuel consumption during the period June to August 2009. By putting off the 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 Board.

5. Lubricants :

Optimisation of lubricants consumption is achieved by prescribed topping up of lub oil and attending to lub 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 purposes :

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

B. Additional investments & Proposals for reduction in Consumption of Energy:

A Proposal was made and approved for the false ceiling work in the processing hall at half the height of the building. This will help in reducing load on the airconditioning chiller by about 40% and thereby saving of energy will be achieved.

C. Impact of measures taken for Energy Conservation:

The per ton consumption of energy is 348 KWH which is lower than the previous year consumption of 378 KWH.

Fresh & Healthy Enterprises Limited
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FORM A

Disclosure of particulars with respect to Conservation of Energy

A. Power and Fuel Consumption

	Current Year	Previous year
1 Electricity		
a) Purchased		
Unit	1295871.0	1711760.0
Total amount	5945858.3	7847791.4
Rate/Unit	4.588	4.585
b) Own Generation		
(i) Through Diesel generator		
Unit (KWH)	496918.4	1444257.08
Unit per Ltr. of diesel oil	3.68	3.93
Cost/Unit	8.55	8.236
(ii) Through steam turbine/generator		
Unit	Nil	Nil
Unit per Ltr. of fuel oil/gas	Nil	Nil
Cost/Unit (KWH)	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)

Produce (with details) unit			
- Apples storage energy cost per ton.	-	1982.22	2369.90
Electricity	-	-	-
Furnace Oil	-	-	-
Coal (Specify quality)	-	-	-
Others (Specify)	-	-	-



Fresh & Healthy Enterprises Limited

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FORM B
(See rule 2)

Form for disclosure of particulars with respect to 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 fruits and vegetables (Kinnow, Rice, Garlic, Mango ripening, Banana ripening and carrot commercial storage)
- 2) Benefits derived as a result of the above R & D: Storage of Rice, Garlic and Carrot being done for third parties.
Commercial scale storage of lemon may be done in future.
- 3) Future plan of action: Trials are proposed to be done with mangoes and pears
- 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 fruit & 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. It is expected that over the next 2 years the utilization of the store will increase to almost 75-80%.
2) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc	All fruit & vegetable 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.

Fresh & Healthy Enterprises Limited

(A Wholly owned subsidiary of CONCOR)

BALANCE SHEET AS AT 31st March, 2010

(Amount in ₹)

PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS			
Share Capital	1	482,738,100	350,000,000
Reserves and Surplus	2	1,061,900	-
		<u>483,800,000</u>	<u>350,000,000</u>
LOAN FUNDS			
Secured Loan	3	424,246,518	487,097,853
Unsecured Loan		336,432,750	276,432,749
		<u>760,679,268</u>	<u>763,530,602</u>
		<u>1,244,479,268</u>	<u>1,113,530,602</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	814,316,428	813,150,673
Less: Depreciation		94,244,913	57,593,804
Net Block		<u>720,071,515</u>	<u>755,556,869</u>
		<u>720,071,515</u>	<u>755,556,869</u>
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	5	87,680,625	131,397,408
Sundry Debtors		20,849,703	46,448,540
Cash and Bank Balances		29,874,087	31,416,099
Other Current Assets		524,179	617,456
Loans & Advances		7,751,823	8,338,178
		<u>146,680,417</u>	<u>218,217,681</u>
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	6	14,293,348	161,868,990
Provisions		3,234,271	2,759,891
		<u>17,527,619</u>	<u>164,628,881</u>
NET CURRENT ASSETS			
		<u>129,152,798</u>	<u>53,588,800</u>
MISCELLANEOUS EXPENDITURE			
(to the extent not written off or adjusted)	7		
Preliminary Expenses		850,000	623,040
		<u>850,000</u>	<u>623,040</u>
PROFIT AND LOSS ACCOUNT			
For the period		90,643,062	120,454,334
Opening balance		303,761,893	183,307,559
		<u>1,244,479,268</u>	<u>1,113,530,602</u>
Significant Accounting Policies	13		
Notes to Accounts	14		
Schedules 1 to 14 form an integral part of the accounts		-	-

As per our report of even date

For S.S.Poddar & Co.

