



20th Annual Report 2011-2012

FRESHTROP FRUITS LIMITED



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FRESHTROP FRUITS LIMITED

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Important Communication to Members

Important Communication to Members The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of Notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants.

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

**ANNUAL REPORT
2011 - 2012****BOARD OF DIRECTORS**

Mr. Ashok V. Motiani
Mrs. Nanita A. Motiani
Mr. Ramchandra G. Joshi
Mr. Mayur J. Shah
Mr. Dinesh S.Oza

Chairman & Managing Director
Executive Director
Non –Executive/Independent Director
Non –Executive/Independent Director
Non-Executive/ Independent Director

AUDITORS

M/S. Mayank Shah & Associates
Chartered Accountants,
706/708A, Mahakant, Opp. V. S. Hospital,
Ellisbridge, Ahmedabad - 380 006.

COMPANY SECRETARY

Mr. Jignesh J. Gandhi

BANKERS

Axis Bank Limited
The Royal Bank of Scotland N.V.
(Formerly know as ABN Amro Bank B.V.)

REGISTERED OFFICE

A-603, Shapath IV,
Opp. Karnavati Club,
S.G. Road, Ahmedabad - 380 015.

PLANT - I

Gat No. 171, Village Jaulke,
Bombay Agra Road,
Tal. : Dindori,
Dist.:Nasik-422 207
Maharashtra, INDIA.

PLANT - II

Survey No. 1366, Savlej-Wayfale Road,
Post Siddhewadi,
Tal. :Tasgaon, Dist.:Sangli-416311,
Maharashtra, INDIA.

PLANT - III

Gat No. 2425/26/30/31
Malharpet-Pandharpur Road,
TaL. :Khatav,
Dist.:Satara-415312,
Maharashtra, INDIA.

PLANT - IV

Gat No. 598/1
Village Janori.
TaL. : Dindori,
Dist.:Nasik-422 206,
Maharashtra, INDIA.

NOTICE

NOTICE is hereby given that 20th Annual General Meeting of the Members of Freshtrop Fruits Limited will be held on Wednesday, 12th September, 2012 at 11.00 a.m. at Karnavati Club, S. G. Road, Ahmedabad – 380015 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and Statement of Profit and Loss for the period ended on that date together with the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Ramchandra Joshi, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s Mayank Shah & Associates, Chartered Accountants, Ahmedabad (Firm Registration Number – 106109W), as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be approved by the Board of Directors of the Company. In this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary Resolution:

“RESOLVED THAT M/s Mayank Shah & Associates, Chartered Accountants, Ahmedabad (Firm Registration Number – 106109W) be and is hereby appointed as Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to provision of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including statutory modification(s), amendments or re-enactment(s) thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement entered into between the Company and the concerned Stock Exchanges, SEBI (Issue of Capital and Disclosure Requirement), Regulation 2009 issued by Securities and Exchange Board of India ('SEBI') and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permission and sanctions, which may be agreed to by the Board of Directors of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as the “Board” which term shall be deemed to include any committee duly constituted by the Board of Directors or any Committee which the Board of Directors may hereafter constitute, to exercise one or more of its powers including the powers conferred by this resolution) to issue, offer and allot upto 11,00,000 (Eleven Lacs) warrants on preferential basis, convertible into 11,00,000 Equity Shares of ₹ 10/- each at a price of ₹ 14/- per share (₹ 10/- face value + ₹4/- premium) being the price which is in accordance with the SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2009 to the following person(s) / entity(s). ”

Sr. No.	Name of the proposed Allottees	Maximum no. of equity warrants to be allotted	Category
1.	Mr. Ashok V. Motiani	5,00,000	Promoter
2.	Mrs. Nanita A. Motiani	2,00,000	Promoter
3.	Ms. Dipti A. Motiani	2,00,000	Promoter
4.	Mr. Mayank R. Tandon	1,00,000	Promoter
5.	Mrs. Priyanka M. Tandon	1,00,000	Promoter
	Total	11,00,000	

“RESOLVED FURTHER THAT the ‘relevant date’ within the meaning of Regulation 71 of the SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2009 for the purpose of determination of applicable price for Equity Shares converted from the aforesaid warrants is 13th August, 2012.”

"RESOLVED FURTHER THAT each of the aforesaid warrants be converted at the option of the warrant holders in one or more tranches, at any time within 18 months from the date of their allotment, into one fully paid-up Equity Share of ₹10/- each at a price of ₹ 14/- (₹ 10/- face value + ₹4/- premium) determined in accordance with the prevailing SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2009 of the conversion price of ₹ 14/- per share as aforesaid, an amount equivalent to ₹ 3.50 per warrant as per SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2009, will be received on the date of allotment of said warrants."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot subject to the Memorandum and Articles of Association of the Company such number of warrants convertible into equal number of Equity Shares as may be required to be issued and allotted in accordance with the terms of the offer and all such Equity Shares allotted upon conversion shall rank *pari passu* with the existing equity shares of the company in all respects."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid Warrants and listing of the Equity Shares on conversion with the stock exchange as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said Warrants, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred by this resolution on it, to any committee of Directors, any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution."

2. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Dinesh Oza who was appointed as an Additional Independent Director by the Board of Directors under Section 260 of the Companies Act, 1956 and Article 114(1) of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting be and is hereby appointed as a Director of the Company retiring by rotation."

13th August, 2012

Registered Office
A-603, Shapath IV,
Opp. Karnavati Club, S G Road,
Ahmedabad – 380 015

By order of the Board
For Freshtrop Fruits Ltd

Ashok V Motiani
Chairman & Managing Director

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING PROXIES SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVES ARE REQUESTED TO SEND A DULY CERTIFIED COPY OF THE BOARD RESOLUTION AUTHORIZING THEIR REPRESENTATIVES TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING.

2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business is annexed hereto.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from 6th September, 2012 to 12th September, 2012 (both days inclusive).
4. In terms of the provisions of Section 205A of the Companies Act, 1956, the amount of dividend not encashed or claimed and is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government within 7 (seven) years from the dates of its transfer is given in the table below:

Financial Year	Date of Declaration of Dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEPF
2004-05	27.09.2005	02.11.2012	02.12.2012
2005-06	29.09.2006	04.11.2013	04.12.2013
2006-07	28.10.2007	03.12.2014	02.01.2015

Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim to the Company's Registrar and Transfer Agents at their address immediately, quoting their folio number/DP ID and Client ID. In terms of the provisions of Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the IEPF after the said transfer.

5. Any query relating to Accounts must be sent to the Company's registered office at A-603, Shapath IV, Opp. Karnavati Club, S.G. Road, Ahmedabad – 380 015 at least 10 days before the date of the meeting.
6. Additional details in terms of Clause 49 of Listing Agreement in respect of Directors being re-appointed are given in the Corporate Governance Report.

13th August, 2012

Registered Office
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Opp. Karnavati Club, S G Road,
Ahmedabad – 380 015

By order of the Board
For Freshrop Fruits Ltd

Ashok V Motiani
Chairman & Managing Director

EXPLANATORY STATEMENT

[Pursuant to Section 173(2) of the Companies Act, 1956]

Item No.1

The food processing business requires further capital expenditure towards purchase of balancing equipments and setting up of ripening chambers to enhance capacities and improve yield. The current liabilities of the company continue to remain high and the company needs induction of long term funds to strengthen its financial position. The promoters strongly believe in the future prospects of the company and would like to increase their commitment to this business. In view of this it is proposed to issue 11,00,000 warrants to the Person(s)/Entity mentioned above (each warrant carrying a right to apply for one equity share at a price of ₹14/- of the company in exchange of each of the said warrant).

The disclosures in terms of Chapter VII of SEBI (Issue of Capital and Disclosure Requirement), Regulation 2009, is given as under:

a) Objects of the issue:

To augment long term resources.

b) Intention of Promoter to subscribe to the offer:

Following Promoters intend to subscribe the proposed preferential allotment of Warrants convertible into equity shares within 18 months from the date of allotment of such warrants.

Sr. No.	Name of the proposed Allottees	Maximum no. of equity warrants to be allotted	Category
1.	Mr. Ashok V. Motiani	5,00,000	Promoter
2.	Mrs. Nanita A. Motiani	2,00,000	Promoter
3.	Ms. Dipti A. Motiani	2,00,000	Promoter
4.	Mr. Mayank R. Tandon	1,00,000	Promoter
5.	Mrs. Priyanka M. Tandon	1,00,000	Promoter
	Total	11,00,000	

c) Shareholding Pattern before and after the Preferential Allotment

The Shareholding pattern of the company before and after the preferential issue is given below:

Sr. No.	Category	Before Preferential Issue		After preferential issue of Shares (After conversion of Equity warrants into shares)	
		No. of Shares	% of Share Holding	No. of Shares	% of Share Holding
A.	PROMOTERS HOLDING				
1.	Indian Promoters Holding	54,82,181	49.64	65,82,181	54.20
	Sub Total (A)	54,82,181	49.64	65,82,181	54.20
B.	NON PROMOTERS HOLDING				
1.	Institution Investors				
a.	FII's	–	–	–	–
C.	OTHERS				
1.	Private Corporate Bodies	6,14,138	5.56	6,14,138	5.06
2.	Indian Public	44,90,447	40.65	44,90,447	36.97
3.	Clearing Member	301	–	301	–
4.	Non Resident Indians (REPAT)	4,57,933	4.15	4,57,933	3.77
	Total (A+B+C)	1,10,45,000	100.00	1,21,45,000	100.00

Note: Assuming full allotment up to approved amounts and assuming that options attached to the 11,00,000 warrants issued to the Persons/ Entity(s) mentioned above will be exercised in full, thereby increasing the paid up capital of the company by 11,00,000 equity shares. Company would at the time of allotment of equity shares further comply with the provisions of the SEBI guidelines/ regulations to the extent required at the time of such allotment.

d) Proposed time within which allotment will be completed:

As required under the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 the Company shall complete the allotment(s) of Warrants as aforesaid on or before the expiry of 15 days from the date of passing of this resolution by the shareholders granting consent for preferential issue or any approval or permission by any regulatory authority or the Central Government for allotment is pending, the period of fifteen days shall be counted from the date of order on such application or the date of approval or permission, as the case may be:

The allotment of 11,00,000 warrants as proposed under special resolution of the notice will be completed within 15 days period from the passing of the said resolution at this meeting, or such other time as may be prescribed under the SEBI's Guidelines on Preferential Issues.

e) Identity of allottees with percentage of expanded capital to be held by them:

The proposed allottees for 11, 00,000 Equity Shares as a result of exercise of options attached to the warrants issued pursuant to special resolution at Item No. 1 of the notice and the percentage of expanded capital to be held by them after the proposed allotment of the said equity shares to them as per the said resolution are as under:

Sr. No.	Name of the Proposed Allottees	Category	Before Preferential Issue		After preferential issue of Shares (After conversion of Equity warrants into shares)	
			No. of Shares held	% of Shares Holding	No. of Shares to be held	% of Shares holding
1.	Mr. Ashok V. Motiani	Promoter	9,29,648	8.42	14,29,648	11.77
2.	Mrs. Nanita A. Motiani	Promoter	6,72,246	6.09	8,72,246	7.18
3.	Ms. Dipti A. Motiani	Promoter	5,69,712	5.16	7,69,712	6.34
4.	Mr. Mayank R. Tandon	Promoter	3,46,480	3.14	4,46,480	3.68
5.	Mrs. Priyanka Tandon	Promoter	5,29,082	4.79	6,29,082	5.18
			30,47,168	27.59	41,47,168	34.15

Section 81(1A) of the Companies Act, 1956 provides inter alia, that when it is proposed to increase the issued capital of a company by allotment of further shares/warrants etc., such further shares/warrants shall be offered to the existing shareholders of the company in the manner laid down in section 81 unless the shareholders in general meeting decide otherwise by passing a special resolution.

Hence consent of shareholders by way of special resolution is being sought pursuant to the provisions of section 81 (1A) and all other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 Guidelines and the listing agreements executed by the Company with the Stock Exchange where the Company's shares are listed.

f) Change in Management

The proposed preferential allotment of convertible warrants will not result in any change in the management and control of the Company. Voting right shall change according to the change in shareholding pattern mentioned above.

g) Pricing:

The issue of warrants convertible into equity shares on preferential basis shall be at a price of ₹ 14/- per share (₹ 10/- face value + ₹ 4.00/- premium). The price is determined in compliance with SEBI Guidelines for Preferential Issues.

h) Payment and Conversion terms:

25 % of the value of the warrant i.e. ₹ 3.50/- per warrant to be paid on the date of allotment of warrants. The balance is payable at the time of conversion. Warrant will be at the option of the allottees, into one equity share of ₹ 10/- each at a price of ₹ 14/- per share (₹10/- face value + ₹4.00/- premium) at any time within 18 months from the date of allotment. In case the option is not exercised within a period of 18 months from the date of allotment, the aforesaid 25% amount paid on the date of allotment shall be forfeited.

i) Relevant date:

Relevant date for this purpose is 13th August, 2012 i.e. 30 days prior to the date of the meeting of the Members of Company i.e. 12th September, 2012.

j) Auditor Certificate

The certificate of the Statutory Auditors required as per Regulation 73(2) to the effect that the issue of equity shares on preferential basis is in accordance with SEBI (Issue of capital and Disclosure Requirement), Regulation 2009, shall be placed before the members at the ensuing Annual General Meeting and will be available for inspection thereat along with a copy of the Memorandum and Articles of Association of the Company.

k) Lock in

The equity shares allotted pursuant to exercise of options attached to warrants issued on preferential basis shall be locked-in for a period of three years from the date of allotment of equity shares pursuant to exercise of the option attached to warrants.

