



**23rd Annual Report  
2012-13**

**DR. FRESH ASSETS LIMITED**

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**BOARD OF DIRECTORS**

Mr. Sumit Nanda  
Mr. Ankur Anand  
Mr. Manish Dutta  
Mr. Arjun Lamba  
Mr. Vimal Saxena

**AUDITORS**

**B.K. Shroff & Company**  
3/7 - B, Asaf Ali Road,  
New Delhi - 110 002

**BANKERS**

**Standard Chartered Bank**  
Greater Kailash, New Delhi - 110 044

**REGISTERED OFFICE**

B-1/E-24, Mohan Co-operative  
Industrial Area, Mathura Road,  
New Delhi - 110 044, India

**WORKS**

Plot No. 155-156-157  
N.E.P.Z., Noida Phase II,  
Distt. Gautam Budh Nagar, U.P.

**STOCK EXCHANGE**

**OTC Exchange of India**  
92, Maker Tower 'F',  
Cuffe Parade,  
Mumbai - 400 005

**Delhi Stock Exchange of India**  
DSE House, 3/1, Asaf Ali Road,  
New Delhi - 110 002

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**NOTICE**

**Notice** is hereby given that the 23rd Annual General Meeting of the Company will be held on Saturday, 28th September, 2013 at 11:15 A.M. at 11, Hindi Bhawan, ITO, Delhi 110 002 to transact the following businesses:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Mr Arjun Lamba, who retires by rotation and being eligible, offer himself for re-appointment.
3. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorise the Board to fix their remuneration.

The outgoing Statutory Auditors- M/s B. K. Shroff & Co., Chartered Accountants, New Delhi are eligible and offer themselves for re-appointment.

**Special Business**

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"Resolved that** Mr Vimal Saxena, who was appointed as an Additional Director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as an Ordinary Director of the Company whose office shall be liable for determination through retirement by rotation."

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"Resolved that** pursuant to the provisions of sections 198, 309, 269 read with schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, and subject to the approval of the members, Mr Vimal Saxena, Director be and is hereby appointed as Whole Time Director of the Company for a period of 5 years w.e.f. 1st September, 2013 on the following terms and conditions:

- a. Monthly remuneration upto Rs. 50,000 w.e.f. 1st September, 2013.
- b. Reimbursement of Expenses: Re-imburement of expenses i.e. Telephone Expenses, Traveling Conveyance etc. actually and properly incurred for the business of the company subject to a reasonable ceiling as may be fixed by the board of directors from time to time.
- c. In the event of loss, absence or inadequacy of profits, the remuneration aforesaid shall be the minimum remuneration to the Director. Any excess over the limits prescribed under the Companies Act, 1956 shall become payable with the approval of the Central Government wherever so required.
- d. The Director shall be entitled to such increments from time to time as the Board may in its discretion determine.
- e. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or committee thereof.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to assign and delegate, from time to time, such work, duties, power and authorities to the Whole Time Director as it may deem fit and proper.

**Resolved further that** the Board of Directors and the Remuneration Committee of the Company be and are hereby severally authorised to fix such remuneration and to work out various components of the remuneration package as it may deem fit and proper within the overall limits of the remuneration as approved above.

**Resolved further that** the Board of Directors of the Company (including any committee/sub-committee of the Board) be and is hereby authorised to take all necessary steps to give effect to the aforesaid resolution."

For and on Behalf of the Board  
**For Dr. Fresh Assets Ltd**  
(formerly Sunehari Exports Ltd)

Place : New Delhi  
Date : 30th August, 2013

**Sumit Nanda**  
Managing Director  
DIN-00084239

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

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**Notes:**

- A. Appointment of Proxy:** A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form in order to be effective must be deposited with the Company not less than 48 hours before the time fixed for commencement of the Meeting.
- B. Corporate Members:** Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- C.** Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
- D. Queries at the AGM:** Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- E.** Members are requested to notify any change in their address, if any to the registrar & share transfer agent of the Company- M/s Mas Services Pvt. Ltd., T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020 in respect of the physical shares and to the Depository Participants in respect of the shares held in Demat form.
- F. Inspection of Documents:** Documents referred to in the Notice etc., are open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
- G.** The register of members and share transfer books of the Company will remain closed on Friday, 27th September, 2013 and Saturday, 28th September, 2013.
- H.** Members are requested to quote their folio Nos. / DPID Nos. in all future correspondence(s) with the Company.
- I.** Explanatory Statement: Explanatory Statement as required under section 173(2) of the Companies Act, 1956, in respect of Special Business under item no. 4 & 5 is enclosed herewith.

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

**Item No. 4**

Mr Vimal Saxena was co-opted on the Board of Directors of the Company as an Additional Director to hold office until the date of ensuing annual general meeting. The Board is proposing to appoint him as an ordinary director in the ensuing AGM. Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

Mr Vimal Saxena is interested and concerned in the proposed resolution.

**Item No. 5**

Mr Sumit Nanda was the Managing Director of the Company who has resigned as Managing Director w.e.f. 30th August, 2013 due to his pre-occupation. In terms of Section 269 of the Companies Act, 1956, since the paid up capital of the company is more than Rs. 5 Crore, it requires a Managing Director or Whole Time Director. In order to comply with the provisions of the act your board of directors have appointed Mr Vimal Saxena as Whole Time Director w.e.f. 1st September, 2013 for a period of 5 years.

The members' approval is required by way of an Ordinary Resolution for appointment of Mr Vimal Saxena as Whole Time Director.

The aforesaid explanatory statement for item no. 5 should also be deemed to be notice of the abstract for terms of appointment and payment of remuneration to Mr Vimal Saxena as Whole Time Director.

None of the directors of the Company except Mr Vimal Saxena himself is concerned or interested in the proposed resolution.

For and on Behalf of the Board  
**For Dr. Fresh Assets Ltd**  
(formerly Sunehari Exports Ltd)

Place : New Delhi  
Date : 30th August, 2013

**Sumit Nanda**  
Managing Director  
DIN-00084239

**DIRECTORS' REPORT**

Dear Members

Your Directors have great pleasure in presenting the 23rd Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2013.

**Financial Highlights**

(₹ in lacs)

| <b>Particulars</b>                                      | <b>Financial Year Ended<br/>31st March, 2013</b> | <b>Financial Year Ended<br/>31st March, 2012</b> |
|---|--|--|
| Total Income  | <b>197.04</b>                                    | 531.53   |
| Total Expenditure                                       | <b>188.46</b>                                    | 731.74   |
| Profit before tax and extra-ordinary items              | <b>8.58</b>                                      | (200.21)   |
| Loss on impairment                                      | –  | (204.84)   |
| Loss on impairment written back                         | <b>24.09</b>                                     | –  |
| Extraordinary Items (Income)                            | –  | 52.95  |
| Profit before tax                                       | <b>32.67</b>                                     | (352.09)   |
| Provision for tax:                                      |  |  |
| – Current tax   | <b>4.00</b>                                      | 9.08   |
| – Earlier year tax                                      | <b>0.02</b>                                      | 0.03   |
| – Deferred tax  | <b>0.85</b>                                      | 100.40   |
| – MAT Credit Entitlement                                | –  | 1.40   |
| Profit/(loss) after tax                                 | <b>27.85</b>                                     | (259.40)   |
| Paid-up Share Capital                                   | <b>543.07</b>                                    | 543.07   |
| Reserves and Surplus<br>(excluding revaluation reserve) | <b>1960.54</b>                                   | 1932.69  |

**Year in Retrospect**

During the year under review, total income of the Company was Rs 197.04 Lac as against Rs. 531.53 Lac in the previous year. The Company was able to earn a profit after tax of Rs. 27.85 Lac for the year as against a loss of Rs. 259.40 Lac. Your Directors are putting in their best efforts to improve the performance of the Company.

The detailed Management Discussion & Analysis Report is attached hereto with the Director's Report and should be read as part of this Directors Report.

**Material Changes etc.**

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company-31st March, 2013 till the date of this Report.

**Dividend**

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

**Public Deposits**

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A of the Companies Act, 1956.

**Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

- a. **Conservation of Energy:** The Company is aware about energy consumption and environmental issues related with it and continuously making sincere efforts towards conservation of energy, though the company has not made any additional investment during the year for the reduction of consumption of energy.
- b. **Technology Absorption:** The Company is taking care of latest developments and advancements in technology and all steps are being taken to adopt the same. The Company is using technology provided by world renowned Anton Zahoaransky GMBH, Germany for manufacture of toothbrushes. This enables the Company to manufacture toothbrushes of international standard and quality. The Company is carrying out Research & Development on routine basis. The Company has a separate quality control department for controlling the quality of products. However, specific R&D expenditure is not allocated.

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**(Formerly known as Sunehari Exports Limited)**

c. **Export Activities:** There was no export activity in the Company during the year under review. The Company is not planning any export in the near future as well.

d. **Foreign Exchange Earnings and Outgo:**

| Rs. in lacs               |        |
|---------------------------|--------|
| Particular                | Amount |
| Foreign Exchange Earnings | 14.89  |
| Foreign Exchange Outgo    | 6.26   |

**Particulars of Employees**

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Amendment Rules 2011, and hence no particulars are required to be disclosed in this Report.

**Subsidiary**

The Company has 2 Wholly Owned Subsidiary namely: SEL International Pte. Ltd. (Singapore) and Dr. Fresh Commercial Land Development Pvt Ltd.

**Directors**

After the last Annual General Meeting, Mr Vimal Saxena was appointed as additional director w.e.f. 30th August, 2013 and appointed as Whole Time Director w.e.f. 1st September, 2013. In terms of the provisions of the Companies Act, 1956, he holds office as an Additional Director until the date of the ensuing Annual General Meeting. His appointment as an Ordinary Director as well as Whole Time Director of the Company is placed before the Members for consideration. The Board recommends the resolution for adoption by the members.

Mr Sumit Nanda has resigned as Managing Director of the Company w.e.f. 30th August, 2013, he will remain as Ordinary Director of the Company.

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr Arjun Lamba is liable to retire by rotation and being eligible offer himself for re-appointment. Directors recommend his re-appointment.

**Auditors**

M/s B. K. Shroff & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

**Auditors' Report**

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

**Directors' Responsibility Statement**

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- in preparation of the Annual Accounts, the applicable accounting standards have been followed;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors have prepared the Annual Accounts on a going concern basis.

**Stock Exchange Listing**

The shares of your company are listed at OTC Exchange of India (OTCEI) and on Delhi Stock Exchange (DSE). The listing fee for the financial year 2013-14 has already been paid by the Company.

**Corporate Governance**

A Report on Corporate Governance is attached as a part of this Director's Report along with the Practicing Company Secretary Certificate on compliance of Clause 49 of the Listing Agreement.

**Acknowledgment**

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees; support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on Behalf of the Board  
**For Dr.Fresh Assets Ltd**  
(formerly Sunehari Exports Ltd)

Date : 30.08.2013  
Place : New Delhi

**Sumit Nanda**  
Managing Director  
DIN-00084239

**Ankur Anand**  
Director  
Din-00506761

**REPORT ON CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement a Report on Corporate Governance is given below:

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholders aspirations and societal expectations. Good governance practices stem from the culture and mind set of the organisation and at Reliance we are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial, performance focused work environment. Our customers have benefited from high quality products delivered at the most competitive prices. The demands of corporate governance require professionals to raise their competency and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex interrelationship among the board of directors, audit committee, accounting, corporate secretarial team, auditors and senior management. At DFAL, our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity. Above all, we feel honoured to be an integral part of India's social development. DFAL not only adheres to the prescribed corporate governance practices as per Clause 49 but is also committed to sound corporate governance principles and practices and constantly strives to adopt emerging best practices worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to management in strategy implementation and risk management and fulfilment of stated goals and objectives.

The Company is conscious of its responsibility as a good corporate citizen. The Company values transparency, professionalism and accountability.