Chartered Accountants

For and on behalf of Board of Directors

SS Poddar

Partner

M. No. 015018

Date : 19.07.2010

Place : New Delhi

Anil Kr. Gupta

Chairman

P.Alli Rani

Director

Naresh Kr. Jawa

CEO

Suman Lata Khanna

DM(F) & CS



Fresh & Healthy Enterprises Limited

(A Wholly owned subsidiary of CONCOR)

PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2010

(Amount in ₹)

PARTICULARS	SCHEDULE	Year Ended 31.03.2010	Year Ended 31.03.2009
INCOME			
Income from Operation	8	249,169,259	352,471,453
Other Income	9	6,414,794	2,577,767
TOTAL		255,584,053	355,049,220
EXPENDITURE			
Cost of Sales	10	237,781,142	355,095,971
Employees Remuneration & Benefits	11	14,926,133	18,647,982
Administrative & Other Expenses	12	17,943,347	19,947,804
Depreciation		36,651,109	36,262,739
Interest		38,177,344	44,673,346
Preliminary Expenses Written Off		748,040	553,040
TOTAL		346,227,115	475,180,882
Profit/(Loss) before Tax		(90,643,062)	(120,131,662)
Less : Fringe Benefit Tax		-	322,672
Profit/(Loss) after Tax		(90,643,062)	(120,454,334)
Balance Carried to Balance Sheet		(90,643,062)	(120,454,334)
Weighted Avg. No. of Shares		48,273,810	35,000,000
Basic and Diluted Earning/(Loss) per share of ₹ 10/- each (In ₹)		(1.88)	(3.44)

Schedules 1 to 14 form an integral part of the accounts.

As per our report of even date

For S.S.Poddar & Co.

Chartered Accountants

For and on behalf of Board of Directors

SS Poddar

Partner

M. No. 015018

Date : 19.07.2010

Place : New Delhi

Anil Kr. Gupta

Chairman

P.Alli Rani

Director

Naresh Kr. Jawa

CEO

Suman Lata Khanna

DM(F) &CS

Fresh & Healthy Enterprises Limited

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SCHEDULE 1: SHARE CAPITAL

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
AUTHORIZED	500,000,000	350,000,000
5,00,00,000 (Previous year 3,50,00,000) Equity Shares of ₹10/- each		
ISSUED, SUBSCRIBED & PAID-UP	482,738,100	350,000,000
4,82,73,810 Equity Shares of ₹ 10/- each fully paid-up (Previous year 3,50,00,000)		
TOTAL	482,738,100	350,000,000



Fresh & Healthy Enterprises Limited

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SCHEDULE 2: RESERVE & SURPLUS

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
Share premium	1,061,900	-
TOTAL	<u>1,061,900</u>	<u>-</u>

Fresh & Healthy Enterprises Limited

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SCHEDULE 3: SECURED & UNSECURED LOANS

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
SECURED LOAN		
"Term Loan from Axis Bank (Includes Interest accrued and due ₹ 30,40,760/-)(P/Y ₹ 34,91,242) (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)"	424,246,518	487,097,853
UNSECURED LOAN		
Loans from Corporate (Interest Free from Holding Company, Container Corporation of India Ltd.)	336,432,750	276,432,749
TOTAL	760,679,268	763,530,602



Fresh & Healthy Enterprises Limited

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SCHEDULE 4: FIXED ASSETS

(Amount in ₹)