The fully convertible warrants to be allotted to Mr. Ashok V. Motiani, Mrs. Nanita A. Motiani, Ms. Dipti A. Motiani, Mr. Mayank R. Tandon and Mrs. Priyanka Tandon promoters on preferential basis shall be locked in for a period of three years from date of allotment as per the Regulations issued by the Securities and Exchange Board of India.

None of the Directors of the Company is in any way concerned or interested in the above referred resolution except Mr. Ashok V Motiani and Mrs. Nanita A Motiani, Directors of the company being associated with the Promoter and/or Promoter Group.

The Board of Directors recommended the resolution for the approval of the Shareholders.

Item No. 2

Mr. Dinesh Oza was appointed as an Additional Independent Director of the Company w.e.f. 14th November, 2011. In terms of Section 260 of the Companies Act, 1956, he holds office as a Director upto the ensuing Annual General Meeting. As required under Section 257 of the Act, the Company has received a notice from the member of the Company signifying his intention to propose his appointment as a Director of the Company. Looking to his professional experience, it would be in best interest of the Company to appoint him as Director of the Company liable to retire by rotation. His valuable guidance and services will benefit immensely in the growth of Freshrop Fruits Limited.

The Board of Directors of the Company recommends the said resolution for your approval.

None of the Directors except Mr. Dineshbhai Oza is interested in the said resolution.

13th August, 2012

Registered Office
A-603, Shapath IV,
Opp. Karnavati Club, S G Road,
Ahmedabad – 380 015

By order of the Board
For Freshrop Fruits Ltd

Ashok V Motiani
Chairman & Managing Director

Information on directors seeking appointment/re-appointment at the forthcoming annual general meeting (pursuant to clause 49 of the listing agreement) as on the date of notice

Name of the Directors	Mr. Ramchandra Joshi	Mr. Dinesh Oza
Date of Birth	01.09.1946	04.07.1953
Qualifications	B.Com L.L.B	BSC(Tech), Foods Technology from Bombay University
Shareholding in Freshrop Fruits Limited	4,000	Nil
Directorship held in other public limited companies in India	Nil	Nil
Membership / Chairmanship of committees in public limited companies in India	Nil	Nil

DIRECTORS' REPORT

Dear Members,

The Board of Directors presents 20th Annual Report and the Audited Statement of Accounts of the Company for the period ended 31st March, 2012.

FINANCIAL RESULTS:

The working results of the Company for the period ended 31st March, 2012 are as follows:

	Amount in ₹	
	2011-12	2010-11
Total Income	618,775,514	563,369,007
Profit before Depreciation and Taxation	30,680,028	24,635,430
Less: Depreciation	23,109,919	22,792,573
Net Profit before Taxation	7,570,109	1,842,857
Less: Current Tax	660,000	269,000
MAT Credit Entitlement	(660,000)	(269,000)
Deferred Tax	2,178,734	731,085
Tax in respect of earlier years	-	644,029
Profit after taxation	5,391,375	467,743
Add/Less: Balance of (Loss) of Previous Years	122,039,062	98,195,606
Balance of Profit/(Loss) carried to Balance Sheet	127,430,437	122,039,062

OPERATIONS:

The year under report shows a growth in the total income from ₹563 million to ₹619 million an increase of 9.83%, while the profit has grown from a meagre ₹ 0.47 million to ₹5.4 million. The increase in the income has come mainly from the food processing business which we feel, will now contribute significantly to the profits of the company in the coming years.

FRESH FRUITS SEGMENT:

The German supermarkets after doing an extensive food safety analysis have once again started buying Indian grapes. This is a big positive for industry. This can be seen from the growth in exports of Indian grapes to Europe from 1800 containers in 2011 season to 3200 containers in 2012 season.

Europe has been in recession for the last few years but despite this our exports to EU, except for a dip in 2011 due to CCC issue have shown a steady increase from 224 containers in 2008 to 260 containers in 2012.

We have been working on expanding our business in non EU markets, our exports to non EU markets have increased from 23 containers in 2011 season to 42 Containers in 2012. As a percentage of total exports, our non EU business grew from 9% in 2011 to 14% in 2012. We expect this would increase further in the coming years.

The demand for coloured grapes in the non EU markets has always been quite good but now it is increasing in the EU market as well. This would help us extend our grape export season, resulting in increasing sales without making additional capital investment.

The domestic market for good quality product continues to grow very fast. There is a very huge potential for growth in this market but we have to wait for either the Indian supermarkets to organize their supply chain in the fruit and vegetable segment or the FDI in multi-brand retail being allowed to do business in our country.

Pomegranate availability has also increased and good quality fruit is now available at competitive price. The demand for this product in non EU markets is also very good and we expect this business to revive in the coming years.

FOOD PROCESSING SEGMENT:

During the year under report our income from this segment grew from ₹ 104.02 million in 2010-11 to ₹ 154.44 million in 2011-12 a growth of 45.73%. We expect this to continue for another few years.

In food business it is important to have all quality certifications in place before approaching processed food manufacturers for supplies. For agricultural inputs where the availability of raw materials is seasonal in nature, this process takes time. After all the quality control certificates are in place most of the FMCGs conduct their own audits. Freshtrop has now gone through all this, we are now approved suppliers to some of the large beverages and processed food manufacturers in India.

The fall of the Indian rupee against the US dollar has had a favourable impact on ingredient suppliers to the processed food business. Domestic supplies have become competitive and the food manufacturers have started developing local vendors. We feel this would help us in increasing our business from this segment.

DIVIDEND:

In view of the commitment of the Company towards running of the Food Processing Plant established at Nasik, the Board of Directors are of the view to conserve the resources and do not recommend dividend for this year.

DIRECTORS:

Mr. Ramchandra G Joshi, who retires by rotation as Director of the Company and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

AUDIT COMMITTEE:

The Audit Committee consisting of Independent Directors Mr. Ramchandra G. Joshi, Mr. Mayur J. Shah and Executive Director Mrs. Nanita A. Motiani, satisfy the requirements of section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchange.

INSURANCE:

The assets of the Company are adequately insured against the loss of fire and other risks which considered necessary by the management.

FIXED DEPOSIT:

The Company has not accepted any deposit under the provision of Section 58-A of the Companies Act, 1956 as applicable.

CERTIFICATION:

During the year under review, the Company has been through the following certifications to the Highest International Standard of Food Safety and Hygiene:

1. **ISO 22000:2005** - This certifies the presence of highest food safety management system covering all organisations in the food chain from "farm to fork".
2. **SGF International E.V.** - This certifies participation of the Company in Voluntary Control System for safeguarding the perfect quality of its products and enhancing customer and consumer safety.
3. **Halal Certificate** - This certificate is a recognition that the products are permissible in Islamic Law and we acquired this certificate to export our products in Islamic Countries.
4. **Kosher Certificate** - This certificate helps in increasing the saleability of the product in the international supermarkets. There is a clear evidence that a kosher symbol boosts market share, that a kosher product can win more favorable shelf space, and that positioned next to a competing non-kosher brand. Kosher is an therefore an important investment our Company makes in order to increase market reach and share.
5. **BRC certificate** for Sangli Unit.
6. **FDA, USA** to supply products in US Market.
7. **APEDA Recognition** for Nasik (Unit I), Sangli (Unit II) and Satara (Unit III) Pack houses.
8. **GlobalGAP Certificate SHARE**

FINANCE:

During the year under review, the Company enjoying its Working Capital Facilities of ₹ 1500.00 Lacs for the peak season and ₹ 900.00 Lacs for off season from Axis Bank Limited for the Fresh Fruits and Food Processing activities of the Company. During the year under review, Axis Bank Limited has also been sanctioned a Fresh short term loan of ₹ 200.00 Lacs for working capital requirement of the Company.

ENERGY CONSUMPTION:

Total energy consumption and energy consumption per unit of production are as under:

		2011-2012	2010-2011
1. Electricity			
a) Purchased			
Units	KWH	1,791,469	1,437,899
Total amount	₹	10,297,827	8,540,514
Rate / Unit	₹	5.75	5.94
b) Own Generation through Diesel Generator Set			
Units			
Diesel			
Quantity	Ltrs	25,605	19,040
Total Amount	₹	11,14,133	767,774
Rate / Unit	₹	43.51	40.32
c) Coal and other Fuels			
Units	Kgs	848,955	728,870
Total Amount	₹	4,961,327	3,683,371
Rate / Unit	₹	5.84	5.05

TECHNOLOGY ABSORPTION AND ENERGY CONSERVATION:

The Company has a continuous focus on energy conservation. Regular studies are conducted to analyze quantitative energy conservation patterns and variances are rigorously scrutinized. The Company regularly benchmarks its energy conservation levels and consistently works towards improving efficiencies.

FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign Exchange earning during the year amounts to ₹ 456,875,079 (Previous year ₹ 438,836,451) and Foreign Exchange outgoing during the year amounts to ₹ 89,074,661 (Previous year. ₹ 89,805,592)

CORPORATE GOVERNANCE:

The Company has adopted Corporate Governance practices and has complied with all the mandatory requirements as specified under clause 49 of the Listing Agreement. As required under the listing agreement, a separate Report on Corporate Governance forms part of this Annual Report. The certificate from statutory Auditors of the Company regarding compliance of conditions of Corporate Governance is annexed.

The Board of Directors supports the basic principles of corporate governance. In addition to this, the Board lays strong emphasis on transparency, accountability and integrity.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required by Clause 49 of the Listing Agreement with Stock Exchanges, a management discussion and analysis report is appended to the Annual Report.

FORMATION OF VARIOUS COMMITTEES:

Details of various committees constituted by the Board of Directors are given in the Corporate Governance Report annexed which is a part of this report.

SECRETARIAL AUDIT REPORT:

As a good Corporate Governance practice, the Board of Directors of the Company appointed M/s. R.S. Sharma & Associates, Ahmedabad, Practicing Company Secretary, to conduct Secretarial Audit of the Company. The Secretarial Audit report for the year ended on 31st March, 2012 is provided in the Annual Report.

AUDITORS' & AUDITORS' REPORT:

M/s. Mayank Shah & Associates, Chartered Accountants, Statutory Auditor of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received a confirmation from M/s. Mayank Shah & Associates to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

APPRECIATION:

The Board places on record the appreciation of the sincere and devoted services rendered by all the employees and the continued support and confidence of the customers. The Board expresses special thanks to progressive farmers of Maharashtra who have worked hard to achieve International Standards in the quality of their produce. The Board also expresses its sincere thanks to Axis Bank Ltd., The Royal Bank of Scotland N.V. (formerly known as ABN Amro Bank N.V.) and their officers, Agricultural and Processed Food Products Export Development Authority (APEDA), Ministry of Food Processing Industry (MFPI) and all other well wishers, for their timely support.

13th August, 2012

By order of the Board

Regd. Office :

For Freshtrop Fruits Ltd.,

A-603, Shapath IV,

Opp. Karnavati Club, S G Road,

Ahmedabad – 380 015

Ashok V. Motiani

Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report as required under the listing agreements with the stock exchanges is enclosed as Annexure 'A' Certain statements in the 'Management Discussion and Analysis Report' section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

1. INDUSTRY STRUCTURE AND DEVELOPMENT :

Food and Food products have an ever increasing market. Despite recession in Europe the demand for Indian grapes was quite high during the 2012 season. With German supermarkets buying Indian grapes the industry is now back on a growth path. Last year saw a significant drop in the number of exporters of Indian grape to EU, the top 10 exporters constitute more than 80% of the total business.

However with a good 2012 season there is a possibility that some of the exporters may come back into this business but It is our belief that this business will continue to mature out of the previous years experience and only serious and committed exporters would be able to sustain and continue in this business, hence the future should be good.

Globally there is an ever-increasing emphasis on not only Food Safety and Good Agricultural Practices (GAP) but also on conducting business in a socially sustainable way. CSR is now becoming more important especially for supplies to progressive and growing supermarkets.

2. OPPORTUNITIES AND THREATS:

OPPORTUNITIES

Indian Grapes are now making inroads into new markets – with exports to CIS countries and far east countries picking up. Freshrop sees a great potential for successfully increasing its share in these markets.

The domestic market for fresh fruits and vegetables is seeing a very significant transformation from selling just seasonal products to now having certain fruits and vegetable available all 12 months of the year with imported products being brought in during the off season period. We see a good potential for growth in the domestic market.

Food Processing – The Company has set up a food processing unit to capitalize on its existing strengths and backward linkages towards diversification in the food processing sector which is on a high growth path and likely to sustain over a very long period given the changing trends and demographics of the Indian social landscape. With organized retail increasing its market share we feel this sector will grow very fast.

THREATS

Awareness among the consumers of the effects of pesticide residues and development of newer technologies for determining lower levels of chemical residues would result in increased pressure on the farmers for resorting to cultivation with minimal input of crop protection chemicals thereby impacting their productivity over short term.

Recurring drought or excessive and unseasonal rainfall results in an excessive dependence of agricultural produce on the vagaries of nature. This still poses a risk for any agriculture related project.

High domestic price is deterrent to exports.

Restricting market access by importing countries due to absence of national guidelines on hygiene and chemical residues.

3. SEGMENT WISE PERFORMANCE :

The Company has identified following segments as reportable segments:

- 1) Fresh Fruits
- 2) Food Processing

Details of Segment wise performance are given at respective place of in this report.

4. RECENT TRENDS AND FUTURE OUTLOOK :

While increasing awareness amongst the consumers related to pesticide residues, poses a challenge, it also presents an opportunities for some. The recent trend clearly demonstrates the willingness of the consumer to pay more for good quality and safe fresh produce and this is a very positive indicator for our industry.

With increased thrust of the central and state governments, towards development of Agri-based infrastructure, we can expect plethora of opportunities to present themselves given the as yet under utilized potential in this business within as well as outside India. The Company is well prepared to make the most of these opportunities and has a bright outlook for the future.