**2. BOARD OF DIRECTORS**

The Company maintains an optimum combination of Executive, Non-Executive and Independent Directors. The Board consists of total four (4) directors as on 31st March, 2013, out of which three (3) are independent. Mr Sumit Nanda is the Managing Director of the Company. The Constitution of the Board as on 31st March 2013 is as follows:

| Name of the Director & Designation                | Category                  | No. of positions held in other Public Companies <sup>1</sup> |            |              |
|---|---------------------------|--|------------|--------------|
|   |                           | Board  | Committee  |              |
|   |                           |  | Membership | Chairmanship |
| Mr. Sumit Nanda<br>Managing Director <sup>2</sup> | Promoter & Executive      | 1  | Nil        | Nil          |
| Mr Ankur Anand – Director                         | Non Executive Independent | 1  | 2          | 1            |
| Mr Manish Dutta – Director                        | Non Executive Independent | Nil  | Nil        | Nil          |
| Mr Arjun Lamba – Director                         | Non Executive Independent | 1  | 2          | 1            |

<sup>1</sup>Only included Indian Companies

<sup>2</sup>Resigned as Managing Director w.e.f. 30th August, 2013.

Mr Vimal Saxena was appointed as Additional Director w.e.f. 30th August, 2013 and appointed as Whole Time Director w.e.f. 1st September, 2013.

**Directors' Attendance Record**

During the Financial Year 1st April, 2012 to 31st March, 2013, 6 (Six) meetings of the Board of Directors were held on 15th May, 2012; 13th July, 2012; 14th August, 2012; 24th August, 2012; 9th November, 2012 and 11th February, 2013. The Board was supplied with all relevant information and supporting papers which were required to transact the business specified in the agenda of Board Meetings held. The intervening period between the Board Meetings was

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well within the maximum time gap of four months as prescribed in clause 49 of the Listing Agreement. Details of attendance of Directors in the Board meeting during the financial year 1st April, 2012 to 31st March, 2013 are as under:

| Name of the Director | No. of Board Meeting | Attendance at the Board Meeting | Whether attended Last AGM |
|----------------------|----------------------|---------------------------------|---------------------------|
| Mr Sumit Nanda       | 6                    | 6                               | Yes                       |
| Mr Ankur Anand       | 6                    | 6                               | Yes                       |
| Mr Manish Dutta      | 6                    | 6                               | Yes                       |
| Mr Arjun Lamba       | 6                    | 6                               | No                        |

**3. DISCLOSURE REGARDING APPOINTMENT & RE-APPOINTMENT OF DIRECTORS IN THE ENSUING AGM**

Mr Arjun Lamba, Director who shall be retiring in this AGM, being eligible has offered himself for re-appointment and Mr Vimal Saxena, Additional Director is regularizing in this Annual General Meeting. Brief particulars of these gentlemen are as follows:

| Particulars   | Mr Arjun Lamba                                       | Mr Vimal Saxena   |
|---|--|---|
| DIN   | 00124804   | 06600632  |
| Father's Name   | Shri Anil Lamba                                      | Shri Devender Prakash Saxena                                      |
| Date of Birth   | 7th August, 1980                                     | 28th April, 1979  |
| Address   | W-50, Greater Kailash Part- 1,<br>New Delhi -110 048 | X/3909/4, Street-8, Shanti Mohalla, Gandhi<br>Nagar, Delhi 110031 |
| Designation   | Non-Executive Independent Director                   | Executive Director  |
| Education   | Graduate   | Graduate  |
| Experience  | 14 years   | 14 years  |
| Companies in which holds Directorship                       | Sunehari Exports (Haridwar) Ltd                      | NIL   |
| Companies in which holds membership of committees           | Sunehari Exports (Haridwar) Ltd                      | NIL   |
| Shareholding in the Company (No. & %) as on 31st March 2013 | NIL  | 1500 Shares (0.028%)  |

**4. AUDIT COMMITTEE**

**(a) Terms of Reference**

In terms of the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement the company has constituted its Audit Committee. The terms of reference of the Audit Committee, as defined by the Board of Directors is to comply with the requirements of section 292 A of the Companies Act and Clause 49 of the listing agreement. The Audit Committee shall have the authority to investigate into any matter that may be prescribed and the matters listed below and for this purpose the Audit Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

- i. To review financial reporting process, all financial statements.
- ii. To recommend appointment/ re-appointment/ replacement/ removal/ Audit fees/ any other fees of Statutory Auditor.
- iii. Reviewing along with management, the listing compliances, related party disclosures, qualifications in draft audit report, matters required to be included in Directors Responsibility Statement, quarterly financial statements before its submission to the Board, changes in accounting policies, major accounting entries based on estimate of management.



- iv. To look into all matters relating to internal control system, internal audit system and the reasons for substantial defaults in the payment to the depositors.
- v. To review functioning of "Whistle Blower Mechanism", if any.
- vi. To review Management Discussion and Analysis of financial condition and results of operation, statement of significant Related Party Transactions as submitted by management, internal audit report, term of chief internal auditor (including his remuneration), and such other matters as may be required.

**(b) Composition**

The Audit Committee of the company comprises of three non executive independent directors i.e. Mr Manish Dutta - as Chairman; Mr Ankur Anand and Mr Arjun Lamba as the Members of the Committee.

**(c) Attendance**

The Committee met 5 (five) times during the last Financial Year on 15th May, 2012, 14th August, 2012, 24th August, 2012, 9th November, 2012 and 11th February, 2013. Details of attendance of Directors in the Audit Committee meeting are as under:

| Name of the Director | Category                           | Attendance at the Audit Committee Meeting |
|----------------------|------------------------------------|---|
| Mr Manish Dutta      | Non Executive Independent Director | 5   |
| Mr Ankur Anand       | Non Executive Independent Director | 5   |
| Mr Arjun Lamba       | Non Executive Independent Director | 5   |

**5. REMUNERATION COMMITTEE**

**(a) Terms of Reference**

The Remuneration Committee shall have the power to determine the Company's policy on specific remuneration packages including pension rights and other compensation for executive directors and for this purpose, the Remuneration Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary.

**(b) Composition**

The Remuneration Committee of the company comprises of three non-executive and independent directors Mr Ankur Anand - as Chairman, Mr Manish Dutta and Mr Arjun Lamba as Members.

The Committee did not meet during the last Financial Year.

**(c) Remuneration Policy of the Company**

The Managing Director or Whole Time Directors of the Company are entitled for payment of Remuneration as decided by the Board and approved by the members as per the provisions of the Companies Act, 1956. Directors are also entitled for the sitting fee for attending Board/ Committee Meeting except the Managing Director or Whole Time Directors. However, all the Non executive Directors of the Company have waived the sitting fee payable to them for attending Board/ Committee Meeting of the Company.

**(d) Details of the Directors' Remuneration for the financial year ended 31st March, 2013**

| Name of Director                    | Sitting fees | Salaries & Perquisites (In ₹) | Commision, Bonus Exgratia | Total Amount (In ₹) | No. of Shares held & % |
|-------------------------------------|--------------|-------------------------------|---------------------------|---------------------|------------------------|
| Mr Sumit Nanda<br>Managing Director | Nil          | Nil                           | Nil                       | Nil                 | 3096193<br>57.45%      |
| Mr Ankur Anand<br>Director          | Nil          | Nil                           | Nil                       | Nil                 | 27750<br>0.52%         |
| Mr Manish Dutta<br>Director         | Nil          | Nil                           | Nil                       | Nil                 | 4000<br>0.07%          |
| Mr Arjun Lamba<br>Director          | Nil          | Nil                           | Nil                       | Nil                 | Nil                    |

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**6. INVESTORS' GRIEVANCE COMMITTEE**

**(a) Terms of Reference**

In compliance with the requirement of the Corporate Governance under the Listing Agreement with the Stock Exchange, the Company has constituted an "Investors' Grievance Committee" to look into issues relating to shareholders including share transfer, complaints, share transmission etc.

**(b) Composition**

The Investors' Grievance Committee of the company comprises of three non-executive and independent directors Mr Ankur Anand - as Chairman, Mr Manish Dutta and Mr Arjun Lamba as Members.

**(c) Attendance**

The Committee met 3 (three) times during the last Financial Year on 15th May, 2012, 24th August, 2012 and 11th February, 2013. Details of attendance of Directors in the Investors' Grievance Committee.

| Name of the Director | Category                           | Attendance at the Investor Grievance Committee |
|----------------------|------------------------------------|--|
| Mr Ankur Anand       | Non Executive Independent Director | 3  |
| Mr Manish Dutta      | Non Executive Independent Director | 3  |
| Mr Arjun Lamba       | Non Executive Independent Director | 3  |

**(d)** In compliance with Clause 49 of the Listing agreement, the board of the company has delegated the power of share transfer to the registrar and share transfer agents. The delegated authority attends the share transfer formalities at least once in a fortnight.

**(e)** During the year, the company has received no complaint from the shareholder. And there is no complaint pending for the year 2012-13.

**7. GENERAL BODY MEETINGS**

**(a)** Particulars of past three Annual General Meetings of the Company:

| Year      | Date       | Venue   | Time      | No. of Special Resolution(s) passed |
|-----------|------------|---|-----------|-------------------------------------|
| 2011-2012 | 29.09.2012 | 11, Hindi Bhawan, ITO, Delhi 110 002  | 4:00 P.M. | None                                |
| 2010-2011 | 21.11.2011 | Vasuki Auditorium, Lok Kala Manch, 20, Lodhi Institutional Area, Lodhi Road, New Delhi- 110 003 | 11.00 A.M | None                                |
| 2009-2010 | 31.12.2010 | Vasuki Auditorium, Lok Kala Manch, 20, Lodhi Institutional Area, Lodhi Road, New Delhi- 110 003 | 10.30 A.M | 1(one)                              |

Special Resolution passed during the last three Annual General Meetings.

| Year      | Date       | Business passed   |
|-----------|------------|---|
| 2009-2010 | 31.12.2010 | Approval of the Scheme of Arrangement for (a) amalgamation of Dr Fresh Assets Ltd with Sunehari Exports Ltd; and (b) demerger of Haridwar unit of Sunehari Exports Ltd into Sunehari Exports (Haridwar) Pvt Ltd |

No special resolution was passed through Postal Ballot during the Financial Year 2012-13.

**8. SUBSIDIARY COMPANIES**

The Company has 2 Wholly Owned Subsidiary namely -

SEL International Pte. Ltd and Dr. Fresh Commercial Land Development Pvt Ltd

**9. DISCLOSURES**

**(a) Related Party Transactions**

There are no materially significant related party transactions with its Promoters, the Directors or the Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the company at large. The other related party transactions are given in Point no. 37 of Notes to Accounts annexed to and forming part of Balance Sheet and Profit & Loss of the Company.

**(b) Non compliance by the Company, Penalties, Strictures**

There were no instances of non-compliance by the Company, penalty, and strictures imposed on the Company by the stock exchange, SEBI etc.

**(c) Non mandatory requirements**

The Company proposes to adopt the non-mandatory requirements including adoption of Whistle Blower Policy given in Annexure-3 of Clause 49 of the listing agreement in due course of time.

**10. CODE OF CONDUCT**

The Board has formulated a code of conduct for the Board members and senior management of the Company. The Company is in the process of posting the same on the website of the Company. All Board members and senior management personnel have affirmed their compliance with the code.

**Declaration on compliance with code of conduct by the Managing Director:**

The Board has formulated a code of conduct for the Board members and senior management of the Company.

It is hereby affirmed that all the Directors and senior management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

Sd/  
**Sumit Nanda**  
Managing Director

**11. MEANS OF COMMUNICATION**

(a) At present quarterly/ half-yearly reports are not being sent to each household of shareholders.

(b) The Quarterly / half-yearly / annual accounts results are published in the English and Hindi Newspapers.

- which newspaper normally published in Pioneer (English) & Hari Bhoomi (Hindi)
- Any website where displayed No

The Company is in the process of posting the financial information like quarterly financial statements, shareholding pattern on company's [www.sunehari.com](http://www.sunehari.com)

(c) The Management Discussion and Analysis forms a part of the Annual Report.