Description	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.09	Additions during the year	Sale/ Adjustments	As at 31.03.10	As at 01.04.09	For the year	On Sale / Adjustments	Up to 31.03.10	As at 31.03.10	As at 31.03.09
Tangible Assets										
Building	191,591,146	-	-	191,591,146	10,152,557	6,235,449	-	16,388,006	175,203,140	181,438,589
Plant & Machinery	450,477,152	954,145	-	451,431,297	34,887,780	22,092,661	-	56,980,441	394,450,856	415,589,372
Computer	1,080,602	65,304	-	1,145,906	317,885	179,921	-	497,806	648,100	762,717
Furniture & Fittings	1,426,843	146,306	-	1,573,149	250,479	139,101	-	389,580	1,183,569	1,176,364
Bins	168,574,930	-	-	168,574,930	11,985,103	8,003,977	-	19,989,080	148,585,850	156,589,827
Total	813,150,673	1,165,755	-	814,316,428	57,593,804	36,651,109	-	94,244,913	720,071,515	755,556,869
Previous Year	826,056,666	11,466,593	24,372,586	813,150,673	21,833,189	36,262,739	502,124	57,593,804	755,556,869	804,223,477

Fresh & Healthy Enterprises Limited

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SCHEDULE 5: CURRENT ASSETS, LOANS AND ADVANCES

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
INVENTORIES		
(As taken, valued & certified by the Management)		
Fresh Fruits	79,535,123	125,589,888
Packing Materials	6,611,502	4,233,520
WAX	1,534,000	1,574,000
TOTAL (a)	87,680,625	131,397,408
SUNDRY DEBTORS(Unsecured and considered good)		
More than Six Months	25,304	-
Less than Six Months	20,824,399	46,448,540
TOTAL (b)	20,849,703	46,448,540
 CASH AND BANK BALANCES		
Cash including Imprest	10,000	6,880
Balance with Scheduled Banks		
- Current Accounts	12,434,098	11,009,219
- Deposits Accounts*	17,429,989	20,400,000
TOTAL (c)	29,874,087	31,416,099
*Pledged with Axis Bank against Bank Guarantee to Sales Tax Authorities of ₹ 2,00,000/- (Previous Year ₹ 200000/-)		
 OTHER CURRENT ASSETS	524,179	617,456
TOTAL(d)	524,179	617,456
 LOANS AND ADVANCES		
Loans to Employees (Secured)	2,528,287	2,730,400
Advances to Employees (Unsecured) (Recoverable in cash or in kind or for value to be received)	50,633	173,170
Deposits(Unsecured)		
- Govt Authorities	2,996,357	3,470,899
- Others	70,800	149,348
Tax Deducted at Source/ Advance Tax	2,105,746	1,814,361
TOTAL(e)	7,751,823	8,338,178
TOTAL (a to e)	146,680,417	218,217,681



SCHEDULE 6: CURRENT LIABILITIES AND PROVISIONS

	(Amount in ₹)	
	AS AT	AS AT
	31.03.2010	31.03.2009
CURRENT LIABILITIES		
Sundry Creditors	5,580,471	10,765,569
Others	8,712,877	151,103,421
TOTAL (a)	<u>14,293,348</u>	<u>161,868,990</u>
PROVISIONS		
Retirement Benefits	3,234,271	2,728,597
Provision for FBT	0	31,294
TOTAL (b)	<u>3,234,271</u>	<u>2,759,891</u>
TOTAL (a+b)	<u>17,527,619</u>	<u>164,628,881</u>

Fresh & Healthy Enterprises Limited

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SCHEDULE 7: MISCELLANEOUS EXPENDITURE

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
Preliminary Expenses		
Opening Balance	623,040	1,176,080
Add: During the year	975,000	-
Less: Written Off during the period	748,040	553,040
TOTAL	850,000	623,040



Fresh & Healthy Enterprises Limited

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SCHEDULE 8 : INCOME FROM OPERATION

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
Sale of Apples	218,678,044	338,877,733
Sale - Off Seasonal Activity	22,441,976	2,748,163
Sale of Cartons	4,365,865	8,233,778
Sale of Scrap	1,296,571	1,569,845
Cooling Charges	2,386,803	1,041,934
TOTAL	249,169,259	352,471,453

Fresh & Healthy Enterprises Limited

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SCHEDULE 9: OTHER INCOME

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
Interest earned on :		
- Short Term Deposit with Financial Institutions	-	-
- Short Term Deposit with Bank (TDS ₹ 1,42,613/- (P/Y ₹ 1,33,965/-)	1,376,273	673,990
Miscellaneous Income	5,038,521	1,903,777
TOTAL	6,414,794	2,577,767