Freshrop has undertaken a gradual shift towards marketing to EU retailers directly with pre-determined prices as compared to earlier model of 100% consignment sales to intermediate service providers. This has helped strengthen customer relationships and also backward linkages where associated growers are better prepared towards meeting the requirements of the EU retailers.

Freshrop initiated supplies of Table Grapes to the domestic market – both organized as well as un-organized sector. This has enabled in utilizing our infrastructure for a longer period as grapes availability for domestic supplies is much longer than the exports season. In its second year of supplies, the domestic business almost doubled as compared to the previous year. This is likely to see a further significant growth in the coming years.

Freshrop has made some inroads in supplies to the other markets such as CIS countries and far-east and intends to further increase presence in these markets. This segment of business too saw a reasonable growth as compared to the previous year and is likely to maintain this momentum.

The company has embarked upon an expansion and diversification path with the setting up of a food processing unit for producing mango pulp & concentrates, guava pulp & concentrates, pomegranate juices and concentrates as well as Tomato paste. This synergetic foray into food processing is likely to strengthen The Company and enable future growth.

5. RISKS AND CONCERN :

Agriculture in India is still largely dependent on the vagaries of nature.

Over dependence on plant protection, chemicals and tightening norms for pesticide residues is presenting a significant challenge for the Indian farmers.

Smaller land holding pattern in India is an obstacle for achieving high yield while reducing the cultivation expense.

While the Indian growers are getting exposed to newer techniques used abroad, the pace of reforms at that level needs to be improved in order to compete effectively in the International Markets.

Some of the other areas of concern are:

Affordability and cultural preference for fresh food.

Seasonality of Raw materials.

Inefficient supply chain due to large number of intermediaries.

Lack of adequate Quality control and testing methods as per international standards.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has adequate Internal control systems commensurate with its size and operations to ensure orderly and efficient conduct of business while safeguarding the assets, quality, safety, procurements, finance and accounts and reducing and detecting error.

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :

The financial performance of the Company is described in the Director's Report under the head "Financial Results" and "Review of Operations".

8. MATERIAL DEVELOPMENT IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT :

The Company routinely undertakes employee development activities keeping in mind the professional requirements of the employees as well as the growth of the Company.

The Company has embarked on the path to formalize its CSR commitments – and is perhaps the ONLY company in India in the fresh produce export sector to move in this direction. As a member of a pilot project funded by the Dutch government and coordinated in India through CII, this is not only going to result in better integration within the supply chain but also offer a significant competitive edge in the developed markets across the world.

The Industrial Relations were cordial throughout the year with no incidence of strike or lockouts.

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of Listing Agreement)

1. Company's Philosophy on Corporate Governance:

- 1.1. As a policy Freshrop Fruits Limited (FFL) gives utmost importance to achieving high standards of Corporate Governance and is committed to achieve the highest level of Corporate Governance in order to enhance long-term shareholder value.
- 1.2. The Company gives equal importance for maintaining as well as improving the quality of its products and to achieve this, the Company carries out continuous product developments and stringent quality controls norm to have quality of the products known internationally.
- 1.3. The Company gives utmost importance for developing a team of competitive professional managers. Overall, policy is set by the Board of Directors and implemented by a team of professional managers in their respective field. The Company gives fair amount of freedom to the employees to get their best contribution to the Company and rewards and incentives are given in recognition thereof.

2. Board of Directors:

2.1. Composition & size of the Board

The Board of Directors of your Company as on March 31, 2012 comprises Five Directors. The Board of Directors of the Company comprises of optimum mix of both, Executive and Non-executive Directors with independent Directors. The Board of Directors provides leadership and guidance to the Company's management and directs, supervise and control the performance of the Company. The Board members consist of persons with professional expertise and experience in various fields of Finance, Accounts, and Management etc.

Classification of Directors	No. of Directors
Executive Directors	Two Promoter Directors
Non-Executive Directors – Independent Directors	Three- Non Promoter Directors

In the judgment of the Board of Directors of the Company, following Directors are independent Non-Executive Directors:

- (1) Mr. Ramchandra G. Joshi
- (2) Mr. Mayur J. Shah
- (3) Mr. Dinesh Oza (Appointed as an Additional Director w.e.f. 14.11.2011)

2.2. Board Procedure

Board met Four times during the year under review as mentioned below and the criteria of maximum time gap between any two consecutive meetings shall not exceed four months has been followed by the Company.

- 1) 14th May, 2011 2) 12th August, 2011 3) 14th November, 2011 4) 13th February, 2012

The information as required under Annexure IA to clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board Meeting are circulated to the Directors in advance. Adequate information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take decisions. As required under clause 49 of Listing Agreement, the Board periodically reviews compliances of various laws applicable to the Company.

The names and categories of the Directors of the Board, their attendance at Board Meetings held during the year and the numbers of Directorship and Committee Chairperson / Membership held by them in other companies is given below. Other Directorship do not include alternate directorship, directorships of private limited companies and of the companies incorporated outside India. Chairmanship / Membership of Board Committee include only audit and shareholders / investors grievance committee.

Name of Director	Category of Directorship	Board Meetings		Attendance at the last AGM	No. of Specified Committees (Other than (FFL) in which chairman/member	
		Held	Attended			
Mr. Ashok V. Motiani (Chairman & Managing Director)	Promoter & Executive Director	4	4	Yes	None	None
Mrs. Nanita A Motiani	Promoter & Executive Director	4	4	Yes	None	None
Mr. Ramchandra G. Joshi	Independent & Non Executive Director	4	4	Yes	None	None
Mr. Mayur J. Shah	Independent & Non Executive Director	4	4	Yes	None	None
Mr. Dinesh Oza *	Independent & Non Executive Director	2	2	N.A	None	None

* Appointed as an Additional Director w.e.f. 14.11.2011

2.3. Details of Directors seeking re-appointment at the ensuing Annual General Meeting

As per the statute, two-third of the Directors should be retiring Directors, One-Third of these retiring Directors are required to retire every year and if eligible, these Directors qualify for re-appointment. Accordingly, Mr. Ramchandra G Joshi retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

A brief resume of the Directors eligible for re-appointment is as follows.

Mr. Ramchandra G Joshi

Mr. Ramchandra Joshi, aged 66 years is B.com, L.L.B. He has vast experience in public relations, legal and administrative matters which helps the Company.

3. Audit Committee:

As measure of good corporate governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee had been constituted by the Board. The constitution of Audit Committee also meets the requirements of section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are as contained under clause 49 of the Listing Agreement.

The Audit Committee of the Company comprises of following two Non-Executive Directors and one Executive Director, out of which two directors are Independent Directors:

Name	Category	No. of Meetings during the year	
		Held	Attended
Mr. Ramchandra G. Joshi	Non-Executive & Independent Director	4	4
Mr. Mayur J. Shah	Non-Executive & Independent Director	4	4
Mrs. Nanita A. Motiani	Executive Director	4	4

The Terms of the reference of the Audit Committee include approving and implementing the audit procedures and techniques, reviewing the financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines. The Audit Committee met prior to the finalization of Accounts for the year ended 31st March 2012.

4. Subsidiary Companies:

The Company does not have any subsidiary.

5. Remuneration Committee:

The Remuneration Committee is responsible for determining and reviewing all matters in respect of managerial remuneration. The terms of reference of the remuneration committee is responsible for determining and reviewing all matters in respect of managerial remuneration. The Composition of the Remuneration Committee is given below:

Name of the Members	Designation
Mr. Ramchandra G. Joshi	Non-Executive & Independent Director
Mr. Mayur J. Shah	Non-Executive & Independent Director
Mrs. Nanita A. Motiani	Executive Director

During the year, the Remuneration Committee met two times in which all the three members were present.

5.1 Details of Remuneration to the Board members:

The Company pays remuneration to its Chairman and Managing Director, whole time director and sitting fees paid to Non-Executive Directors is as under:

Name of Director	Designation	Remuneration (Including Perquisites) Paid (₹)	Sitting Fees paid (₹)	Total Remuneration (₹)
Mr. Ashok V. Motiani	Chairman & Managing Director	4,489,045	-	4,489,045
Mrs. Nanita A. Motiani	Executive Director	1,500,000	-	1,500,000
Mr. Ramchandra G. Joshi	Non-Executive & Independent Director	-	20,000	20,000
Mr. Mayur J. Shah	Non-Executive & Independent Director	-	20,000	20,000
Mr. Dinesh Oza*	Non-Executive & Independent Director	-	10,000	10,000
Total		5,989,045	50,000	6,039,045

* Appointed as an Additional Director w.e.f. 14.11.2011

5.2 Details of shares of the Company held by Directors as on March 31, 2012 are as under:

Name	No. of Shares held
Mr. Ashok V. Motiani	7,36,768
Mrs. Nanita A. Motiani	6,72,246
Mr. Ramchandra G. Joshi	4,000
Mr. Mayur J. Shah	4,000
Mr. Dinesh Oza*	Nil

6. Shareholders/Investors' Grievance Committee:

The Company constituted a Shareholders/Investors' Grievance Committee to ensure timely services to the Member/Investors and to supervise the performance of the Registrar and Share Transfer Agent and to provide the best services to the Investors. To look into redressal of shareholders and investors complaints like transfer of shares, non-receipt of Annual Report, revalidation of dividend warrant etc.

The Committee meets at the regular interval to ensure that the shareholders queries/grievances have been attended and resolved to the satisfaction of the shareholders.

The Constitution and details of the attendance of the meeting of the Committee members is given in the following table. The Committee met four(4) times during the period 2011-2012.

Name of the Members	Designation	No. of Meetings during the year	
		Held	Attended
Mrs. Nanita A. Motiani	Executive Director	4	4
Mr. Ashok V. Motiani	Executive Director	4	4
Mr. Mayur J. Shah	Non-Executive & Independent Director	4	4

Mrs. Nanita A. Motiani, who is an Executive Director, is Chairman of the Committee and Mr. Jignesh Gandhi, Company Secretary, provides secretarial support to the Committee and is also the designated Compliance Officer for such matters.

The following table summarizes the status of investor complaints received during the year. All the complaints/ queries are promptly attended and resolved to the satisfaction of shareholders. All shares received for transfer were registered and dispatched within the stipulated time, wherever documents were correct and valid in all respects.

Opening Balance	During the year		Pending Complaints
	Received	Resolved	
0	2	2	0

7. Finance Committee:

During the year under review Board of Directors of the Company has constituted Financial Committee with an object to oversee all the matters relating to finance from time to time and perform all such other functions as may be assigned to it by the Board of Directors of the Company

The Constitution and details of the attendance of the meeting of the Committee members is given in the following table. The Committee met Four times during the period 2011-2012.

Name of the Members	Designation	No. of Meetings during the year	
		Held	Attended
Mr. Ramchandra G. Joshi	Non-Executive & Independent Director	4	4
Mr. Mayur J. Shah	Non-Executive & Independent Director	4	4
Mrs. Nanita A. Motiani	Executive Director	4	4

8. Risk Management:

The Company manages risks as an integral part of its decision making process and has a structured framework for risk management and minimization procedures.

9. CEO / CFO Certification:

In terms if the requirement of Clause 49 (V) of the Listing Agreement the CEO has submitted necessary certificate to the Board at its meeting held on 13th August, 2012 stating the particulars specified under the said clause.

10. General Body Meetings:

A. Annual General Meeting:

The date, time and location of the Annual General Meetings held during the preceding 3 years and special resolution passed thereat are as follows.

Financial Year	Date & Time	Venue	No. of Special Resolutions passed
2008-09	29.09.2009 - 11.00 a.m.	Karnavati Club, S. G. Road, Ahmedabad - 380015	1
2009-10	27.09.2010 - 11.00 a.m.	Karnavati Club, S. G. Road, Ahmedabad - 380015	2
2010-11	27.09.2011 - 11.00 a.m.	Karnavati Club, S. G. Road, Ahmedabad - 380015	2

No Special Resolution was passed through Postal Ballot during the Financial year 2011-12. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special resolution through Postal Ballot.

11. Disclosure:

- There were no transactions of material nature between the Company and its Directors or Management and their relatives or Promoters that may have potential conflict with the interest of the Company. The details of the related party transactions are disclosed in the financial section of this Annual Report.

- b. In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.
- c. Management Discussion and Analysis Report is set out in a separate Section included in this Annual Report and forms part of this Report.
- d. The Company has complied with all the mandatory requirements of the Listing Agreement with the Stock Exchange as well as regulations and guidelines of the SEBI. Further, no penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the year under review.
- e. No treatment different from Accounting Standards, prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of financial statements.
- f. The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement.

12. Secretarial Audit:

A qualified practicing Company secretary carried out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depositories Services Limited (CDSL) and the total issued and listed capital. The audits confirmed the total issued / paid-up capital is in agreement with the aggregate of total numbers of shares in physical form and the total number of de-materialized shares held with NSDL and CDSL.

13. Means of Communication with shareholders:

The Quarterly, half-yearly and annual results were taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirements of clause 41 of the Listing Agreement and published in widely circulating national and local dailies such as "Business Standard" in English and Jansatta in Gujarati and also put on the website of the Company.

Website : www.freshtrop.com

Compliance Officer : Mr. Jignesh J. Gandhi

Address : A-603, Shapath IV, Opp. Karnavati Club, S.G. Road, Ahmedabad – 380 015

E-mail: investorrel@freshtrop.com, Tel. No. 079 – 40307050-57

14. General Shareholders Information:

a) Date, time and venue of the 20th Annual General Meeting:

Wednesday, the September 12, 2012 at 11.00 a.m. at Karnavati Club, S. G. Road, Ahmedabad - 380015

b) Financial Year:

Financial year is 1st April to 31st March and financial results will be declared as per the following schedule.