**12. GENERAL SHAREHOLDERS INFORMATION**

**i) Annual General Meeting**

| Day & Date                     | Time       | Venue                                |
|--------------------------------|------------|--------------------------------------|
| Saturday, 28th September, 2013 | 11:45 A.M. | 11, Hindi Bhawan, ITO, Delhi 110 002 |

**ii) Financial Calendar**

| Events   | Tentative time frame             |
|--|----------------------------------|
| Financial Reporting for the first quarter ended 30th June, 2012        | 2nd August, 2013(actual)         |
| Financial Reporting for the second quarter ending 30th September, 2012 | On or before 14th November, 2013 |
| Financial Reporting for the third quarter ending 31st December, 2012   | On or before 14th February, 2014 |
| Financial Reporting for the fourth quarter ending 31st March, 2013     | On or before 15th May, 2014      |

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

- iii) **Dates of Book Closure** 27th September, 2013 &  
28th September, 2013  
(Both days inclusive)
- iv) **Dividend Payment Date** Not applicable
- v) **Listing on Stock Exchanges:** The Shares of the Company are listed on the OTC Exchange of India and The Delhi Stock Exchange Ltd.
- vi) **Market Price Data:** Presently there is no trading of securities on the OTCEI and DSE.
- vii) **Registrar and Share Transfer Agent & Share Transfer System**

**M/s Mas Services Ltd.** is the Registrar and Share Transfer Agent for the shares of the Company in both physical as well as electronic modes. The Company has authorised the Registrar and Transfer Agent to approve and execute transfer and transmission of shares. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

| Particulars    | Mas Services Ltd   |
|----------------|--|
| Contact Person | Mr Sarwan Mangla   |
| Address        | T-34, 2nd Floor, Okhla Industrial Area,<br>Phase - II, New Delhi - 110 020 |
| Telephone No.  | 011-26387281/82/83   |
| Fax No.        | 011-26387384   |
| E-mail         | mas_serv@yahoo.com   |

The Company's shares are traded in the OTCEI, Mumbai and the Delhi Stock Exchange Ltd compulsorily in Demat mode. Physical shares which are lodged with the Registrar & Transfer Agent or/ Company for transfer are processed and returned to the shareholders duly transferred within the time stipulated under the Listing Agreement subject to the documents being in order.

viii) **Distribution of Shareholding as on 31st March, 2013:**

| Shareholding of Nominal Value of |          | Shareholders |            | Share Amount       |            |
|----------------------------------|----------|--------------|------------|--------------------|------------|
| ₹                                | ₹        | Number       | % to Total | In ₹               | % to Total |
| (1)                              | (2)      | (2)          | (3)        | (4)                | (5)        |
| Up to 5,000                      |          | 364          | 60.37      | 155760             | 0.29       |
| 5,001                            | 10,000   | 122          | 20.23      | 8,90,300           | 1.65       |
| 10,001                           | 20,000   | 54           | 8.96       | 8,04,500           | 1.50       |
| 20,001                           | 30,000   | 17           | 2.82       | 4,31,600           | 0.80       |
| 30,001                           | 40,000   | 4            | 0.66       | 1,49,000           | 0.28       |
| 40,001                           | 50,000   | 3            | 0.50       | 1,32,000           | 0.24       |
| 50,001                           | 1,00,000 | 7            | 1.16       | 4,29,780           | 0.80       |
| 1,00,001 and Above               |          | 32           | 5.30       | 5,09,02,590        | 94.44      |
| <b>Total</b>                     |          | <b>603</b>   | <b>100</b> | <b>5,38,95,530</b> | <b>100</b> |

ix) **Dematerialisation of shares and liquidity:** As on 31st March, 2013, about 42.02% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.

x) There are no outstanding GDRs/ ADRs/ Warrants or any Convertible other Instruments as on the date.

xi) **Factory Locations:** The Company has its factory located at:

1. SEL - NEPZ - Plot no 155, 156, 157 Noida Special Economic Zone (NSEZ), Noida- 201 305, Uttar Pradesh.

**xii) Address for Correspondence:** The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

**Investor Relation Centre**

**Dr Fresh Assets Ltd**

(Formerly Sunehari Exports Ltd)

B-1/E-24, Mohan Co-operative Industrial Area,

New Delhi 110 044

Phone: 011-41679238

Fax: 011- 26940969

E-mail: sunehari@sunehari.com

**11. NON-MANDATORY REQUIREMENTS**

The Company proposes to adopt the non-mandatory requirements given in Annexure-3 of Clause 49 of the listing agreement in due course of time.

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

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**CEO/CFO Certification**

I, Sumit Nanda, Managing Director, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2013 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and 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) We have indicated to the auditors and the Audit committee
- (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date : 30.08.2013  
Place : New Delhi

**Sumit Nanda**  
Managing Director  
DIN:00084239

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**CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members of  
**Dr Fresh Assets Ltd**  
**(Formerly Sunehari Exports Ltd)**  
New Delhi

We have examined the compliance of conditions of Corporate Governance by Dr Fresh Assets Ltd (hereinafter referred as "the Company") for the year ended March 31, 2013, as stipulated in clause 49 of the listing agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreement.

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

For **R&D**  
*Company Secretaries*

Date : 30.08.2013  
Place : New Delhi

**Debabrata Deb Nath**  
*Partner*  
ACS: 23935; CP: 8612

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Cautionary Statement**

The management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement as important factors could influence Company's operations such as Government policies, economic development, political factors and such other factors beyond the control of the Company.

### **Overview**

Dr. Fresh Assets Ltd is doing the business of manufacturing oral care products and providing healthcare services. After the Scheme of Arrangement approved by the Hon'ble High Court of Delhi, the real estate business of the Transferor Company is also merged with the Company and therefore our company has another segment i.e. real estate business.

### **Business Overview**

The main objects of the Company as per the Memorandum of Association is to carry on the business of import, export, sale, purchase, trade, to do job work or otherwise deal in, toothbrush, dental floss, teeth whitener, tooth paste, tongue cleaner, mouth freshner, mouth wash and all types of dental care, oral care & personal hygiene products and to deal in all kind of raw material and other inputs & plant & machineries used therein.

After the demerger as per the Scheme, the Haridwar Unit of the Transferee Company has been demerged into the Resultant Company - Sunehari Export (Haridwar) Ltd. Post demerger, the Company is engaged in the business of manufacturing of tooth brush and other dental care products and in the real estate business.

### **Industry Overview**

#### **Products and applications**

World over the oral care market is largely represented by toothpaste and toothbrush. Other products in this category include mouthwash, sprays and oral rinses. In India, there is a significant presence of toothpowder as well.

### **Segmentation**

#### **Toothpaste:**

About 60% of toothpaste in India is sold on family platform. There is one toothpaste for the entire family. About 35% of toothpaste is sold on cosmetic propositions. These are targeted mainly at young consumers on the proposition of fresh breath and white teeth.

There is a niche market (5% of total) for toothpaste with therapeutic benefits. Toothpaste is also segmented based on product attributes as White, Gel, Herbal, etc. Some products are also available as a combination of both Whites and Gel.

#### **Toothpowder**

Use of Toothpowder is not a global phenomenon. Many people in India cleaned their teeth with fingers using traditional products like salt, ash, tobacco or other herbal products. Toothpowder was developed to cater to this user segment, which was not attuned to using either toothbrush or paste. The un-organized segment mainly catered to this market and products were black or red in color. It is only in the last few years, that the MNC's have ventured into the toothpowder market and launched white toothpowder. Today white toothpowder accounts for over 65% of the market, while the rest is divided between red and black.

#### **Toothbrush**

Toothbrush market segmentation has increased significantly in the last few years. 10 years ago, the most expensive toothbrush was priced at Rs. 4. Today, a branded toothbrush costs anywhere between Rs 10 to Rs 60. There are toothbrushes available for children, for specialized gum care, with flexible heads and other unique propositions such as toothbrushes with bristles that signal when the brush is to be replaced.

#### **Indian Dental Industry**

Oral Health Care System in India

Entitled to oral health care in public clinics (this means clinics providing free treatment by the State): All Indian citizens are entitled to medical facilities in government hospital. A nominal fee is charged according to income category.

## **DR. FRESH ASSETS LIMITED**

**(Formerly known as Sunehari Exports Limited)**

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Entitled to care under national health (insurance) system (i.e. the government funded system of national healthcare: This includes any compulsory insurance schemes run by the state): All government and private sector employees with a salary less than Rupees 6,500 per month are covered under the employee's state insurance corporation (ESIS).

Care/treatments covered under national health system: All medical and dental treatment excluding treatment for cosmetic purposes.

### **Real Estate Industry**

The Real Estate sector in the year 2012-13 picked up steadily after a sluggish start. Some of the markets witnessed stabilization of the sector & consolidation of the prices. Consumption of the inventory piling up during the recessionary phase continued resulting in good demand-supply equation in 2012-2013.

From April, 2000 to June, 2012, cumulative FDI in the sector Construction Development: Township Housing, Built-up Infrastructure was Rs 95,624 Crores (US \$ 21,088 million). Overall it was ranked second with 12% share, according to Ministry of External Affairs, GOI Investment & Technology Promotion (ITP) Division.

The Government has undertaken various initiatives to help the sector grow in the recent past. Some of the recent policy initiatives which are expected to serve as a trigger to boost the investment in the sector include:

- Foreign citizens of Indian origin have been granted permission by the Reserve Bank of India (RBI) to purchase property in India for residential or commercial purposes.
- FDI up to 100% is allowed under the automatic route in Townships, built-up Infrastructure and Construction Development projects subject to certain conditions.
- The government has allowed 51% FDI in multi-brand retail subject to conditions which is likely to trigger Real Estate development.

In the Union Budget 2012-13, various initiatives for the Real Estate sector, especially focusing on affordable housing were taken. Some of these initiatives included:

- Allowing External Commercial Borrowing (ECB) for affordable housing was a progressive move, the government also reduced the withholding tax on ECBs for affordable housing from 20% to 5% for 3 years.

- 1% interest rate subsidy provided towards affordable housing continued in 2012-13 too for home loans of up to Rs.15 lakh on homes costing up to Rs. 25 lakh.

The affordable housing segment is expected to play an important role in the growth of the Real Estate sector in India in 2012-13, on the back of increasing demand for such housing. Further, growth in the infrastructure sector is also expected to accelerate Real Estate activities, in commercial as well as residential segments, during this year.

### **References:**

<http://www.livemint.com>

<http://www.ibef.org>

### **Opportunities & Threats**

The new age Indian consumer is better educated about oral health care needs and the market is full of dental products to ensure dental health. The organized retail potential which is creating the huge consumption opportunity is by far the biggest Opportunity for companies like us. With the aspirational and rich class in India having a better penetration, our brand led growth will help the company in both the immediate and long run. Also, with the rural India being revisited by marketers through the modern retail (haat) philosophy, the opportunity is huge.

Competition from Indian and global players remain a matter of concern and probable threat; while the company is well prepared to tackle such issues on an ongoing basis.

India's real estate market is largely unorganized and dominated by a large number of small players (with limited corporate or large/ international names on the national scene yet). Key risks synonymous to the real estate industry include the global recessionary trend, economic slowdown, increase in financial charges, non-availability (or undue increase in cost) of raw materials, such as land, cement, steel and labour, coupled with market fluctuations. Our Company is adequately equipped to face and mitigate any such adverse situation. The Company does not apprehend any inherent risk in the real estate industry in the long run, with the exception of certain primary concerns that have afflicted the progress of real estate industry in general, like:

- Restrictive legislation and related adverse changes, if any, in governmental policies relating to real estate.
- Limited investment from the organised sector.



- Real estate is one of the most overburdened tax segments in the country.
- Rising inflation.
- High interest rate.
- Volatile global economic environment.

As seen in the recent past, government policies have been supportive, except for a few continuing obstacles like the high incidence of stamp duty, the non-availability of low-cost long-term funds and tenancy laws for the real estate/construction sector. However, the said risks can be averted if the government aligns its real estate policies along a regulatory framework, instead of being restrictive in nature.

Today, one needs to factor in the competition the real estate sector in India faces from several domestic and international players (especially since the opening of routes for Foreign Direct Investment).

**Risks & Concern**

To good hold in this sector the company has to be updated on latest technical and market trend. Increased competition any may reduce market share and/or revenue.

**Human resource / Industrial relations**

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people.

The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and the Company does not anticipate any material problems on this count in the current year.

The management is also committed to help the employees and workers to sharpen their skills and to improve their knowledge base for which continuous efforts are made on training and development.

**Internal Control Systems and Adequacy**

The Company has established internal control systems for ensuring optimum use of resources and safeguarding the assets. The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

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**INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
DR. FRESH ASSETS LTD.