Fresh & Healthy Enterprises Limited

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SCHEDULE - 10 : COST OF SALES

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
Cost of Sales		
Opening Stock (A)		
Fresh Fruits	125,589,888	115,316,443
Wax	1,574,000	-
Packing Material	4,233,520	245,528
(A)	131,397,408	115,561,971
Add: Purchases (B)		
Fresh Fruits	120,764,234	274,349,914
Wax	-	2,049,030
Packing Material	10,368,477	20,582,883
(B)	131,132,711	296,981,827
Less: Closing Stock (C)		
Fresh Fruits	79,535,123	125,589,888
Wax	1,534,000	1,574,000
Packing Material	6,611,502	4,233,520
(C)	87,680,625	131,397,408
Net (A+B-C)	174,849,494	281,146,390
Purchase/CA Store/Storage Expenses		
CA store maintenance	8,308,120	7,965,558
Freight Exp	11,533,294	26,242,811
Handling Expenses	999,070	1,463,598
Loading/Unloading Charges	3,992,178	6,949,691
Power & Fuel	10,116,196	20,025,586
Testing Exps./ Charges /Consumable Goods	10,180	57,433
Procurement Supervision Consultants	4,862,160	4,950,408
Water Spray at Control Room	57,600	187,375
Consumable Goods	469,791	781,262
APMC Fees	1,108,327	2,517,635
Rent- Collection Center ODDI/ Cold Storage Charges	-	182,880
Performance Award	120,500	-
Store Rent	123,165	33,557
Hiring Charges Forklift	4,000	-
	(b)	
	41,704,581	71,357,794
Purchase - Off Seasonal Activity	(c)	
	21,227,067	2,591,787
TOTAL (a to c)	237,781,142	355,095,971

Fresh & Healthy Enterprises Limited

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SCHEDULE 11 : EMPLOYEES REMUNERATION AND BENEFITS

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
Salary, Allowances & Other Employee Benefits	12,667,571	16,061,472
Contribution to CPF & FPF	930,997	1,072,907
Rent for Leased Accommodation	500,507	719,197
Employees Welfare & Medical	603,379	652,839
Gratuity	218,193	119,067
Training Expenses	5,486	22,500
TOTAL	14,926,133	18,647,982



Fresh & Healthy Enterprises Limited

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SCHEDULE 12 : ADMINISTRATIVE & OTHER EXPENSES

(Amount in ₹)

	AS AT 31.03.2010	AS AT 31.03.2009
Printing & Stationery Exp	182,560	245,489
Travelling & Conveyance	1,087,023	1,177,992
Travelling & Conveyance -Dir.	88,894	-
Rent Office Space/ Rai Land and Licence Fee	2,187,019	2,048,267
office/ CA Store Upkeeping Exps.	990,537	727,722
Electricity Expenses	66,768	17,011
Repairs & Maintenance		
- Building	-	-
- Plant & Machinery	468,706	415,519
Security Expenses	968,546	858,100
Office Vehicle/ Car Hire Charges	2,009,642	1,965,991
Business Development	24,572	21,073
Postage , Telephone & Internet	628,635	552,344
Books & Periodicals	21,550	17,314
Bank Charges	31,416	103,126
Legal & Professional Charges	6,966,472	9,170,853
Insurance Premium	744,506	1,346,174
Subscription & Membership Fee	1,625	2,275
Exhibition Exps.	20,327	-
Discount	98,753	-
Advertisement	661,628	145,792
Auditors Remuneration		
- Statutory Audit Fee	77,210/- (P/Y 77,210/-)	
- Tax Audit Fee	33,090/- (P/Y 33,090/-)	
Miscellaneous Expenses	198,742	156,817
TOTAL	17,943,347	19,947,804

Fresh & Healthy Enterprises Limited

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SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES

1. 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.

2. 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.

3. 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.

4. Inventories

Inventories are valued at cost or realizable value, whichever is lower. Cost includes direct purchase cost and a proportion of direct allocable expenses.