Particulars : Tentative Schedule

Quarterly Results

Quarter ending on June 30, 2012 : August, 2012 (Second Week)

Quarter ending on September 30, 2012 : November, 2012 (Second Week)

Quarter ending on December 31, 2012 : February, 2013 (Second Week)

Quarter ending on March 31, 2013 : May, 2013 (Second Week)

Annual General Meeting : September, 2013

c) Date of Book Closure

6th September, 2012 to 12th September, 2012 (both days inclusive)

d) Listing on Stock Exchange:

The Company's shares are listed on the following stock exchanges:

Name of Stock Exchange	Address	Code
Bombay Stock Exchange Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	530077

The Listing fee for the year 2012-13 has already been paid to BSE. The custodial fees payable to depositories namely NSDL & CDSL has also been remitted by the Company.

e) Market Price Data

High and low prices of Equity Shares during the 12 months period ended 31st March 2012 were as follows:

Month	Bombay Stock Exchange Ltd	
	High (₹)	Low (₹)
April, 2011	22.05	18.10
May, 2011	19.95	16.20
June, 2011	19.60	16.25
July, 2011	22.05	17.85
August, 2011	20.65	16.00
September, 2011	19.70	16.00
October, 2011	17.85	15.25
November, 2011	16.90	13.00
December, 2011	19.00	13.00
January, 2012	18.00	14.50
February, 2012	19.30	14.70
March, 2012	16.50	13.10

f) Registrar & Transfer Agents:

Name & Address : BIGSHARE SERVICES PRIVATE LIMITED
E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai – 400 072

Tel. : 022 – 2847 0652 / 40430200

Fax. : 022 – 2847 5207

Email : supriya@bigshareonline.com

Contact Person : Ms. Supriya Mhatre

Website : www.bigshareonline.com

g) Share Transfer Procedure:

The Company has hired the services of SEBI registered Registrar and Transfer Agent for physical transfer as well as electronic connectivity. All the transfers are processed by the Registrar and Share Transfer Agents and are approved by the Transfer Committee.

h) Shareholding as on March 31, 2012:**(a) Distribution of Shareholding as on March, 31 2012:**

No. of Shares	Shareholders		Shares	
	Nos.	% of total	Nos.	% of total
1 - 500	3,549	77.59	6,85,253	6.20
501 – 1000	438	9.58	3,63,948	3.30
1001 – 2000	233	5.09	3,71,168	3.36
2001 – 3000	97	2.12	2,47,458	2.24
3001 – 4000	48	1.05	1,75,706	1.59
4001 – 5000	45	0.98	2,14,991	1.95
5001 – 10000	85	1.86	6,22,105	5.63
10001 - above	79	1.73	83,64,371	75.73
Total	4,574	100.00	1,10,45,000	100.00

(b) Shareholding pattern as on March 31, 2012

Category	No. of Shareholders	Total No. of Shares held	% to Capital
Promoter's and Relatives	6	52,89,301	47.89
Resident Individuals (incl.HUF)	4,387	46,90,255	42.46
Foreign Institutional Investors (FII'S)	1	5276	0.05
Non Resident Individuals	48	4,54,529	4.12
Bodies Corporate	131	6,05,639	5.48
Total	4,573	1,10,45,000	100.00

(i) Dematerialization of Shares and Liquidity:

The Company has already established connectivity with National Securities Depository Ltd and Central Securities Depository Ltd through Bigshare Service Private Limited, Registrar & Share Transfer Agent, so as to facilitate the dematerialization of its shares.

Status of Dematerialization (As on 31st March 2012)

Particulars	No. of Equity Shares	% of Share Capital
NSDL	37,12,096	33.61
CDSL	68,11,600	61.67
Physical	5,21,304	4.72
Total	1,10,45,000	100.00

The Demat security code (ISIN) for the equity shares is INE795D01011 (For both NSDL & CDSL)

(j) Address for Correspondence:

1. Share Transfer in Physical Form and other communication in that regard including share certificate, dividend and change of address etc., may be addressed to our Registrar & Share Transfer Agents at the address mentioned above.
2. Shareholders may also contact the Compliance Officer, Freshtrop Fruit Limited, A-603, Shapath IV, Opp. Karnavati Club, S.G. Road, Ahmedabad – 380 015.
Phone: 079-40307050-57, Fax: 079-66527069, E-mail: investorrel@freshtrop.com
3. Shareholders holding shares in electric mode should address all their correspondence to their respective depository participants.

The above report has been placed before the Board at its meeting held on 13th August, 2012 and the same was approved.

13th August, 2012

Regd. Office:
A-603, Shapath IV,
Opp. Karnavati Club, S G Road,
Ahmedabad – 380 015

By order of the Board
For Freshtrop Fruits Ltd.,

Ashok V Motiani
Chairman & Managing Director

CHIEF EXECUTIVE OFFICER'S CERTIFICATE

To,
The Board Of Directors,
Freshrop Fruits Limited

I, Ashok V. Motiani, Managing Director, of the Company do hereby certify that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the Auditors and the Audit Committee
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) There is no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) There is no instances of significant fraud that involve therein management or an employee having significant role in the Company's internal control system over financial reporting.

Date : 13th August, 2012
Place : Ahmedabad

Ashok V. Motiani
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
FRESHTROP FRUITS LTD.

We have examined the compliance of conditions of Corporate Governance by **FRESHTROP FRUITS LTD.** for the year ended on March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned listing agreement.

We further state that such compliances is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mayank Shah & Associates**
Chartered Accountants
(Firm Reg. No. 106109W)

Date : 13th August, 2012
Place : Ahmedabad

(M. S. Shah)
Partner
M.NO. 44093

SECRETARIAL AUDIT REPORT

For the Financial Year Ended on 31st March, 2012.

To,
The Members,
Freshtrop Fruits Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my Opinion thereon.

Based on my verification of Freshtrop Fruits Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provide by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2012 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Freshtrop Fruits Limited ("the Company") for the financial year ended on 31st March, 2012 according to the provisions of:

- (i) The Companies Act, 1956 and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997;
 - (b) The Securities and exchange Board of India (Prohibition of Insider Trading) Regulations 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee stock- Purchase Scheme) Guidelines, 1999;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited;
1. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the management of the Company, I report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 ("the Act") and the Rules made under the Act, Accounting Standards and Memorandum and Articles of Association of the Company, with regard to:
- (a) Maintenance of statutory registers and records and necessary entries are therein;
 - (b) Closure of Register of Members;
 - (c) Submission of forms, returns, documents and resolutions required to be filed with the Registrar of Companies;
 - (d) Service of documents by the Company on its Members, and Registrar of Companies;
 - (e) Notice of Board meetings and Committee meetings of Directors;
 - (f) Notice of the General Meetings and Extra Ordinary General Meetings of the Company;
 - (g) Minutes of proceedings of General Meetings and of Board and other meetings;
 - (h) Approvals of shareholders, the Board of Directors, the Committee of Directors and government authorities, wherever required;
 - (i) Constitution of the Board of Directors and appointment, retirement and re- appointment of Directors;
 - (j) Remuneration of Directors including the Managing Director and Whole-time Directors;
 - (k) Appointment and remuneration of Auditors;
 - (l) Transfers and transmissions of the Company's shares and issue and delivery of original and duplicate share certificates;

- (m) Form of balance sheet as prescribed under Part I of Schedule VI to the Act and requirements as to Profit & Loss Account as per Part II of the said Schedule;
- (n) Borrowings and registration, modification and satisfaction of charges;
- (o) Investment of the Company's funds;
- (p) Contracts, affixing of common seal, registered office and publication of name of the Company;
- (q) All other applicable provisions of the Act and the Rules / regulation made thereunder; and
- (r) The Company has issued and allotted the securities to the persons-entitled thereto and has also issued letters, coupons, warrants and certificate thereof as applicable to the concerned persons and converted warrants into equity shares in compliance with the provisions of the Companies Act, 1956 and other relevant statutes.

2. I further report that:

- (a) The Directors of the Company have obtained Director Identification Number as per Section 266A of the Act.
- (b) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities.
- (c) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.
- (d) The Company has obtained all necessary approvals of the Central Government and / or other authorities, under the Act.
- (e) There was no prosecution initiated against, or show cause notice received by, the Company and no fines or penalties were imposed on the Company under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against the Company, its Directors and Officers.

3. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Regulations and the Byelaws framed thereunder with regard to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company.

4. I further report that, the Company has complied with:

- (a) The requirements under the Equity Listing Agreements entered into with Bombay Stock Exchange Limited.
- (b) The provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 with regard to the disclosures and maintenance of records required under the Regulations.
- (c) The provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 with regard to disclosures and maintenance of records required under the Regulations.

5. I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 1956

Adequate notice is given to all directors to schedule the Board Meeting Agenda and detailed notes on agenda are sent at least seven days in advance, A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

6. I further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to Monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For, R.S.SHARMA & ASSOCIATES
(R. S. Sharma)

Practicing Company Secretary
CP No: 2118
M No: 3126

Date : 13th August, 2012
Place : Ahmedabad

AUDITOR'S REPORT

To,
The Members of
Freshrop Fruits Ltd.

1. We have audited the attached Balance Sheet of **FRESHTROP FRUITS LTD.**, ('the Company') as at 31st March, 2012 and also the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by The Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that:
 - A. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
 - B. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
 - C. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
 - D. In our opinion, the Balance Sheet, Statement of Profit & Loss 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.
 - E. On the basis of written representations received from the Directors as on 31st March, 2012 and taken on record by Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2012 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - F. In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements together with the notes thereon and attached thereto give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India ;
 - (i) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012
 - (ii) In case of the Statement of Profit & Loss, of the profit for the year ended on that date and
 - (iii) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

FOR, MAYANK SHAH & ASSOCIATES
(Firm Reg. No. 106109W)
Chartered Accountants

Place : Ahmedabad
Date : 13.08.2012

(M.S. SHAH)
PARTNER
Mem. No. 44093

ANNEXURE TO THE AUDITOR'S REPORT

(Annexure referred to in Paragraph 3 of our Auditors Report of even date to the members of Freshtrop Fruits Ltd on the Financial Statement as of and for the year ended 31.03.2012)

- 1
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) According to the information and explanation given to us, the Company has formulated a regular program of verification by which all the assets of the company shall be verified in a phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies were noticed on the verification conducted during the year as compared with the book records.
 - c) During the year, the Company has not disposed off a substantial part of fixed assets so, as to affect its going concern status.
- 2
 - a) As explained to us, the inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management were reasonable and adequate in relation to the size of the company and the nature of the business.
 - c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- 3
 - a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under the Section 301 of the Companies Act, 1956 and therefore, clause of rates of interest and other terms & condition and repayment is not applicable to the Company.
 - b) According to the information and explanations given to us, in respect of loan taken from a company covered in the Register maintained under Section 301 of the Companies Act, 1956 in the previous year, in our opinion, the rate of interest and other terms and conditions on which this loan has been taken are not *prima facie* prejudicial to the interest of the Company. The maximum amount involved during the year in respect of this loan was ₹ 68.46 lacs and the year-end balance was 49.96 lacs.
- 4 In our opinion and according to the information and explanation 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 the purchase of inventories and fixed assets, and with regard to the sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- 5 To the best of our knowledge and belief and as explained to us the Company has not entered into any transactions required to be entered in the register maintained under section 301 of the Companies Act, 1956. Therefore, clause 4(v)(b) of the order is not applicable.
- 6 In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- 7 In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- 8 We have been informed that the Central Government has not prescribed maintenance of Cost records under Section 209 (1) (d) of the Companies Act 1956.
- 9
 - a) According to the records of the company and information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Excise Duty, Custom Duty, Service Tax, Sales Tax, Wealth Tax, Cess, Investor Education and Protection Fund and any other material statutory dues as applicable to it, with the appropriate authorities during the year. As explained to us, no undisputed amounts payable were in arrears as at 31st March 2012 for a period of more than six months from the date they became payable.

- b) According to the information and explanation given to us, the Company had the following dues of Income Tax which has not been deposited on account of dispute.