**Report on the Financial Statements**

We have audited the accompanying financial statements of DR. FRESH ASSETS LTD which comprise the Balance Sheet as at 31 March 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2013;
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (ii) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act; and
  - (v) On the basis of written representation received from the directors as at 31 March 2013 and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No: 302166E

Place : New Delhi  
Date : 30.05.2013

**Kavita Nangia**  
Partner  
(M. No. 90378)

**ANNEXURE REFERRED TO IN PARAGRAPH (1) UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE**

| Name of party                               | Relationship with company | Maximum amount (₹) | Year end balance (₹) |
|---|---------------------------|--------------------|----------------------|
| Berco Engineering Pvt. Ltd. (Interest free) | Associate Concern         | 10556500           | 10556500             |

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management according to a regular program which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
- (c) In our opinion and according to explanations given to us, fixed assets disposed off during the year were not substantial and as such the disposal has not affected the going concern concept of the company.
- (ii) (a) As explained to us, physical verification of inventory (except material in transit) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. Discrepancies noticed on verification of inventory as compared to book records were not material and these have been properly dealt with in the books of accounts.
- (iii) (a) (i) The company has not granted any loans, secured or unsecured to companies, firms or other parties as listed in the register maintained under section 301 of the Companies Act 1956 and as such information regarding rate of interest, overdue amounts and other terms & conditions of loans granted is not required to be furnished.
- (ii) As the company has not granted any loan to parties caused U/s 301 of the companies Act, 1956 provision of clause (iii) (b) (c) (d) of the order are not applicable.
- e) *In our opinion and according to information and explanation given to us, the following are the particulars of loans taken by the company from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.*
- (f) In our opinion the rate of interest and other terms and conditions on which unsecured loans, have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are prima-facie not prejudicial to the interest of the company.
- (g) The company is regular in repaying the principal amount wherever stipulated.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. Further on the basis of our examination of the books and records of the company, carried out in accordance with the auditing standards generally accepted in India, we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanation given to us, no transaction of purchase and sale of goods, materials & services were made during the year in pursuance of contracts or arrangements which were required to be entered in the register maintained under section 301 of Companies Act, 1956 and exceeding the value of Rs 5 lacs.
- (vi) The company has not accepted any deposits from the Public within the meaning of Section 58A & 58AA of the Companies Act, 1956.
- (vii) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (viii) The Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for any products dealt with by the company.

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

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- (ix) (a) According to the records of the company, the company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to it except in certain instances where delays were noticed.
- (b) According to information and explanations given to us no undisputed amounts payable in respect of income tax, wealth tax, custom duty, excise duty and cess were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.
- (x) As at 31.03.2013 company doesn't have accumulated losses . The company has not incurred any cash losses during the year covered by our audit and in the immediately preceding year.
- (xi) In our opinion and according to the information and explanations given to us the company has not defaulted in repayment of principal / interest dues to financial Institutions, banks.
- (xii) According to the information and explanations given to us the company has not granted any loan or advance on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the company is neither a chit fund nor nidhi/mutual benefit fund/society and hence clause 4 (xiii) of the Order is not applicable.
- (xiv) In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments and accordingly the provisions of clause (xiv) of the Order is not applicable.
- (xv) Based on our examination of the records we are of the opinion that the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and information given to us and on an overall examination of the balance sheet of the company we report that no term loans have been taken during the year, accordingly clause (vi) of the CARO report, 2003 is not applicable to the company.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company we report that the funds raised on short-term basis have not been used for long-term investment.
- (xviii) According to the information and explanations given to us during the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of Companies Act, 1956.
- (xix) According to the information and explanations given to us, during the year the company had not issued any debentures.
- (xx) According to the information and explanations given to us, during the year under review no money was raised by public issue.
- (xxi) During the course of our examination of books and records of the company, carried out in accordance with auditing standards generally accepted in India, we have neither come across any instance of fraud by the company, noticed or reported during the year nor have we been informed of such case by the management.

For **B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No: 302166E

Place : New Delhi  
Date : 30.05.2013

**Kavita Nangia**  
Partner  
(M. No. 90378)

**BALANCE SHEET AS AT 31ST MARCH, 2013**

| Particulars                            | Note No. | As At<br>31.03.2013<br>₹ |                            | As At<br>31.03.2012<br>₹ |                            |
|--|----------|--------------------------|----------------------------|--------------------------|----------------------------|
| <b><u>EQUITY AND LIABILITIES:</u></b>  |          |                          |                            |                          |                            |
| <b><u>Shareholder's Funds:</u></b>     |          |                          |                            |                          |                            |
| Share Capital                          | 2        | 54307155.00              |                            | 54307155.00              |                            |
| Reserves & Surplus                     | 3        | <u>196054108.13</u>      | 250361263.13               | <u>193269179.53</u>      | 247576334.53               |
| <b><u>Non-Current Liabilities:</u></b> |          |                          |                            |                          |                            |
| Deferred Tax Liabilities               | 4        | 6763426.00               |                            | 6678476.00               |                            |
| Other Non-Current Liabilities          | 5        | 1297894.00               |                            | 1095478.00               |                            |
| Long Term Provisions                   | 6        | <u>829828.00</u>         | 8891148.00                 | <u>780487.00</u>         | 8554441.00                 |
| <b><u>Current Liabilities:</u></b>     |          |                          |                            |                          |                            |
| Short Term Borrowings                  | 7        | 10556500.00              |                            | 13669000.00              |                            |
| Trade Payables                         | 8        | 338867339.52             |                            | 333901075.50             |                            |
| Other Current Liabilities              | 9        | 20954510.58              |                            | 24265226.37              |                            |
| Short Term Provisions                  | 10       | <u>609230.00</u>         | 370987580.10               | <u>1064567.00</u>        | 372899868.87               |
|  |          |                          | <u><u>630239991.23</u></u> |                          | <u><u>629030644.40</u></u> |
| <b><u>ASSETS:</u></b>                  |          |                          |                            |                          |                            |
| <b><u>Non-Current Assets:</u></b>      |          |                          |                            |                          |                            |
| <b><u>Fixed Assets</u></b>             |          |                          |                            |                          |                            |
| Tangible Assets                        | 11       | 47760927.09              |                            | 49633462.04              |                            |
| Non Current Investments                | 12       | 40438221.00              |                            | 40782110.00              |                            |
| Long Term Loans & Advances             | 13       | <u>10176883.00</u>       | 98376031.09                | <u>8177050.00</u>        | 98592622.04                |
| <b><u>Current Assets:</u></b>          |          |                          |                            |                          |                            |
| Current Investments                    | 14       | 2748043.60               |                            | 1231851.78               |                            |
| Inventories                            | 15       | 117104604.00             |                            | 120388355.00             |                            |
| Trade Receivables                      | 16       | 67682.00                 |                            | 6712.00                  |                            |
| Cash & Bank Balances                   | 17       | 530391.76                |                            | 709094.05                |                            |
| Short Term Loans & Advances            | 18       | 409822088.25             |                            | 405784942.29             |                            |
| Other Current Assets                   | 19       | <u>1591150.53</u>        | 531863960.14               | <u>2317067.24</u>        | 530438022.36               |
|  |          |                          | <u><u>630239991.23</u></u> |                          | <u><u>629030644.40</u></u> |

The notes from 1 to 38 form an integral part of these financial statements

As per our report of even date annexed

**For B.K. SHROFF & CO.**

Chartered Accountants

**Kavita Nangia**

Partner

M. No. 90378

**Surender Gupta**

Company Secretary

**Sumit Nanda**

Managing Director

**Ankur Anand**

Director

Place : New Delhi

Dated : 30.05.2013

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2013**

| Particulars  | Note No. | Current Year<br>₹  | Previous Year<br>₹   |
|--|----------|--------------------|----------------------|
| <b>REVENUE FROM OPERATIONS:</b>  |          |                    |                      |
| Revenue from Operations  | 20       | 12009678.00        | 41044367.00          |
| Other Income   | 21       | 7694798.38         | 12109153.20          |
| <b>TOTAL REVENUE</b>   |          | <b>19704476.38</b> | <b>53153520.20</b>   |
| <b>EXPENSES:</b>   |          |                    |                      |
| Cost of Material consumed  | 22       | –                  | 197751.15            |
| Purchase Traded Goods  |          | 1089108.00         | 26460500.00          |
| Changes in Inventories   | 23       | 3283751.00         | (3180309.30)         |
| Employee Benefits Expenses   | 24       | 2143304.00         | 3169113.00           |
| Finance Costs  | 25       | 207445.30          | 234203.22            |
| Depreciation   | 11       | 1276996.50         | 6024095.00           |
| Other expenses   | 26       | 10845335.00        | 40268846.39          |
| <b>TOTAL EXPENSES</b>  |          | <b>18845939.80</b> | <b>73174199.46</b>   |
| Profit / (Loss) for the year before<br>Extraordinary and Taxation & Impairment |          | 858536.58          | (20020679.26)        |
| Less: Loss on Impairment   | 11       | –                  | 20484267.02          |
| Add: Loss on Impairment written back   | 11       | 2408913.02         | –                    |
| Less: Extraordinary Items  |          | –                  | (5295405.00)         |
| <b>(Loss)/ Profit for the year before Taxation</b>                             |          | <b>3267449.60</b>  | <b>(35209541.28)</b> |
| <b>Tax Expenses</b>  |          |                    |                      |
| Current Tax (including interest)   |          | 400000.00          | 907697.00            |
| Earlier Year Tax   |          | (2429.00)          | 3018.00              |
| Deferred Tax   | 4        | 84950.00           | (10040165.00)        |
|  |          | <b>2784928.60</b>  | <b>(26080091.28)</b> |
| Add: MAT Credit entitlement for earlier years                                  |          | –                  | 139632.00            |
| <b>(Loss)/ Profit after Taxation</b>   |          | <b>2784928.60</b>  | <b>(25940459.28)</b> |
| <b>Earning Par Share</b>   |          |                    |                      |
| Basic & Diluted  | 29       | (0.51)             | (4.85)               |

The notes from 1 to 38 form an integral part of these financial statements.

As per our report of even date annexed

**For B.K. SHROFF & CO.**  
Chartered Accountants

**Kavita Nangia**  
Partner  
M. No. 90378

**Surender Gupta**  
Company Secretary

**Sumit Nanda**  
Managing Director

**Ankur Anand**  
Director

Place : New Delhi  
Dated : 30.05.2013

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

| Particulars  | Current Year<br>₹ | Previous Year<br>₹   |
|--|-------------------|----------------------|
| <b>A. Net Profit before Tax and after Impairment Loss</b>                  | <b>3267449.60</b> | <b>(35209541.28)</b> |
| Adjustment for   |                   |                      |
| Interest income  | (522885.00)       | (629951.20)          |
| Dividend on Mutual Fund  | (9772.79)         | (127628.12)          |
| Depreciation   | 1276996.50        | 6024095.00           |
| Interest / Finance charges   | 207445.30         | 234203.22            |
| Impairment Loss  | (2408913.02)      | 20484267.02          |
| Diminution in value of Investment  | 332933.96         | (5284020.96)         |
| Irrecoverable Advances written off   | 64176.00          | 226614.29            |
| Exchange Fluctuation   | 3593101.53        | 6869854.52           |
| Preliminary Expenses Written off   | -                 | 40888.00             |
| Loss/ (Profit) on Sale of Investments (net)                                | 4536.01           | (788699.76)          |
| Loss/ (Profit) on Sale of Fixed Assets (net)                               | 2191598.02        | 21143314.44          |
| Operating Profit before change in working capital                          | 7996666.11        | 12983395.17          |
| Adjustment for working capital changes                                     |                   |                      |
| Inventories  | 3283751.00        | (2562801.19)         |
| Trade & other receivables  | (3768842.25)      | (20708613.29)        |
| Trade & other payables   | (1984594.85)      | (21360179.65)        |
| Net Cash inflow from operating activities                                  | 5526980.01        | (31648198.96)        |
| Interest/Finance charges paid  | (207445.30)       | (234203.22)          |
| Direct Taxes Paid/Adjusted   | (570104.00)       | (945056.71)          |
| Net Cash inflow from operating activities                                  | 4749430.71        | (32827458.89)        |
| <b>B. Cash flow from investing activities</b>                              |                   |                      |
| Purchases of Investments   | (5750000.00)      | (42498630.00)        |
| Sales of Investments   | 4250000.00        | 39044298.46          |
| Sale of Fixed Assets   | 1161315.00        | 35202738.00          |
| Loans Recd back/ (Given)   | (1999833.00)      | 740000.00            |
| Interest received  | 522885.00         | 305192.20            |
| Net Cash used in investing activities                                      | (1815633.00)      | 32793598.66          |
| <b>C. Cash flow from financing activities</b>                              |                   |                      |
| Repayment of Long Term Loans   | (3112500.00)      | -                    |
| Payment of Dividend  | -                 | (2341.00)            |
| Net cash out flow from financing activities                                | (3112500.00)      | (2341.00)            |
| Decrease in Cash & Cash equivalents  | (178702.29)       | (36201.23)           |
| Add: Cash & Cash equivalents (Opening Balance)                             | 709094.05         | 745295.28            |
| Cash & Cash equivalents (Closing Balance)                                  | 530391.76         | 709094.05            |
| Note: Brackets represent Cash Outflow                                      |                   |                      |
| * Including Capital advance  |                   |                      |
| The notes from 1 to 38 form an integral part of these financial statements |                   |                      |

As per our report of even date annexed

**For B.K. SHROFF & CO.**

Chartered Accountants

**Kavita Nangia**

Partner

M. No. 90378

**Surender Gupta**

Company Secretary

**Sumit Nanda**

Managing Director

**Ankur Anand**

Director

Place : New Delhi

Dated : 30.05.2013

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

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**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**1 SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of preparation of Financial Statements**

The accounts are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated thereafter. Accounting policies not specifically referred to are consistent with generally accepted principles.