Cost is determined on a weighted average basis.

5. 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.

6. 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.

7. Retirement Benefits

Gratuity liability to employees is provided for on accrual basis as at the balance sheet date.

The accrued liability for leave salary payable to employees has been provided at cash value of leaves due to the employees at the end of the year.

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



Fresh & Healthy Enterprises Limited

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8. 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.

9. 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.

10. 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.

11. Preliminary expenses

Preliminary Expenses are amortized over a period of five years.

12. Leases

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

Fresh & Healthy Enterprises Limited

(A Wholly owned subsidiary of CONCOR)

SCHEDULE 14 : NOTES TO ACCOUNTS

- Contingent Liabilities not provided for in respect of Bank Guarantee is ₹ 200,000/- (Previous Year: ₹ 200,000/-)
- The company has taken land on lease from HSIDC Limited for 30 years further expandable for a period of 99 years for which no lease premium has been paid. Lease rent is @ ₹ 1.50 per sq. mtr. per month for 66,400 sq. mtr. area for first 15 years and thereafter will be fixed mutually.
- Sales have been accounted for based on the consignment notes and the invoices received from the marketing associates.
- 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**

Shri Anil Kumar Gupta	Chairman
Shri Harpreet Singh	Director
Ms. P. Alli Rani	Director
Shri Janat Shah	Director
Shri T.R. Doongaji	Director

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

	(Amount in ₹)	
	2009-10	2008-09
i) Parties whose control exists (Holding Company)		
Intt. Free Unsecured Loan Taken	₹ 22,00,00,000	₹ 32,69,00,000
Intt. Free Unsecured Loan Refunded	₹ 16,00,00,000	₹ 12,00,00,000
Intt. Free Unsecured Loan treated as advance for Share Capital	NIL	₹ 4,67,251
Unsecured Loan treated as advance for Share Capital	NIL	₹ 12,46,00,000
Interest treated as advance for Share Capital	NIL	₹ 87,32,749
Loan Interest provided	NIL	₹ 24,76,874
ii) Key management personnel		
	2009-10	2008-09
Sitting Fee to Directors:		
Sh. Janat Shah	₹ 60,000	Nil
Sh. T.R. Doongaji	₹ 1,00,000	Nil



Fresh & Healthy Enterprises Limited

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c) Balances at the end of the Year

(Amount in ₹)

2009-10 2008-09

i) Parties Whose Control Exists (Holding Company)

Advance for Share Capital (Included in Current Liabilities – Others)	NIL	₹ 13,38,00,000
Intt. free Unsecured Loan	₹ 33,64,32,750	₹ 27,64,32,750

ii) Key management personnel

Nil

5. Earning Per Share

31.03.10 31.03.09

Profit/loss after taxation as per Profit and Loss account (₹)	(90,643,062)	(12,04,54,334)
Weighted Average number of Equity Shares outstanding (Nos.)	4,82,73,810	3,50,00,000
Basic and diluted Earning/loss Per Share (₹)	(1.88)	(3.44)

6. Pending issuance of Notification u/s 441A of Companies Act, 1956 no provision has been made towards Cess on turnover.

7. Details of expenditure and earnings in foreign currency:

2009-10 2008-09

a) Expenditure in Foreign Currency:		
Traveling (₹)	NIL	₹ 55,412/-
b) Earning in Foreign Currency:	NIL	NIL

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

Particulars	Fruits		Packing Material		Wax	
	Qty(Kgs)	Amount (₹)	Qty(No)	Amount (₹)	Qty(Ltr)	Amount
Opening Stock	28,17,275	12,55,89,888	4,37,513	42,33,520	2,229	15,74,000
Purchases	28,55,850	12,07,64,234	6,80,491	1,03,68,477	-	-
Sale	42,05,745	21,86,78,044	1,85,883	43,65,865	-	-
Consumed*	93,271	-	2,97,681	36,24,630	50	40,000
Closing Stock	13,74,109	7,95,35,123	6,34,440	66,11,502	2,179	15,34,000

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

9. As per As-19 amount charged to Profit & Loss Account in respect of operating leases for office premises and accommodation provided to staff is ₹ 26,61,474/- (Previous Year ₹ 25,40,810/-) which is net of recovery of ₹ 26,052/- (Previous Year ₹ 2,26,654/-). The period of lease arrangements varies from case to case.