Statement of Disputed Dues				
Name of the Statute	Nature of the Dues	Amount (₹)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961.	Income Tax	75,55,058	A.Y.2005-06	Commissioner of Income Tax (Appeals)

- 10 The company does not have any accumulated losses at the end of the financial year and the company has not incurred cash losses during the current and immediately preceding financial year.
- 11 According to the information and explanation given to us, the Company has not defaulted in repayment of dues to banks. The Company has no transaction with financial institution and held no debentures outstanding during the year.
- 12 According to the information and explanation given to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The provisions of any special statute applicable to chit fund, nidhi, or any mutual fund / societies are not applicable to the company.
14. In our opinion and according to the information and explanation given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. According to the information and explanation given to us the Company has not given guarantee for loans taken by others from banks or financial institutions.
16. To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the term loans have been applied on an overall basis for the purposes for which they were obtained.
17. According to the information and explanation given to us and on overall examination of the balance sheet and cash flow statement of the Company, we report that the Company has used funds raised on short term basis for long term investment.
- 18 According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19 The Company has not issued any debentures during the year.
- 20 The Company has not raised any money by way of a public issue during the year.
- 21 During the course of our examination of the books of account and records of the company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

FOR, MAYANK SHAH & ASSOCIATES

(Firm Reg. No. 106109W)

Chartered Accountants

Place : Ahmedabad
Date : 13.08.2012

(M.S. SHAH)
PARTNER
Mem. No. 44093

BALANCE SHEET AS AT MARCH 31, 2012

Particulars	Note	As At 31.03.2012 in ₹	As At 31.03.2011 in ₹
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	3	110,450,000	110,450,000
(b) Reserves and Surplus	4	152,068,402	146,677,027
(c) Deffered Government Grant	5	77,062,977	81,366,057
2 Non-current liabilities			
(a) Long-Term Borrowings	6	21,013,623	44,110,167
(b) Deferred Tax Liabilities (Net)	7	25,424,697	23,245,963
3 Current liabilities			
(a) Short-Term Borrowings	8	188,764,487	153,779,275
(b) Trade Payables	9	178,065,322	159,990,349
(c) Other Current Liabilities	10	46,559,909	66,332,620
(d) Short-Term Provisions	11	1,838,722	1,489,069
TOTAL		801,248,138	787,440,527
II. ASSETS			
1 Non-current assets			
(a) Fixed Assets	12		
(i) Tangible Assets		411,605,357	429,377,660
(ii) Intangible Assets		158,782	52,944
(b) Non-Current Investments	13	250	250
(c) Long-Term Loans and Advances	14	21,146,629	22,123,536
2 Current assets			
(a) Inventories	15	235,825,269	192,842,022
(b) Trade Receivables	16	96,658,772	97,076,768
(c) Cash and Bank Balances	17	19,439,524	20,066,930
(d) Short-Term Loans and Advances	18	16,374,767	25,543,135
(e) Other Current Assets	19	38,788	357,281
TOTAL		801,248,138	787,440,527
Summary of significant accounting policies	2		
The notes are an integral part of the financial statements			

As per our report of even date attached
For, **MAYANK SHAH & ASSOCIATES**
(Firm Reg. No. 106109W)
Chartered Accountants

(M. S. Shah)
Partner
M. No. 44093

Place: Ahmedabad
Date: 13.08.2012

For and on behalf of the Board of Directors

Ashok V. Motiani Managing Director
Nanita A. Motiani Executive Director
Mayur J. Shah Director
Ramchandra Joshi Director
Dinesh Oza Director
Jignesh J. Gandhi Company Secretary

Place: Ahmedabad
Date: 13.08.2012

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2012

Particulars	Note	Year Ended 31.03.2012 in ₹	Year Ended 31.03.2011 in ₹
I. Revenue from Operations	20	612,130,631	552,656,855
Less: Excise Duty		693,550	-
Revenue from Operations (net)		611,437,081	552,656,855
II. Other Income	21	7,338,433	10,712,152
III. Total Revenue (I + II)		618,775,514	563,369,007
IV. Expenses:			
Cost of Materials Consumed	22	401,775,014	318,388,688
Purchases of Stock-in-Trade	23	6,256,623	2,932,831
Changes in Inventories of Finished Goods	24	(44,150,966)	27,081,383
Employee Benefits Expenses	25	29,255,885	26,294,810
Finance Cost	26	26,412,923	21,890,250
Depreciation and Amortization Expenses	27	23,109,919	22,792,573
Other Expenses	28	168,546,007	142,145,615
Total Expenses (IV)		611,205,405	561,526,150
V. Profit before Tax (III - IV)		7,570,109	1,842,857
VI. Tax Expenses:		-	-
(1) Current tax		660,000	269,000
Less: MAT Credit Entitlement		(660,000)	(269,000)
(2) Deferred tax		2,178,734	731,085
(3) Tax in respect of earlier years		-	644,029
VII Profit for the year (V-VI)		5,391,375	467,743
VIII Earnings per Equity Share of ₹ 10 each			
Basic & Diluted		0.49	0.04
Weighted Average number of Shares outstanding		11,045,000	10,735,411
Summary of significant accounting policies	2		
The notes are an integral part of the financial statements			

As per our report of even date attached
For, **MAYANK SHAH & ASSOCIATES**
(Firm Reg. No. 106109W)
Chartered Accountants

(M. S. Shah)
Partner
M. No. 44093

Place: Ahmedabad
Date: 13.08.2012

For and on behalf of the Board of Directors

Ashok V. Motiani Managing Director
Nanita A. Motiani Executive Director
Mayur J. Shah Director
Ramchandra Joshi Director
Dinesh Oza Director
Jignesh J. Gandhi Company Secretary

Place: Ahmedabad
Date: 13.08.2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

Particulars	For the Period ended 31.03.12 (₹)	For the Period ended 31.03.11 (₹)
A Cash Flow from Operating Activities :		
Net Profit before Tax and Extra Ordinary Items	7,570,109	1,842,857
Adjustments For :		
Depreciation	23,109,919	22,792,573
Government Grant	(4,303,080)	(4,303,080)
Write Offs	318,493	318,493
(Profit)/Loss on sale of Fixed Assets	73,492	(125,000)
(Profit)/Loss on sale of Investments	-	(779,301)
	26,768,933	19,746,542
Income from Investment Activity		
Add: Interest Paid	26,412,923	21,554,187
Less: Interest/Dividend Received	225,247	218,863
Operating Profit / (Loss) before working capital changes	52,956,609	41,081,866
Adjustments For :		
Trade & Other Receivables	10,955,788	(49,175,108)
Inventories	(42,983,247)	14,786,012
Trade Payables	(1,348,085)	19,692,470
	(33,375,544)	(14,696,626)
Income Tax	(357,026)	(330,041)
Net Cash used in Operating Activities	19,224,039	26,055,199
Add / (Less) : Prior Period and Extra ordinary Items	-	(7,149)
Net Cash after Extra Ordinary Intems (A)	19,224,039	26,048,050

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012(Contd...)

Particulars	For the Period ended 31.03.12 (₹)	For the Period ended 31.03.11 (₹)
B Cash Flow from Investing Activities :		
Purchase of Fixed Assets including Capital WIP	(5,851,945)	(15,785,611)
Sale of Investment	-	1,176,073
Interest/Dividend Received	225,247	218,863
Sale / Deduction of Fixed Assets	335,000	125,000
Net Cash used in Investment Activities (B)	(5,291,698)	(14,265,675)
C Cash Flow from Financing Activities :		
Repayment of Long Term Borrowings	(23,096,544)	(57,492,874)
Increase (Decrease) in Short Term Borrowings	34,985,212	57,666,832
Increase in Share Capital including Share Premium	-	7,275,000
Interest Paid	(26,412,923)	(21,554,187)
Government Subsidy/ Grants	-	9,701,000
Net Cash from Financing Activities (C)	(14,524,256)	(4,404,229)
Net Increase In Cash & Cash equivalents (A+B+C)	(591,914)	7,378,146
Cash and Cash equivalent Opening balance :		
Cash and bank balances	17,247,629	9,869,482
Cash and Cash equivalent Closing balance :		
Cash and bank balances	16,655,715	17,247,629
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 on "Cash Flow Statements" as prescribed by Companies (Accounting Standard) Rules, 2006.		

As per our report of even date attached
For, **MAYANK SHAH & ASSOCIATES**
(Firm Reg. No. 106109W)
Chartered Accountants

(M. S. Shah)
Partner
M. No. 44093

Place : Ahmedabad
Date : 13.08.2012

For and on behalf of the Board of Directors

Ashok V. Motiani	<i>Managing Director</i>
Nanita A. Motiani	<i>Executive Director</i>
Mayur J. Shah	<i>Director</i>
Ramchandra Joshi	<i>Director</i>
Dinesh Oza	<i>Director</i>
Jignesh J. Gandhi	<i>Company Secretary</i>

Place : Ahmedabad
Date : 13.08.2012

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2012**1. BACKGROUND**

The company was incorporated as a Private Limited Company on 30th September, 1992 and it was converted in to a Public Limited Company on 22nd September, 1994.

Freshtrop Fruits Ltd. is engaged in the business of exports of fresh fruits and vegetables to leading Supermarket chains in various parts of Europe, Russia & Hong Kong as well as in Domestic Market. The company is producing Fruit Pulp & Concentrate for both the Domestic & International Customers.

2. SIGNIFICANT ACCOUNTING POLICIES**(A) ACCOUNTING CONVENTIONS****(i) Basis of Accounting**

The financial statements of the Company are prepared under the historical cost convention on accrual basis of accounting in all material respects in accordance with the notified Accounting Standards by Companies (Accounting Standards) Rules 2006 (as amended) and the relevant Provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company during the year.

(ii) Presentation And Disclosure of Financial Statements

During the year ended 31st March, 2012, the revised Schedule-VI notified under Companies Act 1956, has become applicable to the company, for preparation and presentation of its Financial statements. The adoption of Revised Schedule-VI does not impact recognition and measurement principles followed for preparation of Financial Statements. However, it has significant impact on presentation and disclosure made in financial statements. The company has also restated the previous year figures in accordance with the requirements applicable for the current year.

(ii) Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

(B) FIXED ASSETS**(i) Tangible Assets**

Fixed Assets are stated at cost of acquisition / construction (Less: accumulated Depreciation, impairment loss, CENVAT Credit and Value Added Tax). Cost of acquisition includes non refundable taxes, duties, freight and other costs that are directly attributable to bringing assets to their working condition for its intended use. All costs, including financing costs till commencement of commercial production and adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

(ii) Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and accumulated impairment loss, if any.

(C) DEPRECIATION/ AMORTIZATION**(i) Tangible Assets**

Depreciation on Fixed Assets is provided by Straight Line Method on Pro-rata basis at rates and in manner specified in Schedule XIV of the Companies Act, 1956.

(ii) Intangible Assets

Web site development cost is amortized over a period of five years.

(D) CAPITAL WORK-IN-PROGRESS

Projects under commissioning and other Capital Work-in-Progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

(E) BORROWING COST

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

(F) INVENTORIES

Inventories of Raw materials, Packing Materials, Consumables, Stores & Spares and Finished goods (including for Trade) are stated at cost or net realizable value whichever is lower. Cost is computed on FIFO basis, in case of Raw Materials, Packing Materials, Consumables and Stores & Spares. Finished goods (including the consignment stock) include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is computed by Standard Cost Method in case of finished goods.

(G) INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. Current Investments are valued at cost or Net Realizable Value, whichever is lower. All other investments are classified as long term investments. Long term investments are stated at cost of acquisition. Provision for diminution in value of long term investments is made, only if such decline is other than temporary.

(H) REVENUE RECOGNITION**(i) Export Sales****Consignment Sales**

Sale of goods in case of goods exported on consignment basis is recognized on acknowledgment of sale by the consignee.

Sales by Fixed Price Contract

Sales against fixed price contract are recognized when the significant risks and rewards of ownership are transferred to the buyer.

(ii) Domestic Sales

The Company recognizes sale of goods when the significant risks and rewards of ownership are transferred to the buyer and is stated net of discounts and sales tax but inclusive of excise duty.

Excise duty on turnover is reduced from turnover.

(iii) Job Work Sales

Job Work Sales are recognized as and when the processing of specific products is completed and related costs are incurred in accordance with the terms of the specific contracts.

(iv) Export Incentives

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedents to claim are fulfilled.

(v) Other Income1) Dividend on investment

Dividend on investment Income is recognized when the right to receive payment is established.

2) Interest Income

Interest income is recognized on accrual basis.

3) Gain/ Loss on Sale of Investment

Gain/Loss on sale of investment is accounted for in the year in which the sale contracts are entered into. The cost is calculated on the basis of Weighted Average cost of Investments.

(I) FOREIGN CURRENCY TRANSACTIONS

(i) All Transactions in foreign currency are recorded at the rates of exchange prevailing as at the date of the transaction.

(ii) Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted in Indian currency at the appropriate rates of exchange prevailing at the close of the year. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

(iii) In respect of forward exchange contracts entered into towards hedge of foreign currency risks, the difference between the forward rate and the exchange rate at the inception of the contract is recognized as income or expenditure over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expenditure along with the exchange differences on the underlying assets/liabilities except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of fixed assets. Profit or Loss on cancellations/renewals of forward contracts is accounted for during the year.

(iv) Premium or discount on forward contract, that are not intended for trading or speculation purposes, are amortized over the life of such contract and is recognized as an expense or income.

(J) DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING

The Company uses foreign exchange forward contracts and options to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward contracts and options reduces the risk or cost to the Company and the Company does not use the foreign exchange forward contracts or options for trading or speculation purposes.

Outstanding derivative contracts at the balance sheet date are marked to market. While anticipated losses on outstanding derivative contracts at the balance sheet date are provided for fully, anticipated gains on such contracts are ignored on grounds of prudence.

(K) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(L) GOVERNMENT GRANTS / SUBSIDY

Government Grants is recognized when there is a reasonable assurance that the company will comply with the conditions attached to them and grants will be received.

Grants related to depreciable assets are treated as deferred income which is recognized in Profit & Loss Account over the period and in the proportions in which depreciation on related assets is charged.

Government Grants which is in the nature of promoters contribution are credited to Capital Reserve.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

(M) RESEARCH AND DEVELOPMENT EXPENDITURE

Revenue expenditure on research and development is charged under respective heads of account in the year in which it is incurred. Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

(N) EMPLOYEE BENEFITS

a. Short Term Employees Benefit

Short Term Benefits are recognized as expenditure at the undiscounted value in the Profit & Loss Account of the year in which the related services are rendered.

b. Post Employment Benefit

(i) Defined Contribution Plans:–

Monthly contributions to the Provident Fund which are defined contribution schemes are charged to Profit & Loss Account and deposited with the Provident Fund Authorities on monthly basis.

(ii) Defined Benefit Plans:–

Gratuity to Employees are covered under the Employees Group Gratuity Scheme with LIC and the premium is paid on the basis of their actuarial valuation using the Projected Unit Credit Method. Actuarial gain and losses arising on such valuation are recognized immediately in the Profit & Loss Account. Any shortfall in case of premature termination / resignation to the extent not reimbursed by LIC is being absorbed in the year of payment. The amount funded by the trust administered by the Company under the aforesaid policy is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on net basis.

c. Termination Benefits

Termination Benefits are charged to Profit & Loss Account in the year of accrual.

(O) SEGMENT ACCOUNTING

Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

- (i) Segment revenue includes sales and other income directly identifiable with/ allocable to the segment.
- (ii) Expenses that are directly identifiable with/ allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under "Un-allocable Corporate Expenditure".
- (iii) Income which relates to the Company as a whole and not allocable to segments is included in "Un-allocable Corporate Income".
- (iv) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable Corporate Assets and Liabilities represent the assets and liabilities that relate to the Company as whole and not allocable to any segment.