**B. Fixed Assets**

- (i) Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses relating to acquisition and is net of Modvat/cenvat wherever applicable. In respect of project involving construction, related preoperational expenses are capitalised and form part of the value of assets capitalised. Fixed assets other than leasehold land, acquired on lease are not treated as assets of the company and lease rentals are charged as revenue expense. Noida factory building has been constructed on leasehold land held by the company under a 15-year sublease agreement between the company and NSEZ.
- (ii) Fixed assets acquired under hire purchase scheme are capitalized at their principal value and hire charges expensed.
- (iii) Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of the net selling price and its value in use.

**C. Depreciation**

Depreciation is calculated on fixed assets on 'Straight Line Method' in accordance with schedule XIV of the Companies Act, 1956. Leasehold land is depreciated over Lease period.

**D. Foreign Currency Transactions**

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Items denominated in foreign currencies at the year-end and not covered by forward exchange contracts are translated at year-end rates.
- (iii) Any income or expense on account of exchange rate difference either on settlement or on translation is recognised in the profit or loss account except in cases where they relate to the acquisition of fixed assets in which case they are restated at the rates ruling at the year end and exchange differences arising on such transactions are adjusted in the cost of the fixed assets.

**E. Investments**

- (i) Long-term investments are stated at cost of acquisition. Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary in the opinion of management.
- (ii) Current investments are also stated at cost of acquisition. Provision for diminution in the value of current investment is made only if such a decline is other than temporary in the opinion of management.

**F. Inventories**

- (i) Inventories are valued at lower of cost or net realisable value except for waste. Cost is determined using First in First out (FIFO) formula.
- (ii) Finished goods and stock in process include cost of conversion and other cost incurred in bringing the inventory to their present location and condition.
- (iii) Scrap is valued at estimated realisable value.

**G. Miscellaneous Expenditure**

Preliminary expenses and share issue expenses are being proportionately written off over a period of ten years.

**H. Revenue Recognition**

- (i) Sales of goods is recognised on dispatch to customers. Sales are net of return, excise duty & sales tax.
- (ii) Export sales are accounted for on the basis of the date of bill of lading/airway bill. Other sales are accounted for ex factory on despatch and are net of excise duty and cash discount.
- (iii) In the case of real estate projects revenue is recognised on the 'Percentage of completion method of accounting. Revenue comprises the aggregate amount of sale price in terms of the agreements entered into



and is recognised on the basis of percentage of actual cost incurred thereon, including proportionate land cost and to estimated cost of projects under execution.

- (iv) Where aggregate of the payments received provide insufficient evidence of buyer's commitment to make the complete payment, revenue is recognized only to the extent of realisation.
- (v) The estimates of the saleable areas and costs are reviewed periodically by the management and any effect of changes in estimates is recognised in the period in which such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately.

**I. Excise Duty**

- (i) Provision for excise duty is made on waste & finished goods lying in bonded warehouse & meant for sale in domestic tariff area.
- (ii) Modvat benefit accounted for by reducing the purchase cost of the material/ fixed assets.

**J. Lease**

Fixed assets taken on lease before 31.3.2001 are not treated as assets of the company and lease rentals are charged to Profit and Loss account in accordance with the term(s) of the lease(s). However, lease transactions entered/ to be entered into after 1.4.2001 shall be accounted for in accordance with Accounting Standard 19 on 'Leases' prescribed by the Institute of Chartered Accountants of India.

**K. Income from Investment / Deposit**

Income from investment / deposit is credited to revenue in the year in which it accrues. Income is stated in full with tax thereon being accounted for under income tax deducted at source.

**L. Claims & benefits**

Claims receivable and export benefits are accounted on accrual basis to the extent considered receivable.

**M. Employees**

- (i) Company's contribution to Provident Fund is charged to the Profit & Loss Account each year.
- (ii) Provision for Gratuity & Leave Encashment is determined on the basis of actuarial valuation and debited to the Profit & Loss Account.

**N. Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs ceases when substantially all activities necessary to prepare the qualifying asset for its intended use or sale are complete.

**O. Taxation**

- (i) Provision for taxation is based on assessable profit of the Company as defined under Income Tax Act, 1961.
- (ii) Deferred taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in foreseeable future. Deferred tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realized in the near future.

**P. Contingent Liabilities**

Contingent Liabilities as defined in Accounting Standard – 29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefit will be required for an item previously dealt with as a Contingent Liability.

**Q. Events occurring after Balance Sheet date.**

Events occurring after Balance sheet date have been considered in the preparation of financial statements.

**R. Earning Per Share**

- (i) Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- (ii) Diluted earning per share is calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. (Adjusted for the effect of diluted option).

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|  | Current Year<br>₹    |                     | Previous Year<br>₹   |                     |
|--|----------------------|---------------------|----------------------|---------------------|
| <b>2 SHARE CAPITAL</b>                                   |                      |                     |                      |                     |
| <b>Authorised:</b>                                       | <b>No. of shares</b> | <b>Amount</b>       | <b>No. of shares</b> | <b>Amount</b>       |
| <b>Equity Shares of ₹ 10/- each</b>                      |                      |                     |                      |                     |
| At the beginning of the Year                             | 10000000             | 100000000.00        | 8000000              | 80000000.00         |
| Add: Additions on scheme of amalgamation                 | —                    | —                   | 2000000              | 20000000.00         |
| Less: Reduction during the year                          | —                    | —                   | —                    | —                   |
| At the End of the Year                                   | <u>10000000</u>      | <u>100000000.00</u> | <u>10000000</u>      | <u>100000000.00</u> |
| <b>Issued:</b>   |                      |                     |                      |                     |
| <b>Equity Shares of ₹ 10/- each</b>                      |                      |                     |                      |                     |
| At the beginning of the Year                             | 5465753              | 54657530.00         | 5340753              | 53407530.00         |
| Add: Additions on scheme of amalgamation                 | —                    | —                   | 125000               | 1250000.00          |
| Less: Reduction during the year                          | —                    | —                   | —                    | —                   |
| At the End of the Year                                   | <u>5465753</u>       | <u>54657530.00</u>  | <u>5465753</u>       | <u>54657530.00</u>  |
| <b>Subscribed &amp; Paid Up:</b>                         |                      |                     |                      |                     |
| <b>Equity Shares of ₹ 10/- each</b>                      |                      |                     |                      |                     |
| At the beginning of the Year                             | 5465753              | 54657530.00         | 5340753              | 53407530.00         |
| Less : Face value of Share forfeited                     | —                    | 762000.00           | —                    | 762000.00           |
|  |                      | <u>53895530.00</u>  |                      | <u>52645530.00</u>  |
| Add : Forfeited Share amount (Amount originally Paid up) | —                    | 411625.00           | —                    | 411625.00           |
|  |                      | <u>54307155.00</u>  |                      | <u>53057155.00</u>  |
| Add :Shares issued in lieu of the scheme of amalgamation | —                    | —                   | 125000               | 1250000.00          |
| At the End of the Year *                                 | <u>5465753</u>       | <u>54307155.00</u>  | <u>5465753</u>       | <u>54307155.00</u>  |

\* Out of the above 2762464 shares have been issued as bonus shares by way of capitalisation of reserves and 1571568 shares have been issued pursuant to the scheme of amalgamation approved on 08.07.2008 & 125000 shares have been issued pursuant to scheme of arrangement approved on 29.09.2011.

- (i) The company has one class of equity shares having a par value of ₹ 10 each per share. Each shareholder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees.
- (ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of shares held by each shareholder holding more than 5% shares:**

| Class of shares / Name of shareholder | Number of shares held | %holding in that class of shares | Number of shares held | % holding in that class of shares |
|---------------------------------------|-----------------------|----------------------------------|-----------------------|-----------------------------------|
| <b>Equity Shares</b>                  |                       |                                  |                       |                                   |
| Sumit Nanda                           | 3096193               | 57.45%                           | 3096193               | 57.45%                            |
| H.C. Nanda                            | 277949                | 5.16%                            | 277949                | 5.16%                             |
| Shikha Nanda                          | 364340                | 6.76%                            | 364340                | 6.76%                             |
| Growmax Investments Ltd.              | 299700                | 5.56%                            | 299700                | 5.56%                             |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|                                    | Current Year<br>₹       |                                  | Previous Year<br>₹      |                                  |
|------------------------------------|-------------------------|----------------------------------|-------------------------|----------------------------------|
| <b>Details of forfeited shares</b> |                         |                                  |                         |                                  |
| <b>Class of shares</b>             | <b>Number of shares</b> | <b>Amount Originally paid up</b> | <b>Number of shares</b> | <b>Amount Originally paid up</b> |
| Equity Shares                      | 76200                   | 411625.00                        | 76200                   | 411625.00                        |

**3 RESERVES & SURPLUS**

**a) Capital Reserve**

**Created on forfeiture of Share**

|                              |           |  |           |
|------------------------------|-----------|--|-----------|
| At the Beginning of the Year | 768447.79 |  | 768447.79 |
| Additions during the year    | —         |  | —         |
|                              | 768447.79 |  | 768447.79 |
| At the End of the Year       | 768447.79 |  | 768447.79 |

**b) General Reserve**

|  |             |  |             |
|--|-------------|--|-------------|
| At the Beginning of the Year   | 33841493.00 |  | 25091493.00 |
| Additions during the year - Created pursuant to the scheme of amalgamation | —           |  | 8750000.00  |
|  | 33841493.00 |  | 33841493.00 |
| At the End of the Year   | 33841493.00 |  | 33841493.00 |

**c) Surplus**

|   |              |  |               |
|---|--------------|--|---------------|
| At the Beginning of the Year  | 158659238.74 |  | 207919147.89  |
| Additions during the year   | 2784928.60   |  | (25940459.28) |
| Add: Balance brought forward Pursuant to the scheme of arrangement amalgamation | —            |  | (10590811.04) |
| Less: Balance transferred Pursuant to the scheme of Demerger                    | —            |  | 12728638.83   |
|   | 161444167.34 |  | 158659238.74  |
| At the End of the Year  | 196054108.13 |  | 193269179.53  |

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|   | Current Year<br>₹              | Previous Year<br>₹             |
|---|--------------------------------|--------------------------------|
| <b>4. DEFERRED TAXATION</b>   |                                |                                |
| As required under Accounting Standard AS-22, 'Accounting for taxes on income' issued by the Institute of Chartered Accountants of India, the company is required to account for deferred taxation while preparing its accounts. The details of deferred tax assets/liabilities are as under:  |                                |                                |
|   | <b>As at 31 March<br/>2012</b> | <b>Current<br/>Year</b>        |
|   |                                | <b>As at 31 March<br/>2013</b> |
| <b>Deferred Tax Liabilities being tax impact thereon</b>  |                                |                                |
| Difference between WDV of block of assets as per Income tax laws and WDV of the fixed assets as per books of accounts.  | 6985995.00                     | 163226.00                      |
|   | <u>6985995.00</u>              | <u>7149221.00</u>              |
| <b>Total Deferred Tax Liabilities</b>   | <b>6985995.00</b>              | <b>163226.00</b>               |
|   |                                | <b>7149221.00</b>              |
| <b>Deferred Tax Assets being tax impact thereon</b>   |                                |                                |
| Expenses charged in the books, but allowance thereof deferred under income tax laws   | 307519.00                      | 78276.00                       |
|   | <u>307519.00</u>               | <u>385795.00</u>               |
| <b>Total Deferred Tax Assets</b>  | <b>307519.00</b>               | <b>78276.00</b>                |
|   |                                | <b>385795.00</b>               |
| <b>Net Deferred Tax Liability</b>   | <b>6678476.00</b>              | <b>84950.00</b>                |
|   |                                | <b>6763426.00</b>              |
| Deferred Tax Assets of ₹ 5980266.00 as at 31.03.2013 (Previous Year ₹ 5979483.00) for unabsorbed capital losses for current year and carried forward as per Income Tax Law, has not been recognised in view of uncertainty of its realisation as recommended under Accounting Standard AS-22, 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India. |                                |                                |
| <b>5. OTHER NON CURRENT LIABILITIES</b>   |                                |                                |
| Security Deposits   | 1297894.00                     | 1095478.00                     |
|   | <u>1297894.00</u>              | <u>1095478.00</u>              |
| <b>6. LONG TERM PROVISIONS</b>  |                                |                                |
| Provision for Employees Benefits  | 829828.00                      | 780487.00                      |
|   | <u>829828.00</u>               | <u>780487.00</u>               |
| <b>7. SHORT TERM BORROWINGS</b>   |                                |                                |
| <u>Unsecured - From Related Parties</u>   |                                |                                |
| From Associates (Interest free)   | 10556500.00                    | 10556500.00                    |
| From Directors (Interest Free)  | —                              | 3112500.00                     |
|   | <u>10556500.00</u>             | <u>13669000.00</u>             |