10. Income from Operation includes sale of Apples, CFB-carton (boxes), off-seasonal activities and cooling charges.

11. All Previous year's figures have been recast/regrouped/rearranged wherever considered necessary to conform to this year's classification. Unless otherwise stated, all figures have been rounded off to the nearest rupees.

12. 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.

13. Gratuity liability to employees has been provided for on accrual basis as at the balance sheet date. Keeping in view the meager strength of employees, Actuarial valuation has not been done as required by AS-15 (Revised 2005) "Employee Benefit".

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14. Authorised Share Capital has been increased by ₹ 15 crore (each share of ₹ 10/-) from ₹ 35 crore (each share of ₹ 10/-) to 50 crore (each share of ₹ 10/-) 1,32,73,810 Equity shares has been issued @ ₹ 10.08 (including ₹ 0.08 per share, Share premium) to Container Corporation of India Ltd. (A 100% Holding Company).
15. During the year the company had no employee drawing remuneration equal to or more than the limits prescribed under the Companies (Particulars of Employees) Rules, 1975.
16. During the year, provision for current tax is not made as the company has brought forward losses of ₹ 44.97 crore upto A/Y 2009-10 in accordance with the provisions of Income Tax Act, 1961.
17. Deferred Tax asset is not being recognized since there is uncertainty regarding sufficient future taxable income being available for realizing such deferred tax asset.
18. The Company is in the process of obtaining and determining the information from the suppliers covered under The Micro, Small and Medium Enterprise Development Act, 2006, as at the Balance Sheet date, 31st March, 2010. However no supplier has reported his coverage under the Act and therefore no such disclosures under the said Act have been made.
19. 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.
20. Balances of Sundry Debtors, Loans & Advances, Deposits, Sundry Creditors, etc. are subject to confirmation /reconciliation.
21. During the year expenditure on imported consumable goods was ₹ NIL (previous year: ₹ NIL)
22. The impact of pay revision in respect of security expenses etc. will be accounted for on receipt of claims.
23. 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.
24. As per Accounting Standard 29, the particulars are as under:

(Amount in ₹)

Particulars	Gratuity & Leave Encashment	
	2009-10	2008-09
Opening Balance	27,28,597/-	18,70,399/-
Addition during the year	11,79,923/-	9,88,867/-
Amount used/incurred	6,74,249/-	1,30,669/-
Closing Balance	32,34,271/-	27,28,597/-

25. Balance sheet Abstract and Company's General Profile

(IN TERMS OF AMENDMENT TO SCHEDULE VI Part IV)

I Registration details

Registration No	U51909DL2006PLC145734		
State code:	55		
Balance sheet Date	31	03	2010
	Date	Month	Year

II Capital raised during the year (₹ In Thousands)

Public issue	Right Issue
NIL	NIL
Bonus issue	Private Placement
NIL	132,738



Fresh & Healthy Enterprises Limited

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III. Position of Mobilization and Deployment of Funds (₹ In Thousands)

Total liabilities	Total assets
1,262,007	1,262,007
Sources of Funds	
<u>Paid Up capital</u>	<u>Reserves & Surplus</u>
482738	1062
<u>Secured Loan</u>	<u>Unsecured Loan</u>
424246	336433
<u>Current liabilities</u>	<u>Deferred Tax liability</u>
17528	Nil
Application of Funds	
<u>Net Fixed Assets</u>	<u>Investments</u>
720072	NIL
<u>Current Assets</u>	<u>Misc. Expenditure</u>
146680	850
<u>Accumulated Loss</u>	
394405	

IV Performance of company

<u>Turnover (including other income)</u>	(₹ In Thousands)
255584	<u>Total Expenditure</u>
<u>Profit/(Loss) Before Tax</u>	346227
(90643)	<u>Profit/(Loss) after tax</u>
	(90643)

V. Generic Names of principal Product (As per monetary terms)

Product description	Apple
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“SIGNATURES TO SCHEDULE 1 TO 14”

As per our Report attached
For S.S.Poddar & Co.
Chartered Accountants

For and on behalf of Board of Directors

S.S.Poddar
Partner
M.No. 15018
Date: 19.07.2010
Place: New Delhi

Anil Kumar Gupta
Chairman

P. Alli Rani
Director

Naresh Kr. Jawa
C.E.O

Suman Lata
D.M.(F) & C.S.