(P) TAXES ON INCOME

Tax expense for a year comprises of current tax and deferred tax.

Current tax are measured at the amount expected to be paid to the tax authorities, after taking into consideration, the applicable deductions and exemptions admissible under the provisions of the Income tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If there is unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified period.

(Q) IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

(R) MISCELLANEOUS EXPENDITURE

Share Issue Expense and Deferred Revenue Expenditure are being written off over a period of five years.

(S) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding without a corresponding change in resources

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(T) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(U) OPERATING CYCLE

Based on the nature of product and the time between the acquisition of assets for processing and the realization in Cash and cash equivalent, the company has ascertained its operating cycle to be less than twelve months.

3. SHARE CAPITAL

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Authorized		
1,50,00,000 Equity Shares of ₹ 10/- each	15,00,00,000	15,00,00,000
Issued, Subscribed & Paid-up		
1,10,45,000 (P.Y. 1,10,45,000) Equity Shares of ₹10/- each fully paid	11,04,50,000	11,04,50,000
TOTAL ₹	11,04,50,000	11,04,50,000

- 3.1 50,22,500 equity shares of issued, subscribed and paid up share capital were allotted as fully paid Bonus Shares by way of capitalization of General Reserve during last Five years.
- 3.2 10,00,000 equity shares of ₹19.40/- each (including Securities Premium of ₹9.40/- each) were allotted as fully paid upon conversion of Optionally Convertible Warrants during the last Five Years.
- 3.3 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

(a) Details of Shareholders holding more than 5% shares in the company

Particulars	As At 31.03.2012		As At 31.03.2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Freshcap Investments Pvt Ltd.	24,35,013	22.05%	24,35,013	22.05%
Ashok Vishandas Motiani	7,36,768	6.67%	7,36,768	6.67%
Nanita Ashok Motiani	6,72,246	6.09%	6,72,246	6.09%
Dipti Ashok Motiani	5,69,712	5.16%	5,64,100	5.11%

(b) Reconciliation of number of Equity Shares and amount outstanding

Particulars	As At 31.03.2012		As At 31.03.2011	
	Nos. of Shares	Amt in ₹	Nos. of Shares	Amt in ₹
Shares outstanding at the beginning of the year	1,10,45,000	11,04,50,000	1,05,45,000	10,54,50,000
Add: Issued during the year on exercise of Convertible Warrants	NIL	NIL	5,00,000	50,00,000
Shares outstanding at the end of the year	1,10,45,000	11,04,50,000	1,10,45,000	11,04,50,000

(c) Optionally Convertible Warrants

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
NIL (P.Y.5,00,000) Optionally Convertible Warrants of ₹19.40 each	NIL	97,00,000
NIL (P.Y. 5,00,000) Optionally Convertible Warrants paid up of ₹4.85 each	NIL	24,25,000
Add: NIL (P.Y.5,00,000) Optionally Convertible Warrants Option availed during the year	NIL	72,75,000
Less: Option Exercised during the Year	NIL	97,00,000
Balance at the end of the year	NIL	NIL

4. RESERVES & SURPLUS

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
(A) Capital Reserves		
Balance as at the beginning and at the end of the year	89,50,000	89,50,000
(B) Securities Premium Account		
Opening Balance	1,44,00,000	97,00,000
Add: Securities premium credited on Share issue	Nil	47,00,000
Balance as at the end of the year	1,44,00,000	1,44,00,000
(C) General Reserves		
Balance as at the beginning and at the end of the year	12,87,965	12,87,965
(D) Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	12,20,39,062	12,15,71,319
Add: Net Profit/(Net Loss) For the current year	53,91,375	4,67,743
Balance as at the end of the year	12,74,30,437	12,20,39,062
TOTAL ₹	15,20,68,402	14,66,77,027

5. DEFERRED GOVERNMENT GRANT

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Balance as at the beginning of the year	8,13,66,057	7,59,68,137
Add: Received during the year	Nil	97,01,000
Less: Recognized during the year	43,03,080	43,03,080
Balance as at the end of the year	7,70,62,977	8,13,66,057

6. LONG TERM BORROWINGS

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Secured		
Term loans from Banks	1,55,00,682	4,18,69,011
From Others	5,16,779	2,37,632
Unsecured		
Loans & advances from Related Party	49,96,162	20,03,524
TOTAL ₹	2,10,13,623	4,41,10,167

Sr No.	Type of Loan/ Nature of Security	Terms of Repayment
1.	Term Loan of ₹23,75,682 (P.Y. Nil) is secured by Exclusive and Specific charge on the Registered Office at Ahmedabad.	24 Monthly Installment starting From Dec-11. Last Installment due in Nov-13. Rate of Interest 14.50% p.a.
2.	Term Loan of ₹Nil (P.Y. 2,37,632) is secured by Hypothecation on the Vehicle of the company.	24 Monthly Installment starting From Nov-10. Last Installment due in Oct-11. Rate of Interest 13.50% p.a. (Last Year 13.50% p.a.)
3.	Term Loan of ₹5,16,779 (P.Y. Nil) is secured by Hypothecation on the Vehicle of the company.	35 Monthly Installment starting From Jul-11. Last Installment due in May-13. Rate of Interest 10.45% p.a. (Last Year 10.45% p.a.)
4.	Term Loan of ₹ Nil (P.Y. 2,78,136) is secured by Hypothecation on the Vehicle of the company.	36 Monthly Installment starting From Aug-09. Last Installment due in Jul-12. Rate of Interest 10.00% p.a. (Last Year 10.00% p.a.)
5.	Term Loan of ₹1,31,25,000 (P.Y. 2,06,25,000) is secured by First <i>Pari Passu</i> charge over the entire fixed assets of the company located at the Unit-IV.	16 Quarterly Installment starting From Mar-11. Last Installment due in Dec-14. Rate of Interest 14.25% p.a. (Last year 12.00% p.a.)
4.	Term Loan of ₹ Nil Lacs (P.Y. 73,40,875) is secured by Exclusive and Specific Charge on Land & Building situated at the Unit-I.	48 Monthly Installment starting From Jan-09. Last Installment due in Dec-12. Rate of Interest 15.25% p.a. (Last year 13% p.a.)
5.	Term Loan of ₹Nil (P.Y.97,50,000) is secured by First <i>Pari Passu</i> charge over the entire fixed assets of the company located at the Unit-IV.	48 Monthly Installment starting From Mar-09. Last Installment due in Dec-12. Rate of Interest 12.95% p.a. (Last year 12.95% p.a.)
6.	Term Loan of ₹Nil (P.Y.38,75,000) is secured by First <i>Pari Passu</i> charge over the entire fixed assets of the company located at the Unit-IV.	48 Monthly Installment starting From Jun-09. Last Installment due in Mar-13. Rate of Interest 14.00% p.a. (Last year 14.00% p.a.)

7. DEFERRED TAX LIABILITY (NET)

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Deferred Tax Liability		
Depreciation on Fixed Assets	4,08,45,104	3,81,75,189
Deferred Tax Assets		
Unabsorbed Depreciation	(1,52,63,153)	(1,49,29,225)
Gratuity Expenses	(1,57,254)	Nil
	(1,54,20,407)	(1,49,29,225)
Net Deferred Tax Liability	2,54,24,697	2,32,45,963

8. SHORT TERM BORROWINGS

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Secured		
Loans repayable on demand from Banks	18,87,64,487	13,37,79,275
Unsecured		
Loans repayable on demand from Banks	Nil	2,00,00,000
TOTAL ₹	18,87,64,487	15,37,79,275

Note:

- Working Capital Loans from Banks comprise of Cash Credit and Post Shipment Credit and are secured by way of hypothecation of Current Assets including Stocks and Book Debts and collaterally secured by specified Fixed Assets of the Company and Personal Guarantee of Chairman & Managing Director.
- Short Term Loan of ₹2,00,00,000 (P.Y. Nil) is secured by Charge on the Movable fixed assets of the Unit-II & Unit-III and Current Assets of the company. Payable in 12 Monthly installment starting from Apr-12. Last installment due in Mar-13. Interest Rate 14.00% p.a.
- Unsecured Short Term Loan from Banks of ₹Nil (P.Y. 2,00,00,000) repayable in 6 Monthly installment starting from July-11. This loan is backed by Personal Guarantee of Managing Director of the company.

9. TRADE PAYABLES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
For Goods	11,00,87,978	9,09,79,835
For Others (#)	6,79,77,344	6,90,10,514
TOTAL ₹	17,80,65,322	15,99,90,349

(#) Other Trade payables represents amount payable to various parties for packing material, consumables and Expenses.

- The Company has not received any intimation from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid payable under this Act have not been given.

10. OTHER CURRENT LIABILITIES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Current maturities of long-term debt	3,25,37,835	4,60,25,650
Interest accrued but not due on borrowings	87,789	1,41,273
Interest accrued and due on borrowings	5,07,201	5,57,095
Unclaimed dividends	10,86,635	10,88,010
Advance from Customers	6,51,620	1,11,76,220
Creditors for capital expenditure	5,95,566	25,92,904
Bank Balance due to reconciliation	Nil	1,63,366
Statutory Liabilities	25,58,258	18,21,162
Other Liabilities	85,35,005	27,66,941
TOTAL ₹	4,65,59,909	6,63,32,620

Note: Statutory liabilities represent amounts payable towards VAT, CST, Excise duty and TDS etc.

11. SHORT TERM PROVISIONS

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Provision for employee benefits Contribution to PF, Gratuity etc.	7,55,848	4,90,323
Other Provisions Other Provisions	10,82,874	9,98,746
TOTAL ₹	18,38,722	14,89,069

12. FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Description	Balance As at 01-04-11 ₹	Additions During the Year ₹	Deductions During the Year ₹	Balance As at 31-03-12 ₹	Balance As at 01-04-11 ₹	Provided During the Year ₹	Deductions During the Year ₹	Balance As at 31-03-12 ₹	As on 31-03-12 ₹	As on 31-03-11 ₹
TANGIBLE ASSETS										
Land #	1,96,82,169	Nil	Nil	1,96,82,169	Nil	Nil	Nil	Nil	1,96,82,169	1,96,82,169
Factory Building	14,28,62,647	29,97,893	Nil	14,31,44,650	1,95,60,830	47,54,790	Nil	2,43,15,620	11,88,29,030	12,33,01,817
Machinery	32,63,36,534	Nil	Nil	32,93,34,427	5,94,36,642	1,62,63,348	Nil	7,56,99,990	25,36,34,437	26,68,99,892
Office Equipment	18,28,344	Nil	Nil	18,28,344	4,48,348	85,975	Nil	5,34,323	13,11,609	13,79,996
Vehicles	1,07,95,521	21,13,983	Nil	1,16,93,836	30,63,190	11,43,312	8,07,176	33,99,326	82,94,510	77,32,331
Furniture & Fixtures	46,98,784	2,68,256	12,15,668	49,67,040	26,28,573	1,81,572	Nil	28,10,145	21,39,307	20,70,211
Computer	47,75,802	39,810	Nil	48,15,612	31,66,786	2,78,401	Nil	34,45,187	13,70,425	16,09,016
Office Electrification	3,25,740	Nil	Nil	3,25,740	64,604	20,676	Nil	85,280	2,40,460	2,61,136
Pollution Control Equip.	70,89,673	Nil	Nil	70,89,673	6,48,580	3,37,683	Nil	9,86,263	61,03,410	64,41,093
TOTAL	51,83,95,214	57,01,945	12,15,668	52,28,81,491	8,90,17,553	2,30,65,757	8,07,176	11,12,76,134	41,16,05,357	42,93,77,661
Previous Year's Total	46,88,43,940	5,05,59,102	10,07,829	51,83,95,213	6,72,50,457	2,27,74,925	10,07,829	8,90,17,553	42,93,77,661	40,15,93,483
INTANGIBLE ASSETS										
Web Site	88,240	1,50,000	Nil	2,38,240	35,296	44,162	Nil	79,458	1,58,782	52,944
TOTAL	88,240	1,50,000	Nil	238,240	35,296	44,162	Nil	79,458	1,58,782	52,944
Previous Year's Total	88,240	Nil	Nil	88,240	17,648	17,648	Nil	35,296	52,944	70,592
TOTAL AS AT 31.03.12	51,84,83,454	58,51,945	12,15,668	52,31,19,731	8,90,52,849	2,31,09,919	8,07,176	11,13,55,592	41,17,64,139	42,94,30,604
TOTAL AS AT 31.03.11	46,89,32,180	5,05,59,102	10,07,829	51,84,83,453	6,72,68,105	2,27,92,573	10,07,829	8,90,52,849	42,94,30,604	40,16,64,075

Land includes Land development

13. NON CURRENT INVESTMENTS

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Unquoted Investments		
Investment in Equity instruments [5 Nos.(P.Y. 5)] of ₹ 50 each	250	250
TOTAL ₹	250	250

14. LONG TERM LOANS AND ADVANCES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Unsecured Considered good		
Capital Advances	89,48,862	1,18,49,701
Security Deposits	23,66,715	18,06,172
Advance Income Tax (Net of Provision)	11,78,449	12,40,591
MAT Credit Entitlement	69,79,542	63,19,542
Other Advances	16,73,061	9,07,530
TOTAL ₹	2,11,46,629	2,21,23,536

Note: Other advances includes staff loans due after 12 months

15. INVENTORIES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Raw Materials	9,30,640	7,46,400
Finished Stock (including Goods in Transit of ₹13,07,16,910/- (P.Y. of 14,13,99,448/-))	20,85,52,189	16,44,01,223
Packing Materials (including Goods in Transit of ₹29,18,400/- (P.Y. ₹Nil))	2,55,81,322	2,63,87,391
Consumables	6,63,873	11,98,703
Spare parts	97,245	1,08,305
TOTAL ₹	23,58,25,269	19,28,42,022