The company has provided interest on unsecured borrowings taken from an associate upto 31.03.2008. No Interest has been provided for the period from 01.04.2008 to 31.03.2013 amounting to ₹ 4096239.00 (Previous year ₹ 3251719.00) as the lender has consented to companies request for not charging interest w.e.f. 01.04.2008.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|  | Current Year<br>₹   | Previous Year<br>₹  |
|--|---------------------|---------------------|
| <b>8. TRADE PAYABLES</b>   |                     |                     |
| Sundry Creditors   | 7133833.12          | 7836350.12          |
| Advance against Orders   | 301733506.40        | 294359725.38        |
| Advance against Sale of Property   | 30000000.00         | 31705000.00         |
|  | <b>338867339.52</b> | <b>333901075.50</b> |
| <p>(i) The Company has not received the intimation from its vendors regarding the status under "The Micro Small and Medium Enterprises Development Act, 2006" and therefore disclosures under this act have not been given. The management does not envisage any material impact on the financials in this regard.</p> <p>(ii) Advance against Sale of Property include due to director / officers ₹ Nil (Previous year ₹ 1705000.00) &amp; maximum balance during the year ₹ 1705000.00 (Previous Year ₹ 4205000.00).</p> |                     |                     |
| <b>9. OTHER CURRENT LIABILITIES</b>  |                     |                     |
| Security Deposits  | 73332.00            | 73332.00            |
| Unclaimed dividend   | 29670.00            | 29670.00            |
| Book overdraft with Bank   | —                   | 1519868.92          |
| Other Payables   | 20851508.58         | 22642355.45         |
|  | <b>20954510.58</b>  | <b>24265226.37</b>  |
| <p>(i) Other payables include due to director / officers ₹ Nil (Previous year ₹ 24557.59).</p>   |                     |                     |
| <b>10. SHORT TERM PROVISIONS</b>   |                     |                     |
| Provision for Employees Benefits   | 74383.00            | 24720.00            |
| Provision for Taxes  | 534847.00           | 1039847.00          |
|  | <b>609230.00</b>    | <b>1064567.00</b>   |

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**11. TANGIBLE ASSETS**

| Particulars   | Land at MCA, New Delhi | Land & Building, N-108, Panchsheel Park | Leasehold Industrial Plot | Factory Building   | Plant & Machinery  | Dies & Molds       | Furniture & Fixtures | Office Equipments | Office Equipments Others | Computers        | Vehicle           | Total               |
|---|------------------------|---|---------------------------|--------------------|--------------------|--------------------|----------------------|-------------------|--------------------------|------------------|-------------------|---------------------|
| Gross carrying amount as on 1 April 2012            | 17989337.00            | -                                       | -                         | 21762891.85        | 59164913.31        | 30786452.37        | 3005737.83           | 1523627.40        | 251863.00                | 686940.30        | 6394168.00        | 141565931.06        |
| Additions during the year                           | -                      | -                                       | -                         | -                  | -                  | 348461.55          | -                    | -                 | -                        | -                | -                 | 348461.55           |
| Sales/ adjustments during the year                  | -                      | -                                       | -                         | -                  | 700899.30          | -                  | -                    | -                 | -                        | -                | -                 | 700899.30           |
| <b>Gross carrying amount as on 31 March 2013</b>    | <b>17989337.00</b>     | <b>-</b>                                | <b>-</b>                  | <b>21762891.85</b> | <b>52164074.01</b> | <b>31134913.92</b> | <b>3005737.83</b>    | <b>1523627.40</b> | <b>251863.00</b>         | <b>686940.30</b> | <b>6394168.00</b> | <b>134913493.31</b> |
| Accumulated Depreciation as on 1 April 2012         | -                      | -                                       | -                         | 5222157.00         | 50406502.31        | 29175667.00        | 2408761.83           | 1261193.13        | 95681.00                 | 652593.75        | 2709913.00        | 91932469.02         |
| Depreciation for the year                           | -                      | -                                       | -                         | 368786.50          | 47279.00           | 114171.00          | 111264.00            | 54952.00          | 11963.00                 | -                | 569581.00         | 1276996.50          |
| Impairment written back during the year             | -                      | -                                       | -                         | -                  | 2408913.02         | -                  | -                    | -                 | -                        | -                | -                 | 2408913.02          |
| Sales/ adjustments during the year                  | -                      | -                                       | -                         | -                  | 3647986.28         | -                  | -                    | -                 | -                        | -                | -                 | 3647986.28          |
| <b>Accumulated Depreciation as on 31 March 2013</b> | <b>-</b>               | <b>-</b>                                | <b>-</b>                  | <b>5590943.50</b>  | <b>44396882.01</b> | <b>29289838.00</b> | <b>2520255.83</b>    | <b>1316145.13</b> | <b>107644.00</b>         | <b>652593.75</b> | <b>3278494.00</b> | <b>87152566.22</b>  |
| <b>Net carrying amount as on 31 March 2013</b>      | <b>17989337.00</b>     | <b>-</b>                                | <b>-</b>                  | <b>16171948.35</b> | <b>7767132.00</b>  | <b>1845075.92</b>  | <b>485712.00</b>     | <b>207482.27</b>  | <b>144219.00</b>         | <b>34346.55</b>  | <b>3115674.00</b> | <b>47760927.09</b>  |
| <b>Previous year</b>                                |                        |   |                           |                    |                    |                    |                      |                   |                          |                  |                   |                     |
| Particulars   | Land at MCA, New Delhi | Land & Building, N-108, Panchsheel Park | Leasehold Industrial Plot | Factory Building   | Plant & Machinery  | Dies & Molds       | Furniture & Fixtures | Office Equipments | Office Equipments Others | Computers        | Vehicle           | Total               |
| Gross carrying amount as on 1 April 2011            | 17989337.00            | 39261538.31                             | 9447456.28                | 39027844.85        | 104310291.36       | 36078361.15        | 3024314.83           | 1529127.40        | 251863.00                | 752259.30        | 11603035.00       | 263275428.48        |
| Deductions as a result of demerger                  | -                      | -                                       | 9447456.28                | 17264953.00        | 14183940.00        | 2236078.12         | 18577.00             | 5500.00           | -                        | 65319.00         | -                 | 43221823.40         |
| Additions during the year                           | -                      | -                                       | -                         | -                  | -                  | 704324.60          | -                    | -                 | -                        | -                | -                 | 704324.60           |
| Sales/ adjustments during the year                  | -                      | 39261538.31                             | -                         | -                  | 30961438.05        | 3760155.26         | -                    | -                 | -                        | -                | 5208667.00        | 79191998.62         |
| <b>Gross carrying amount as on 31 March 2012</b>    | <b>17989337.00</b>     | <b>-</b>                                | <b>-</b>                  | <b>21762891.85</b> | <b>59164913.31</b> | <b>30786452.37</b> | <b>3005737.83</b>    | <b>1523627.40</b> | <b>251863.00</b>         | <b>686940.30</b> | <b>6394168.00</b> | <b>141565931.06</b> |
| Accumulated Depreciation as on 1 April 2011         | -                      | -                                       | 405892.00                 | 4917344.00         | 42771510.29        | 31619936.17        | 2304605.83           | 1206415.13        | 83718.00                 | 640676.75        | 6161162.01        | 90111260.18         |
| Deductions as a result of demerger                  | -                      | -                                       | 405892.00                 | 211690.00          | 828188.00          | 378933.00          | 7108.00              | 174.00            | -                        | 9222.00          | -                 | 1841207.00          |
| Depreciation for the year                           | -                      | -                                       | -                         | 516503.00          | 3187241.00         | 1095601.00         | 111264.00            | 54952.00          | 11963.00                 | 21139.00         | 1025432.00        | 6024095.00          |
| Impairment during the year                          | -                      | -                                       | -                         | -                  | 20484267.02        | -                  | -                    | -                 | -                        | -                | -                 | 20484267.02         |
| Sales/ adjustments during the year                  | -                      | -                                       | -                         | -                  | 15208328.00        | 3160937.17         | -                    | -                 | -                        | -                | 4476681.01        | 22845946.18         |
| <b>Accumulated Depreciation as on 31 March 2012</b> | <b>-</b>               | <b>-</b>                                | <b>-</b>                  | <b>5222157.00</b>  | <b>50406502.31</b> | <b>29175667.00</b> | <b>2408761.83</b>    | <b>1261193.13</b> | <b>95681.00</b>          | <b>652593.75</b> | <b>2709913.00</b> | <b>91932469.02</b>  |
| <b>Net carrying amount as on 31 March 2012</b>      | <b>17989337.00</b>     | <b>-</b>                                | <b>-</b>                  | <b>16540734.85</b> | <b>8758411.00</b>  | <b>1610785.37</b>  | <b>596976.00</b>     | <b>262434.27</b>  | <b>156182.00</b>         | <b>34346.55</b>  | <b>3684255.00</b> | <b>49633462.04</b>  |

(i) During the previous year fixed assets of ₹ 43221823.40 accumulated depreciation ₹ 1841207.00 has been reduced due to the demerger of Haridwar Unit of the company as a result of the approval of the scheme of amalgamation of Dr. Fresh Assets Limited with Sunehari Exports Limited and demerger of Haridwar Unit of Sunehari Exports Limited into Sunehari Exports (Haridwar) Limited from 1st April, 2011, which was sanctioned by the Hon'ble High Court of Delhi vide its order dated 29.09.2011.

(ii) Additions Includes Exchange Fluctuation on Mould & Dies ₹ 348461.55 (Previous Year ₹ 704324.60).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

|  | Current Year<br>₹ | Previous Year<br>₹ |
|--|-------------------|--------------------|
|--|-------------------|--------------------|

11. (Contd.)

In pursuance of Account Standard on Impairment of Assets (AS-28) issued by the Institute of Chartered Accountants of India, the company has as on 31.03.2012 identified cash generating unit viz. Dr. Fresh Assets Ltd. - Unit MCIA, Delhi and Unit-2, NSEZ, Noida and which are not economically viable. The carrying amount of the said units exceeded its net recoverable amount which is the net selling price determined on the basis of certificate given by the management of the Company.

| Class/ Nature                           | Carrying Amount as on 31.03.12 | Carrying Amount of Assets sold during the year | Balance Carrying Amount as on 31.03.13 | Net Recoverable Amount | Impairment Loss as on 31.03.12 | Impairment Loss written back during the year | Balance Impairment Loss as on 31.03.13 |
|---|--------------------------------|--|--|------------------------|--------------------------------|--|--|
| Plant & Machinery - Unit MCIA, Delhi    | 2968309.02                     | 2597132.02                                     | 371177.00                              | 1216167.00             | 2248309.02                     | 1910132.02                                   | 338177.00                              |
| Plant & Machinery - Unit-2, NSEZ, Noida | 25675458.00                    | 755781.00                                      | 24919677.00                            | 7182500.00             | 18235958.00                    | 498781.00                                    | 17737177.00                            |
| <b>Total</b>                            | <b>28643767.02</b>             | <b>3352913.02</b>                              | <b>25290854.00</b>                     | <b>8398667.00</b>      | <b>20484267.02</b>             | <b>2408913.02</b>                            | <b>18075354.00</b>                     |

The impairment loss has been written back so has been credited to Profit & Loss Account during the year and depreciation on the impaired assets is continue to be charged as per the policy of the company.