Fresh & Healthy Enterprises Limited

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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 2010 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, subject to note no. 13 appearing in the schedule 14 of 'Notes to Accounts' in connection with non-compliance of AS-15 (Revised) regarding gratuity to employees.
 - (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 given 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 2010,
 - (b) In the case of the profit and loss account, of the loss 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 **S.S.Poddar & Company**
Chartered Accountants

(S.S.Poddar)

Partner
M.No. 15018

Place : New Delhi

Date : 19.07.2010



Fresh & Healthy Enterprises Limited

(A Wholly owned subsidiary of CONCOR)

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 2010. 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 an interest free 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 ₹ 38,64,32,750/- and the year end balance of loans taken from such party was ₹ 33,64,32,750/-.
- (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 are adequate internal control procedures 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.

Fresh & Healthy Enterprises Limited

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- (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) The company was incorporated on 1st February, 2006, Since a period of five years has not elapsed from the date of incorporation, we are of the opinion that no comments are required under clause (X) of the paragraph 4 of the order regarding the erosion of 50% of the net worth and cash losses in the current and in the immediately preceeding 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.

For **S.S.Poddar & Company**
Chartered Accountants

(S.S.Poddar)
Partner
M.No. 15018

Place : New Delhi
Date : 19.07.2010



Sh & Healthy Enterprises Limited

(A Wholly owned subsidiary of CONCOR)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2010

	For the year ended 31.03.2010	(Amount in ₹) For the year ended 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) before tax and extraordinary items	(90,643,062)	(120,454,334)
Adjustments for :		
Depreciation	36,651,109	35,760,615
Preliminary Expenses	748,040	553,040
Interest Debited	38,177,344	44,673,346
Interest Earned	(1,376,273)	(897,350)
Operating Profit before Working Capital changes	(16,442,842)	(40,364,683)
Adjustments for :		
Trade & other receivables	25,598,838	(15,953,757)
Inventories	43,716,783	(15,835,437)
Fringe Benefit Tax Charged	-	322,672
Advances & other Current Assets (Decrease)	819,723	14,879,790
Trade & other Payable	(147,101,262)	49,631,880
Cash Flow from operating Activities	(93,408,760)	(7,319,535)
Less: Taxes paid	(75,000)	(291,378)
Net Cash Flow from operating activities	(93,483,760)	(7,610,913)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Decrease/ (Increase) in Fixed Assets	(1,165,755)	12,905,993
Interest Received	1,311,182	784,599
Net Cash from / (Used) in Investing Activities	145,427	13,690,592
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital at premium	133,800,000	-
Preliminary Expenses	(975,000)	-
Proceeds from borrowing (CONCOR)	220,000,000	326,900,000
Repayment of Borrowings	(222,400,853)	(269,400,213)
Interest paid	(38,627,826)	(42,819,334)
Net cash from/(Used) in financing Activities	91,796,321	14,680,453
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,542,012)	20,760,132
Opening cash and Cash Equivalents	31,416,099	10,655,967
Closing Cash and Cash Equivalents	29,874,087	31,416,099
Net Increase/(Decreased) as per Books	(1,542,012)	20,760,132

As per our report of even date

For S.S.Poddar & Co.

Chartered Accountants

For and on behalf of Board of Directors

SS Poddar

Partner

M. No. 015018

Date : 19.07.2010

Place : New Delhi

Anil Kr. Gupta

Chairman

P.Alli Rani

Director

Naresh Kr. Jawa

CEO

Suman Lata Khanna

DM(F) &CS