Broad categories of Inventories

15.1 Details of Raw Materials

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Pomegranates	9,30,640	7,46,400
TOTAL ₹	9,30,640	7,46,400

15.2 Details of Finished Goods-At Factory

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Grapes	3,78,63,861	1,12,29,353
Mango Pulp	1,96,82,225	25,64,359
Pomegranate Concentrate	36,37,197	Nil
Guava Pulp	59,85,122	29,11,768
Tomato Paste	1,04,53,599	61,22,925
Other	2,13,274	1,73,370
TOTAL ₹	7,78,35,279	2,30,01,775

15.3 Details of Finished Goods- In Transit

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Grapes	12,91,58,864	14,06,83,726
Mango Pulp	11,00,799	7,15,722
Guava Pulp	4,57,247	Nil
TOTAL ₹	13,07,16,910	14,13,99,448

16. TRADE RECEIVABLES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured considered good	1,58,404	99,527
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured considered good	9,65,00,368	9,69,77,241
TOTAL ₹	9,66,58,772	9,70,76,768

17. CASH AND BANK BALANCES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Cash & Cash Equivalent		
Balance with Banks	1,39,87,289	1,64,00,325
Cash on hand	26,68,425	8,47,304
	1,66,55,714	1,72,47,629
Other Bank Balances		
Margin money deposit against Bank Guarantee	16,97,175	17,31,292
In Unclaimed Dividend Account	10,86,635	10,88,010
	27,83,810	28,19,302
TOTAL ₹	1,94,39,524	2,00,66,930

18. SHORT-TERM LOANS AND ADVANCES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Unsecured considered good		
Balance with Government Authorities	80,64,533	1,81,25,686
Advances to Suppliers	20,18,017	2,74,347
Advances for Expenses	12,75,670	1,59,128
Prepaid Expenses	39,70,932	24,46,110
Other Advances	10,45,615	45,37,864
TOTAL ₹	1,63,74,767	2,55,43,135

19. OTHER CURRENT ASSET

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Share Issue Expenses		
Opening Balance	3,05,100	5,71,412
Less: Written off during the year	2,66,312	2,66,312
Closing Balance	38,788	3,05,100
Deferred Revenue Expenditure		
Opening Balance	52,181	1,04,362
Less: Written off during the year	52,181	52,181
Closing Balance	Nil	52,181
TOTAL ₹	38,788	3,57,281

20. REVENUE FROM OPERATIONS

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Sale of Products	57,68,89,075	52,43,96,409
Sale of Services – Job Work	76,24,575	88,03,540
Other Operating Revenues – Export Incentive etc.	2,76,16,981	1,94,56,906
	61,21,30,631	55,26,56,855
Less: Excise Duty	6,93,550	Nil
TOTAL ₹	61,14,37,081	55,26,56,855

20.1 Details of Products Sold

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Manufactured Goods		
Grapes	41,92,20,448	42,62,36,123
Pomegranates	55,57,905	5,48,281
Mango Pulp	5,82,25,073	5,38,81,132
Pomegranate Concentrate	5,26,88,937	1,23,56,051
Guava Pulp	2,79,91,311	2,31,05,703
Tomato Paste	62,53,886	21,31,870
Others	3,83,580	31,36,504
Traded Goods		
Oranges	58,12,825	Nil
Mango Pulp	7,55,110	Nil
Grapes	Nil	30,00,745
TOTAL ₹	57,68,89,075	52,43,96,409

21. OTHER INCOME

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
FWC Premium / (Discount)	28,10,106	16,02,754
Interest Income	2,25,247	1,96,775
Dividend on Investments	Nil	19,488
Profit on Sale of Investment	Nil	7,79,301
Profit on Sale of Fixed Assets	Nil	1,25,000
Income from Debt Fund	Nil	2,600
Foreign Exchange Gain	Nil	36,83,154
Government Grant Recognized	43,03,080	43,03,080
TOTAL ₹	73,38,433	1,07,12,152

22. COST OF MATERIALS CONSUMED

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
<u>Raw Material Consumption</u>		
Opening Stock	7,46,400	Nil
Add: Purchase	32,47,28,447	25,53,47,134
	32,54,74,847	25,53,47,134
Less: Closing Stock	9,30,640	7,46,400
Total ₹(A)	32,45,44,207	25,46,00,734
<u>Packing Material Consumed</u>		
Opening Stock	2,63,87,391	1,47,52,533
Add: Purchase	7,32,97,869	7,39,81,972
	9,96,85,260	8,87,34,505
Less: Closing Stock	2,55,81,322	2,63,87,391
Total ₹(B)	7,41,03,938	6,23,47,114
<u>Consumables Consumed</u>		
Opening Stock	8,61,877	9,71,260
Add: Purchase	27,74,914	13,31,457
	36,36,791	23,02,717
Less: Closing Stock	5,09,922	8,61,877
Total ₹(C)	31,26,869	14,40,840
TOTAL ₹ (A + B + C)	40,17,75,014	31,83,88,688

22.1 Details of Raw Materials and Packing Materials consumed

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Raw Material		
Grapes	21,44,61,388	19,91,33,480
Pomegranates	4,60,69,401	64,72,193
Mango	4,87,30,311	3,30,09,541
Guava	1,21,97,135	1,10,86,583
Tomato	29,53,032	48,24,118
Others	1,32,940	74,819
Packing Materials	7,41,03,938	6,23,47,114
TOTAL ₹	39,86,48,145	31,69,47,848

22.2 Composition of Consumption

Particulars	As At 31.03.2012 In ₹		As At 31.03.2011 In ₹	
Raw Materials				
Imported	Nil	0.00%	Nil	0.00%
Indigenous	32,45,44,207	100.00%	25,46,00,734	100.00%
TOTAL	32,45,44,207	100.00%	25,46,00,734	100.00%
Packing Materials				
Imported	2,35,55,546	31.79%	1,62,14,838	26.01%
Indigenous	5,05,48,392	68.21%	4,61,32,276	73.99%
TOTAL	7,41,03,938	100.00%	6,23,47,114	100.00%
Consumables				
Imported	5,06,890	16.21%	3,65,765	25.39%
Indigenous	26,19,979	83.79%	10,75,075	74.61%
TOTAL	31,26,869	100.00%	14,40,840	100.00%

23. PURCHASE OF STOCK-IN-TRADE

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Opening Stock	Nil	Nil
Add: Purchase	62,56,623	29,32,831
	62,56,623	29,32,831
Less: Closing Stock	Nil	Nil
TOTAL ₹	62,56,623	29,32,831

24. CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Cl.Stock Finished Goods-In Transit	13,07,16,910	14,13,99,448
Cl.Stock Finished Goods-At Factory	7,78,35,279	2,30,01,775
Total ₹(a)	20,85,52,189	16,44,01,223
Op.Stock Finished Goods-In Transit	14,13,99,448	17,58,66,086
Op.Stock Finished Goods-At Factory	2,30,01,775	1,56,16,520
Total ₹(b)	16,44,01,223	19,14,82,606
TOTAL ₹ (b - a)	(4,41,50,966)	2,70,81,383

25. EMPLOYEE BENEFITS EXPENSES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Salaries Bonus & Allowances	2,64,37,831	2,41,67,227
Contribution towards Gratuity & Provident Fund	22,10,752	15,10,109
Staff & Labour Welfare expenses	6,07,302	6,17,474
TOTAL ₹	2,92,55,885	2,62,94,810

25.1 Employees Benefits**a) Defined Benefit Plan**Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following table summarizes the components of net benefit expenses recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the gratuity benefit.

1 Assumptions	As on 31.03.2012	As on 31.03.2011
Discount Rate	8%	8%
Salary Escalation	7%	7%
2 Table showing changes in present value of obligations		
Present value of obligations as at beginning of year	12,00,074	6,53,410
Interest cost	96,006	52,273
Current Service Cost	2,77,500	2,09,106
Benefits Paid	NIL	NIL
Actuarial (gain)/Loss on obligations	6,21,297	2,85,285
Present value of obligations as at end of year	21,94,877	12,00,074
3 Table showing changes in the fair value of plan assets		
Fair value of plan assets at beginning of year	15,80,796	9,10,937
Expected return on plan assets	1,46,714	1,03,222
Contributions	1,65,728	5,66,637
Benefits paid	NIL	NIL
Actuarial Gain / (Loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	18,93,238	15,80,796

4 Table showing fair value of plan assets	31.03.2012	31.03.2011
Fair value of plan assets at beginning of year	15,80,796	9,10,937
Actual return on plan assets	1,46,714	1,03,222
Contributions	1,65,728	5,66,637
Benefits Paid	NIL	NIL
Fair value of plan assets at the end of year	18,93,238	15,80,796
Funded status	(3,01,639)	3,80,722
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)	NIL	NIL
5 Actuarial Gain/Loss recognized		
Actuarial gain/(Loss) for the year –Obligation	(6,21,297)	(2,85,285)
Actuarial (gain)/Loss for the year - plan assets	NIL	NIL
Total (gain)/Loss for the year	6,21,297	2,85,285
Actuarial (gain)/Loss recognized in the year	6,21,297	2,85,285
6 The amounts to be recognized in the balance sheet and statements of profit and loss		
Present value of obligations as at the end of year	21,94,877	12,00,074
Fair value of plan assets as at the end of the year	18,93,238	15,80,796
Funded status	(3,01,639)	3,80,722
Net Asset/(liability) recognized in balance sheet	3,01,639	3,80,722
7 Expenses Recognized in statement of Profit & loss		
Current Service cost	2,77,500	2,09,106
Interest Cost	96,006	52,273
Expected return on plan assets	(1,46,714)	(1,03,222)
Net Actuarial (gain)/Loss recognized in the year	6,21,297	2,85,285
Expenses recognized in statement of Profit & loss	8,48,089	4,43,442

b) Defined Contribution Plan

The company has recognized the following amount in profit and loss account which is included under contribution to funds.

Particulars	Amount in ₹
Employer's contribution to Provident Fund	13,41,969/-

26. FINANCE COST

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Interest Expenses	2,43,28,097	1,92,60,035
Foreign exchange loss (net) on Foreign currency borrowings	22,818	3,36,063
Other borrowing costs	20,62,008	31,46,203
	2,64,12,923	2,27,42,301
Less: Financial charges Capitalized	Nil	8,52,051
TOTAL ₹	2,64,12,923	2,18,90,250

27. DEPRECIATION AND AMORTISATION EXPENSES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Depreciation	2,30,65,757	2,27,74,925
Amortization of Intangible Assets	44,162	17,648
TOTAL ₹	2,31,09,919	2,27,92,573

28. OTHER EXPENSES

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
MANUFACTURING EXPENSES		
Labour charges	1,05,29,290	52,27,082
Power & Fuel	1,58,80,485	1,29,22,498
Inward Transportation	44,11,332	47,55,808
Repairs & Maintenance	28,06,011	19,05,451
Testing Expenses	11,67,799	9,99,185
Procurement Expenses	7,36,637	5,18,842
Temporary Ripening Shed Exps	10,33,032	Nil
Others Factory Expenses	35,36,142	33,36,925
Total ₹(a)	4,01,00,728	2,96,65,791
SELLING & DISTRIBUTION EXPENSES		
Foreign Selling Expenses	6,50,94,329	7,38,20,941
Other Selling & Distribution Expenses	40,89,078	37,28,270
Forwarding & Freight Charges	3,81,93,711	2,72,18,690
Total ₹(b)	10,73,77,117	10,47,67,901
ADMINISTRATIVE AND OTHER EXPENSES		
Rent Rates & Taxes	7,53,476	6,53,620
Insurance Exps.	9,10,240	7,53,710
Stationery & Printing Exps.	2,59,553	2,70,346
Telephone & Internet Expenses	7,55,024	8,37,883
Advertisement Exp	1,20,634	1,41,496
Computer Exp	86,969	89,502
Foreign Exchange Loss	1,09,21,046	Nil
Director Sitting Fees	50,000	40,000
Professional & Legal fees	26,49,672	7,57,312
Auditor's Remuneration (#)	5,61,800	3,58,475
Vehicle Expenses	9,74,839	10,04,484
Repairs & Maintenance to Building / Office	7,41,224	3,61,560
Listing Fees	77,210	1,54,420
Loss on sale of Asset	73,492	Nil
Membership Fees	5,20,843	2,55,864
Security Expenses	5,22,748	7,55,777
Misc. Expenditure Written Off	3,18,493	3,18,493
Prior Period Items (Net) (*)	(2,23,341)	(4,59,593)
Other Expenses	9,94,240	14,18,575
Total ₹(c)	2,10,68,162	77,11,923
TOTAL ₹ (a+b+c)	16,85,46,007	14,21,45,615

Payment to Statutory Auditor's (Including Service Tax)

	2011-2012	2010-2011
i) Audit Fees	4,49,440	3,03,325
ii) Tax Audit Fees	56,180	27,575
iii) Taxation Matters	56,180	27,575

* Prior period items (net) represents:-

Prior Period Items	2011-2012	2010-2011
Debits relating to earlier years	17,491	53,895
Credits relating to earlier years	(2,40,832)	(5,13,488)
Prior Period Items (net)	(2,23,341)	(4,59,593)

29. Contingent liability:

Sr. No.	Nature of Liabilities	2011-12 In ₹	2010-11 In ₹
(a)	Estimated amounts of contracts remaining to be executed on capital account and not provided (net of advances)	Nil	16,97,857
(b)	Estimated amount of Custom/Excise duty liability in respect of Capital Goods purchased without payment of duty under EPCG Scheme	70,99,051	2,17,41,379
(c)	Estimated amount of duty liability on stock of duty free materials	40,21,704	18,57,408
(d)	Disputed matters in appeals/contested in respect of Income Tax	66,12,398	68,74,097
(e)	Bank Guarantees	32,50,000	42,51,123
(f)	Other Liabilities	1,47,738	Nil

30. The Company has exercised the option of implementing the Provisions of Paragraph 46 of Accounting Standard 11 " Accounting for the Effects of changes in Foreign Exchange Rates" prescribed by Companies (Accounting Standards) Amendment Rules 2009 in the F.Y. 2008-09 and accordingly Company has added the foreign exchange loss of ₹1,59,706/- in respect of foreign currency loans to the Fixed Assets during the current Financial Year consequently profit for the year is excess by the equivalent amount. Company had capitalized Exchange Difference Loss of ₹85,595/- in the previous year in respect of foreign currency loans.