12. NON CURRENT INVESTMENTS

|   | No. of Shares      | No. of Shares |
|---|--------------------|---------------|
| <u>Unquoted</u>   |                    |               |
| <u>In Subsidiaries</u>  |                    |               |
| Equity Shares of Dr. Fresh Commercial Land Development Pvt. Ltd. @ ₹ 10 each fully paid up                                  | 9999               | 99990.00      |
| Share in SEL International Pte. Ltd., Singapore @ SGD 1 each fully paid up (equivalent to SGD 100000 (PY SGD 1000))         | 100000             | 3832130.00    |
| <u>In Associates</u>  |                    |               |
| Equity share of Sunehari Exports (Haridwar) Ltd. @ ₹ 10 each fully Paid Up  | 9999               | 99990.00      |
| 0.01% Compulsorily Redeemable Non Cumulative Preference share of Sunehari Exports (Haridwar) Ltd. @ ₹ 10 each fully Paid Up | 40000              | 400000.00     |
| Equity share of Dr. Fresh Real Estate Ventures Pvt Ltd. @ ₹ 10 each fully Paid Up   | 15000              | 150000.00     |
| <u>In Joint Ventures</u>  |                    |               |
| Equity Shares of Oriole Dr. Fresh Hotels Pvt. Ltd. @ ₹ 10 each fully paid up  | 40000              | 400000.00     |
| 5% Cumulative Redeemable Preference Shares of Oriole Dr. Fresh Hotels Pvt. Ltd. @ ₹ 100 each fully paid up                  | 358000             | 35800000.00   |
|   | <b>40782110.00</b> | 40782110.00   |
| Less: Provision for Diminution in Value of Investment   | <b>343889.00</b>   | —             |
|   | <b>40438221.00</b> | 40782110.00   |
| <b>Aggregate value of Unquoted Investments</b>  | <b>40782110.00</b> | 40782110.00   |

- (i) The Company has as investment of ₹ 3832130.00 (PY ₹ 3832130.00) in its subsidiary SEL International Pte. Ltd., the company has begun its operation during the year resulting in loss, the parent company envisages growth & profitability in future years and hence the diminution in investment to be temporary in nature and accordingly no provision is considered necessary.

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|  | Current Year<br>₹       | Previous Year<br>₹      |
|--|-------------------------|-------------------------|
| (ii) The Company has as investment of ₹ 400000.00 (PY ₹ 400000.00) in its Joint Venture Company Oriole Dr. Fresh Hotels Pvt. Ltd., the company has begun its operation during the year resulting in loss, the parent company envisages growth & profitability in future years and hence the diminution in investment to be temporary in nature and accordingly no provision is considered necessary. |                         |                         |
| <b>13. LONG TERM LOANS &amp; ADVANCES</b>  |                         |                         |
| (Unsecured - considered good)  |                         |                         |
| Loans to Subsidiaries  | 3872500.00              | 3732500.00              |
| Loans to Others  | 5191621.00              | 3331788.00              |
| Security Deposits  | 1112762.00              | 1112762.00              |
|  | <b>10176883.00</b>      | <b>8177050.00</b>       |
| (i) In the opinion of the management, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.  |                         |                         |
| (ii) Loans to Subsidiaries include ₹ 134000.00 (Previous year ₹ 134000.00) given to SEL International Pte. Ltd.  |                         |                         |
| (iii) Loans to Subsidiaries include ₹ 3738500.00 (Previous year ₹ 3598500.00) given to Dr. Fresh Commercial Land Development Pvt. Ltd.   |                         |                         |
| (iv) Loans to others includes interest receivable ₹ 1181051.00 (Previous Year ₹ 821218.00).  |                         |                         |
| <b>14. CURRENT INVESTMENTS</b>   |                         |                         |
| <u>Quoted</u>  | <b>No. of<br/>Units</b> | <b>No. of<br/>Units</b> |
| <u>In Mutual Funds</u>   |                         |                         |
| DSP BlackRock Small & Midcap Fund  | 781.949                 | 13245.00                |
| HDFC Top 200 Fund  | 69.048                  | 1085.772                |
| ICICI Prudential Discovery Fund  | 4687.768                | 220000.00               |
| Reliance Vision Fund   | 45.347                  | 11193.00                |
| SBI MSFU Emerging Business Fund  | 757.566                 | 33144.00                |
| <u>In Debt Funds</u>   |                         |                         |
| Pine Bridge India - Short Term Fund Direct Growth  | 2396699.79              | —                       |
| Pine Bridge India - Short Term Fund Std Growth   | 59205.20                | 59205.20                |
| Pine Bridge India Treasury Fund Institutional Daily Dividend   | —                       | 84030.62                |
| Pine Bridge India Total Return Bond Fund SDD   | 1669.72                 | —                       |
| Pine Bridge India Total Return Fund SMD  | 7.89                    | —                       |
|  | <b>2748472.60</b>       | 1243235.82              |
| Less: Provision for Diminution in Value of Investment  | <b>429.00</b>           | 11384.04                |
|  | <b>2748043.60</b>       | 1231851.78              |
| <b>Aggregate value of quoted Investments</b>   | <b>2748472.60</b>       | 1243235.82              |
| <b>15. INVENTORIES</b>   |                         |                         |
| (As taken, valued and certified by the management)   |                         |                         |
| Traded Goods   | 117104604.00            | 120388355.00            |
|  | <b>117104604.00</b>     | <b>120388355.00</b>     |
| <b>16. TRADE RECEIVABLES</b>   |                         |                         |
| <u>Exceeding six months</u>  |                         |                         |
| Unsecured - Considered good  | 4566.00                 | —                       |
| <u>Other Debts</u>   |                         |                         |
| Unsecured - Considered good  | 63116.00                | 6712.00                 |
|  | <b>67682.00</b>         | <b>6712.00</b>          |



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|  | Current Year<br>₹ | Previous Year<br>₹ |
|--|-------------------|--------------------|
| <b>17 CASH &amp; BANK BALANCES</b>       |                   |                    |
| <u>Balances with Scheduled Banks</u>     |                   |                    |
| In Current Account                       | 193181.09         | 47909.73           |
| In Dividend accounts                     | 29931.00          | 77840.73           |
| <u>Balances with Non-Scheduled Banks</u> |                   |                    |
| In Current Account *                     | 234575.37         | 233209.02          |
| Cash in hand                             | 72704.30          | 398044.30          |
|  | <b>530391.76</b>  | <b>709094.05</b>   |

\* (Maximum Balance outstanding during the year ₹ 233209.02 (PY ₹ 11733264.17) in DBS Bank and ₹ 5109445.66 (PY ₹ 52005245.72) in Standard Chartered Bank).

**18 SHORT TERM LOANS & ADVANCES**

(Unsecured - considered good)

Advances (recoverable in cash or in kind or for value to be received)

|                  |                     |                     |
|------------------|---------------------|---------------------|
| - Joint Ventures | 22465105.00         | 21465105.00         |
| - Others         | 387356983.25        | 384319837.29        |
|                  | <b>409822088.25</b> | <b>405784942.29</b> |

- (i) In the opinion of the management, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.
- (ii) The company has entered into a Joint venture agreement on 24.08.07 with Oriole Dr. Fresh Hotels Private Limited, (Venture Company), M/s. Spank Hotels Private Limited and Mr. Bhushan Arora. Their interest in the JV will be in the ratio of 60 (Spank Hotels Pvt. Ltd.), 20 (Dr. Fresh Assets Ltd.) and 20 (Mr. Bhushan Arora) i.e. the ratio of equity participation by all three in the venture company. The amount paid towards equity contribution has been reflected under investment. The JV partners have agreed that profit of the venture company shall be shared in the ratio of respective equity shareholders of the parties and minimum 90% of profit after tax of the venture company after settling external debt at the end of every financial year will be distributed in the form of dividend between the JV Partners.

**(iii) Disclosure in respect of Joint Ventures :**

**Name of Joint Venture and Financial Interest in the same.**

Name of Joint Venture

Oriole Dr. Fresh Hotels Pvt. Ltd.

Description of Interest (Description of Job)

Jointly Controlled Entity (Since 01.04.2011)

Proportion of ownership Interest

20%

Country of Residence

India

Company's shares of :

Assets as at the end of the year

Current Year \*

Previous Year

Liabilities as at the end of the year

-

105369104.00

Income for the year

-

68875607.00

Expenses for the year

-

11867829.00

Tax for the year

-

15087722.00

(502.00)

\* Figures for the current year have not been furnished as the same is under finalisation.

- a. Share in contingent liabilities of Joint Venture themselves for which the Company is contingently liable as on 31st March, 2013 is ₹ NIL.
- b. Liabilities does not include ₹ 22465105.00 (Previous Year ₹ 21465105.00), which represents company's share given as unsecured loan to the Joint Venture Company.

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|   | Current Year<br>₹  | Previous Year<br>₹ |
|---|--------------------|--------------------|
| <b>19 OTHER CURRENT ASSETS</b>              |                    |                    |
| Prepaid Expenses                            | 13413.00           | 17941.00           |
| Balance with Central Excise Authorities     | 58139.53           | 257787.24          |
| Income Tax Payments                         | 1163075.00         | 1355910.00         |
| MAT Credit entitlement for earlier years    | —                  | 139632.00          |
| Other Receivables                           | 356523.00          | 545797.00          |
|   | <u>1591150.53</u>  | <u>2317067.24</u>  |
| <b>20 REVENUE FROM OPERATIONS</b>           |                    |                    |
| Turnover Manufactured (Gross)               |                    |                    |
| Sale of Products                            | 1523847.00         | 2716161.00         |
| Less:- Excise duty                          | —                  | 71488.00           |
| Less:- Raw Material Sold                    | —                  | 603276.00          |
|   | <u>1523847.00</u>  | <u>2041397.00</u>  |
| Sale of Traded Goods                        | 10485831.00        | 39002970.00        |
|   | <u>12009678.00</u> | <u>41044367.00</u> |
| <b>21 OTHER INCOME</b>                      |                    |                    |
| Interest Income                             | 522885.00          | 629951.20          |
| Profit on Redemption of Mutual Funds        | —                  | 128699.76          |
| Interest on Income Tax Refund               | 8437.00            | 1280.00            |
| Liability written back                      | 261363.59          | 1970670.00         |
| Dividend on Mutual Fund                     | 9772.79            | 127628.12          |
| Profit on Sale of Shares                    | —                  | 660000.00          |
| Rental Income                               | 6847340.00         | 5294608.00         |
| Consultancy Income                          | 45000.00           | 3150000.00         |
| Excise duty on opening and closing stock    | —                  | 73987.12           |
| Liability written back for Leave Encashment | —                  | 72329.00           |
|   | <u>7694798.38</u>  | <u>12109153.20</u> |
| <b>22 COST OF MATERIAL CONSUMED</b>         |                    |                    |

**Current year**

| Particulars                       | San & Plastic Dana | Elastomer Rubber | Nylon Bristles | PVC Sheet | Paper    | Packing Material & Spares | Others   | Total    |
|-----------------------------------|--------------------|------------------|----------------|-----------|----------|---------------------------|----------|----------|
| Opening Balance                   | —                  | —                | —              | —         | —        | —                         | —        | —        |
| Add: Purchases during the year    | —                  | —                | —              | —         | —        | —                         | —        | —        |
| Less: Cost of Material Sold       | —                  | —                | —              | —         | —        | —                         | —        | —        |
| Less: Consumption during the year | —                  | —                | —              | —         | —        | —                         | —        | —        |
| <b>Closing Balance</b>            | <u>—</u>           | <u>—</u>         | <u>—</u>       | <u>—</u>  | <u>—</u> | <u>—</u>                  | <u>—</u> | <u>—</u> |