31. In the opinion of the Board of Directors Current Assets and Loans and Advances have a value on realization in the ordinary course of business equal to the amount at which they are stated in the balance sheet.

32. Tax Expenses

Particulars	As At 31.03.2012 In ₹	As At 31.03.2011 In ₹
Current Tax		
- For the year	6,60,000	2,69,000
- MAT Credit Entitlement	(6,60,000)	(2,69,000)
Deferred Tax		
- For the year	21,78,734	7,31,085
TOTAL ₹	21,78,734	7,31,085

33. Earning per Equity Share (EPS)

Basic and Diluted EPS are recorded in accordance with Accounting Standard 20 'Earning per Share'. Earning per Share is calculated by dividing the profit attributable to the Equity Shareholders (after adjustment for deferred taxes) by the weighted average number of Equity Shares outstanding during the period. The numbers used in calculating Basic and Diluted EPS are as stated below.

PARTICULARS	31.03.2012 (Amount ₹)	31.03.2011 (Amount ₹)
Profit / (loss) after Tax	53,91,375	4,67,743
Weighted average numbers of Equity Shares for calculation of Basic and Dilutive Earning per Share	1,10,45,000	1,07,35,411
Basic and Diluted EPS	0.49	0.04
Nominal Value per Share	10.00	10.00

34. Related Party Disclosure

a) Names of related parties and nature of relationship.

- i) Enterprise under significant influence of Key Management personnel
 - 1) Freshcap Investments Pvt. Ltd.
(Formerly known as Capital Packaging Pvt. Ltd.)
 - 2) Agrofoyer Solutions Pvt. Ltd.
 - 3) Freshfal Pvt. Ltd.
- ii) Key Management Personnel
Mr.Ashok V. Motiani - Chairman and Managing Director.
Mrs.Nanita A. Motiani – Executive Director
- iii) Relatives of Key Management Personnel
Mrs. Priyanka Tandon
Mr. Mayank Tandon
Ms. Dipti Motiani

b) Transactions with related parties.

Nature of Transactions	Enterprise under significant influence of Key Management personnel	Key Management Personnel	Relative of Key Management Personnel
I) Volume of Transactions			
i) Remuneration	—	59,40,000	57,21,230
ii) Perquisites	—	49,045	—
iii) Interest Paid	3,81,341	—	—
iv) Loan Taken	46,75,000	19,02,610	10,00,000
v) Loan Repaid	20,63,703	19,02,610	10,00,000
vi) Reimbursement	—	—	2,81,767
II) Outstanding Balance at the close of the year			
i) Unsecured Loan	49,96,162	—	—
ii) As Creditors	—	4,12,500	4,91,652

Note: No amounts pertaining to related parties have been provided for as doubtful debts. Also no amounts have been written off or written back during the year.

35. The company has entered in following forward exchange contracts that are outstanding as at 31st March 2012 to hedge the foreign currency risks of firm commitments

Category	Currency	Buy/ Sell	Purpose	31.03.2012		31.03.2011	
				Amount in FC	Amount ₹	Amount in FC	Amount ₹
Forward	Euro/INR	Sell	Hedging	11,00,000	7,51,74,330	12,94,410	8,18,58,488
Contract	Euro/USD	Sell	Hedging	4,00,000	2,73,36,120	3,60,039	2,27,68,866
against	GBP/INR	Sell	Hedging	8,00,000	6,54,39,360	5,00,000	3,59,64,450
Exports	USD/INR	Sell	Hedging	3,00,000	1,53,46,950	21,00,000	9,37,65,000
	GBP/USD	Sell	Hedging	—	—	—	—

Details of unhedged Foreign currency Exposure as at 31 March 2012

Category	Currency	31.03.2012		31.03.2011	
		Amt in FC	Amt in ₹	Amt in FC	Amt in ₹
Foreign Currency Loan	EURO	—	—	99,196	62,73,166
Creditors	EURO	1,31,550	89,90,174	2,51,467	1,59,02,735
	USD	6,91,067	3,55,45,140	1,89,108	84,43,655
Debtors/Consignee	EURO	11,08,726	7,57,70,635	95,703	60,52,258
	USD	67,496	34,52,861	61,265	44,06,725

36. Segment information as per Accounting Standard 17 on Segment Reporting for the year ended 31st March 2012

a. Information about Primary Business Segment:

Amount in ₹ (Figures for P.Y. are given in brackets)

PARTICULARS	BUSINESS SEGMENTS		Unallocated	GRAND TOTAL
	Fresh Fruits	Processed Fruits & Vegetables		
Segment Revenue				
External Revenue	45,69,97,108 (44,86,40,249)	15,44,39,973 (10,40,16,606)	- (-)	61,14,37,081 (55,26,56,855)
Inter-segment Revenue	- (-)	- (-)	- (-)	- (-)
Total Revenue	45,69,97,108 (44,86,40,249)	15,44,39,973 (10,40,16,606)	- (-)	61,14,37,081 (55,26,56,855)
Results				
Segment Result	5,16,71,096 (4,25,49,680)	(69,51,444) (1,12,46,198)	- (-)	4,47,19,652 (3,13,03,482)
Unallocated Expenses	- (-)	- (-)	1,29,70,246 (1,14,16,695)	1,29,70,246 (1,14,16,695)
Operating Profit/(Loss)	5,16,71,096 (4,25,49,680)	(69,51,444) (1,12,46,198)	1,29,70,246 (1,14,16,695)	3,17,49,406 (1,98,86,787)

PARTICULARS	BUSINESS SEGMENTS		Unallocated	GRAND TOTAL
	Fresh Fruits	Processed Fruits & Vegetables		
Less: Interest Expenses	-	-	2,43,28,097	2,43,28,097
	(-)	(-)	(1,87,08,284)	(1,87,08,284)
Add: Other Income	-	-	1,48,800	1,48,800
	(-)	(-)	(6,64,354)	(6,64,354)
Less: Income Tax	-	-	21,78,734	21,78,734
(including Deferred Tax)	(-)	(-)	(13,75,114)	(13,75,114)
Less: Exceptional Items	-	-	-	-
	(-)	(-)	(-)	(-)
Net Profit/(Loss)	5,16,71,096	(69,51,444)	(3,93,28,277)	53,91,375
	(4,25,49,680)	(1,12,46,198)	(3,08,35,739)	(4,67,743)
Segment Assets	39,31,26,570	38,55,92,341	-	77,87,18,911
	(39,45,08,871)	(36,47,48,057)	(-)	(75,92,56,928)
Unallocated Corporate Assets	-	-	2,25,29,227	2,25,29,227
	(-)	(-)	(2,80,95,317)	(2,80,95,317)
Total Assets	39,31,38,233	38,55,93,216	2,25,29,227	80,12,48,138
	(39,45,08,871)	(36,47,48,057)	(2,80,95,317)	(78,73,52,245)
Segment Liabilities	31,28,87,466	8,61,59,635	-	39,90,47,101
	(27,59,57,431)	(12,36,80,824)	(-)	(39,96,38,255)
Unallocated Corporate liabilities	-	-	6,26,19,658	6,26,19,658
	-	-	(4,95,78,188)	(4,95,78,188)
Total Liabilities	31,28,87,466	8,61,59,635	6,26,19,658	46,16,66,759
	(27,59,57,431)	(12,36,80,824)	(4,95,78,188)	(44,92,16,443)
Capital Expenditure	52,878	35,35,084	22,63,983	58,51,945
	(7,05,904)	(1,49,19,707)	(1,60,000)	(1,57,85,611)
Depreciation Impairment and amortization	74,55,937	1,49,57,163	6,96,819	2,31,09,919
	(80,45,687)	(1,42,27,879)	(5,19,007)	(2,27,92,573)
Non-Cash Expenditure (excluding depreciation and impairment)	73,492	-	-	73,492
	(-)	(-)	(-)	(-)

The Company has disclosed business segment as primary segment. Segments have been identified and reported taking into account the nature of the products the different risks and returns the organization structure and the internal reporting systems. The main business segments are (i) Fresh Fruits which consist of Fresh Grapes Pomegranates and Mangoes (ii) Processed Fruits and Vegetables consist of Mango Pulp Guava Pulp Pomegranates Concentrate and Tomato Paste & Puree.

b. Information about Secondary Segment

In respect of secondary segment information the Company has identified its geographical segments as (i) India and (ii) Outside India. The secondary segment information has been disclosed accordingly:

Geographical Segment	Amount in ₹	
	31.03.2012	31.03.s2011
Revenue by Geographical segment – Turnover		
India	12,69,45,021	9,43,63,498
Outside India	48,44,92,060	45,82,93,357
Total	61,14,37,081	55,26,56,855

	31.03.2012	31.03.2011
Carrying Amount of Segment Assets		
India	69,74,05,725	67,00,94,620
Outside India	8,13,13,186	8,91,62,308
Total	77,87,18,911	75,92,56,928
Segment Capital Expenditure		
India	35,87,962	1,56,25,611
Outside India	Nil	Nil
Total	35,87,962	1,56,25,611

37. Expenditure incurred on employees in receipt of remuneration of not less than ₹60,00,000/- P.A. or ₹5,00,000/- P.M. if employed for a part of the year.

	Employed throughout the year		Employed for part of the year	
	2011-2012	2010-2011	2011-2012	2010-2011
Salary & Wages	NIL	NIL	NIL	NIL
No. of Employees	NIL	NIL	NIL	NIL

38. Value of Imports calculated on CIF basis:

	2011-2012	2010-2011
Raw Material	35,67,110	17,72,168
Packing Material	1,93,00,133	2,21,72,329
Consumables	4,02,259	3,39,565
Others	3,55,926	2,68,562

39. Expenditure in Foreign Currency:

	2011-2012	2010-2011
Foreign Selling Expenses	6,50,94,329	7,38,20,942
Foreign Travelling Expenses	1,96,364	3,22,779
Interest on Foreign Currency Loan	19,763	5,64,293
Foreign Sea Freight	2,29,15,504	1,45,63,577
Other Expense	8,48,701	5,34,001

40. Earning in Foreign Currency

	2011-2012	2010-2011
Sales of Fresh Fruits	41,25,00,483	40,58,96,680
Sales of Processed Fruits	4,43,74,596	3,29,39,771

41. Previous year's figures have been rearranged and reclassified wherever necessary.

Signature to Notes 1 to 41

As per our report of even date attached
For, **MAYANK SHAH & ASSOCIATES**
(Firm Reg. No. 106109W)
Chartered Accountants

(M. S. Shah)
Partner
M. No. 44093

Place : Ahmedabad
Date : 13.08.2012

For and on behalf of the Board of Directors

Ashok V. Motiani Managing Director
Nanita A. Motiani Executive Director
Mayur J. Shah Director
Ramchandra Joshi Director
Dinesh Oza Director
Jignesh J. Gandhi Company Secretary

Place : Ahmedabad
Date : 13.08.2012

FRESHTROP FRUITS LIMITED

Regd. Office : A-603, Shapath IV, Opp. Karnavati Club, S G Road, Ahmedabad - 380015.

FORM OF PROXY

I/We _____ being
 a Member / Members of Freshtrop Fruits Limited hereby appoint Mr./Mrs. Miss _____
 _____ of _____ in the district of _____
 _____ and failing him/her Mr./Mrs./Miss _____
 of _____ in the district of _____ as
 my/our proxy to vote for me/us on my/our behalf at the 20th Annual General Meeting of the Company to be held
 on Wednesday, 12th September, 2012 at "Karnavati Club, S.G. Road, Ahmedabad - 380 015" at 11.00 a.m. and at
 any adjournment thereof.

Folio / Client ID : _____

DP ID Nos. : _____

No. of Shares held : _____

Signature _____

Affix Revenue Stamp

Signed the _____ day of _____ 2012.

Note : Proxies in order to be valid must be duly filled in, stamped, signed and deposited at the registered office of the Company not less than 48 Hours before the time of commencement of the Meeting.

FRESHTROP FRUITS LIMITED

Regd. Office : A-603, Shapath IV, Opp. Karnavati Club, S G Road, Ahmedabad - 380015.

ATTENDANCE SLIP**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**

Member / Proxy _____
 (First) (Middle) (Surname)

I hereby record my presence at the 19th Annual General Meeting of the Company to be held on
 Wednesday, 12th September, 2012 at 11.00 a.m. at "Karnavati Club, S.G. Road, Ahmedabad - 380 015".

Folio / Client ID : _____

DP ID Nos. : _____

No. of Shares held : _____

Signature of member/Proxy: _____

Notes:

1. The meeting is only for members. Please, therefore, do not bring person in the meeting who is not a member.
2. Please bring this attendance slip duly signed and hand it over to the representative of the Company at the entrance of the meeting place



Book-Post

To,

If undelivered, please return to:

FRESHTROP FRUITS LIMITED

Regd. Office: A-603, Shapath IV,
Opp. Karnavati Club, S.G. Road,
Ahmedabad - 380 015, Gujarat, INDIA.

Tel: +91-79-40307050-57 (8 lines),

Fax: +91-79-66527069

www.freshtrop.com, info@freshtrop.com