**Previous year**

| Particulars                              | San & Plastic Dana | Elastomer Rubber | Nylon Bristles | PVC Sheet | Paper      | Packing Material & Spares | Others    | Total      |
|--|--------------------|------------------|----------------|-----------|------------|---------------------------|-----------|------------|
| Opening Balance                          | 33552.60           | 187936.94        | 619464.64      | 258003.05 | 1459091.54 | 1914655.74                | 316738.70 | 4789443.21 |
| Less: Deductions as a result of demerger | —                  | 105631.00        | 619464.64      | 237815.42 | 1425482.84 | 1757235.35                | 26305.85  | 4171935.10 |
| Add: Purchases during the year           | 182149.23          | 98000.00         | —              | —         | —          | 4189.00                   | 102619.00 | 386957.23  |
| Less: Cost of Material Sold              | 44066.68           | 180305.94        | —              | 20187.63  | 33608.70   | 146969.70                 | 381575.54 | 806714.19  |
| Less: Consumption during the year        | 171635.15          | —                | —              | —         | —          | 14639.69                  | 11476.31  | 197751.15  |
| <b>Closing Balance</b>                   | <u>—</u>           | <u>—</u>         | <u>—</u>       | <u>—</u>  | <u>—</u>   | <u>—</u>                  | <u>—</u>  | <u>—</u>   |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|  |             | Current Year<br>₹                 |              | Previous Year<br>₹                 |
|--|-------------|-----------------------------------|--------------|------------------------------------|
| <b>IMPORTED AND INDIGENOUS MATERIAL CONSUMED</b>         |             |                                   |              |                                    |
| <b>Particulars</b>                                       | <b>%age</b> | <b>Current year<br/>Value (₹)</b> | <b>%age</b>  | <b>Previous Year<br/>Value (₹)</b> |
| Indigenous   | —           | —                                 | 100.00%      | 197751.15                          |
| Imported   | —           | —                                 | —            | —                                  |
|  | —           | —                                 | 100.00%      | 197751.15                          |
| <b>23 CHANGES IN INVENTORIES</b>                         |             |                                   |              |                                    |
| <u>Finished Goods</u>                                    |             |                                   |              |                                    |
| At the beginning of the year                             | —           |                                   | 3102955.28   |                                    |
| Less: Due to demerger of Haridwar unit                   | —           |                                   | 2310646.58   |                                    |
| At the end of the year                                   | —           | —                                 | —            | 792308.70                          |
| <u>Semi - Finished Goods</u>                             |             |                                   |              |                                    |
| At the beginning of the year                             | —           |                                   | 857385.56    |                                    |
| Less: Due to demerger of Haridwar unit                   | —           |                                   | 608885.56    |                                    |
| At the end of the year                                   | —           | —                                 | 248500.00    | 248500.00                          |
| <u>Traded Goods</u>                                      |             |                                   |              |                                    |
| At the beginning of the year                             |             | <b>120388355.00</b>               | 116167237.00 |                                    |
| At the end of the year                                   |             | <b>117104604.00</b>               | 120388355.00 | (4221118.00)                       |
|  |             | <b>3283751.00</b>                 |              | <b>(3180309.30)</b>                |
| <b>24 EMPLOYEE BENEFITS EXPENSES</b>                     |             |                                   |              |                                    |
| <u>Salary &amp; Wages</u>                                |             |                                   |              |                                    |
| Salaries, Wages, Bonus & Other benefits                  |             | <b>1916532.00</b>                 |              | 2379046.00                         |
| Directors' Remuneration                                  |             | —                                 |              | 540000.00                          |
| <u>Contribution to Provident Funds &amp; Other Funds</u> |             |                                   |              |                                    |
| Contribution to Provident Fund, ESI, etc.                |             | <b>33393.00</b>                   |              | 45905.00                           |
| <u>Other Expenses</u>                                    |             |                                   |              |                                    |
| Workmen & Staff Welfare expenses                         |             | <b>90526.00</b>                   |              | 127528.00                          |
| Gratuity   |             | <b>54640.00</b>                   |              | 76634.00                           |
| Leave Encashment   |             | <b>48213.00</b>                   |              | —                                  |
|  |             | <b>2143304.00</b>                 |              | <b>3169113.00</b>                  |

Remuneration paid to the Managing Director in CY ₹ NIL, in PY ₹ 540000.00 (from 01.04.2011 to 31.12.2011). Managing Director has forgone his remuneration from 01.01.2012.

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As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

|           |   | Current Year<br>₹ |                  | Previous Year<br>₹ |                  |
|-----------|---|-------------------|------------------|--------------------|------------------|
|           |   | Gratuity          | Leave Encashment | Gratuity           | Leave Encashment |
| <b>1.</b> | <b>Assumptions :</b>  |                   |                  |                    |                  |
|           | Discount Rate   | 8.00%             | 8.00%            | 8.50%              | 8.50%            |
|           | Rate of increase in Compensation levels                       | 5.50%             | 5.50%            | 6.00%              | 6.00%            |
|           | Expected Rate of Return on Plan Assets                        | —                 | —                | —                  | —                |
|           | Average remaining working lives of employees (Years)          | 22.17             | 23.03            | 19.22              | 19.22            |
| <b>2-</b> | <b>Changes in Present Value of Obligations :</b>              |                   |                  |                    |                  |
|           | Present Value of obligation as at the beginning of the Period | 770003.00         | 35204.00         | 796613.00          | 135725.00        |
|           | Acquisition Adjustment  | —                 | —                | —                  | —                |
|           | Interest Cost   | 61600.00          | 2816.00          | 67712.00           | 11537.00         |
|           | Past Service Cost   | —                 | —                | —                  | —                |
|           | Current Service Cost  | 58226.00          | 9552.00          | 60161.00           | 5403.00          |
|           | Curtailment Cost / (Credit)                                   | —                 | —                | —                  | —                |
|           | Settlement Cost / (Credit)                                    | —                 | —                | —                  | —                |
|           | Benefits Paid   | —                 | (3849.00)        | (103244.00)        | (28192.00)       |
|           | Actuarial (Gain) / (Loss) on obligations                      | (65186.00)        | 35845.00         | (51239.00)         | (89269.00)       |
|           | Present Value of Obligation as at the end of the Period       | 824643.00         | 79568.00         | 770003.00          | 35204.00         |
| <b>3-</b> | <b>Changes in the Fair Value of Plan Assets :</b>             |                   |                  |                    |                  |
|           | Fair Value of Plan Assets at the beginning of the period      | —                 | —                | —                  | —                |
|           | Acquisition Adjustments                                       | —                 | —                | —                  | —                |
|           | Expected Return on Plan Assets                                | —                 | —                | —                  | —                |
|           | Contributions   | —                 | —                | —                  | —                |
|           | Benefits Paid   | —                 | —                | —                  | —                |
|           | Actuarial gain /(loss) on plan assets                         | —                 | —                | —                  | —                |
|           | Fair Value of Plan Assets at the end of the Period            | —                 | —                | —                  | —                |
| <b>4-</b> | <b>Fair value of Plan Assets :</b>                            |                   |                  |                    |                  |
|           | Fair value of Plan Assets at the beginning of the period      | —                 | —                | —                  | —                |
|           | Acquisition adjustment  | —                 | —                | —                  | —                |
|           | Actual return on Plan Assets                                  | —                 | —                | —                  | —                |
|           | Contributions   | —                 | —                | —                  | —                |
|           | Benefits Paid   | —                 | —                | —                  | —                |
|           | Fair value of Plan Assets at the end of the period            | —                 | —                | —                  | —                |
|           | Funded status   | (824643.00)       | (79568.00)       | (770003.00)        | (35204.00)       |
|           | Excess of actual over estimated return on Plan Assets         | —                 | —                | —                  | —                |

|           |  | Current Year<br>₹  |                     | Previous Year<br>₹ |                     |
|-----------|--|--------------------|---------------------|--------------------|---------------------|
|           |  | Gratuity           | Leave<br>Encashment | Gratuity           | Leave<br>Encashment |
| <b>5-</b> | <b>Actuarial Gain / (Loss) Recognized :</b>  |                    |                     |                    |                     |
|           | Actuarial (Gain)/ Loss for the period - Obligation   | <b>65186.00</b>    | <b>(35845.00)</b>   | 51239.00           | 89269.00            |
|           | Actuarial (Gain)/ Loss for the period<br>- Plan Assets   | —                  | —                   | —                  | —                   |
|           | Total (Gain)/ Loss recognized in the period  | <b>(65186.00)</b>  | <b>35845.00</b>     | (51239.00)         | (89269.00)          |
|           | Actuarial (Gain) / Loss recognized<br>in the period  | <b>(65186.00)</b>  | <b>35845.00</b>     | (51239.00)         | (89269.00)          |
|           | Unrecognized actuarial (Gains)/ Losses<br>at the end of the period                             | —                  | —                   | —                  | —                   |
| <b>6-</b> | <b>The Amounts to be recognized in Balance<br/>Sheet and Statements of Profit &amp; Loss :</b> |                    |                     |                    |                     |
|           | Present Value of Obligation as at the end<br>of the period                                     | <b>824643.00</b>   | <b>79568.00</b>     | 770003.00          | 35204.00            |
|           | Fair Value of Plan Assets as at the end<br>of the period                                       | —                  | —                   | —                  | —                   |
|           | Funded Status / Difference   | <b>(824643.00)</b> | <b>(79568.00)</b>   | (770003.00)        | (35204.00)          |
|           | Excess of actual over estimated  | —                  | —                   | —                  | —                   |
|           | Unrecognized Actuarial (Gain) / Losses   | —                  | —                   | —                  | —                   |
|           | Net Asset / (Liability) Recognized in<br>Balance Sheet   | <b>(824643.00)</b> | <b>(79568.00)</b>   | (770003.00)        | (35204.00)          |
| <b>7-</b> | <b>Expenses Recognized in the Statement<br/>of Profit &amp; Loss:</b>                          |                    |                     |                    |                     |
|           | Current Service Cost   | <b>58226.00</b>    | <b>9552.00</b>      | 60161.00           | 5403.00             |
|           | Past Service Cost  | —                  | —                   | —                  | —                   |
|           | Interest Cost  | <b>61600.00</b>    | <b>2816.00</b>      | 67712.00           | 11537.00            |
|           | Expected Return on Plan Assets   | —                  | —                   | —                  | —                   |
|           | Curtailment Cost / (Credit)  | —                  | —                   | —                  | —                   |
|           | Settlement Cost / (Credit)   | —                  | —                   | —                  | —                   |
|           | Net Actuarial (Gain) / Loss<br>recognized in the period  | <b>(65186.00)</b>  | <b>35845.00</b>     | (51239.00)         | (89269.00)          |
|           | Expenses Recognized in the statement<br>of Profit & Loss                                       | <b>54640.00</b>    | <b>48213.00</b>     | 76634.00           | (72329.00)          |
| <b>8-</b> | <b>Reconciliation statement of expense<br/>in the statement of profit &amp; loss:</b>          |                    |                     |                    |                     |
|           | Present value of obligation as at<br>the end of period   | <b>824643.00</b>   | <b>79568.00</b>     | 770003.00          | 35204.00            |
|           | Present value of obligation as at the<br>beginning of the period                               | <b>770003.00</b>   | <b>35204.00</b>     | 796613.00          | 135725.00           |
|           | Benefits paid  | —                  | <b>3849.00</b>      | 103244.00          | 28192.00            |
|           | Actual return on plan assets   | —                  | —                   | —                  | —                   |
|           | Acquisition adjustment   | —                  | —                   | —                  | —                   |
|           | Expenses recognized in the statement<br>of profit & losses                                     | <b>54640.00</b>    | <b>48213.00</b>     | 76634.00           | (72329.00)          |

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|            |   | Current Year<br>₹ |                     | Previous Year<br>₹ |                     |
|------------|---|-------------------|---------------------|--------------------|---------------------|
|            |   | Gratuity          | Leave<br>Encashment | Gratuity           | Leave<br>Encashment |
| <b>9-</b>  | <b>Amount for the current period:</b>                             |                   |                     |                    |                     |
|            | Present value of obligation as at the end of period               | <b>824643.00</b>  | <b>79568.00</b>     | 770003.00          | 35204.00            |
|            | Fair value of plan assets at the end of the period                | —                 | —                   | —                  | —                   |
|            | Surplus / (Deficit)   | (824643.00)       | (79568.00)          | (770003.00)        | (35204.00)          |
|            | Experience adjustment on plan Liabilities (loss)/ gain            | 67900.00          | (35787.00)          | 51239.00           | 89269.00            |
|            | Experience adjustment on plan Assets (loss)/ gain                 | —                 | —                   | —                  | —                   |
| <b>10-</b> | <b>Movement in the liability recognized in the Balance Sheet:</b> |                   |                     |                    |                     |
|            | Opening net liability   | 770003.00         | 35204.00            | 796613.00          | 135725.00           |
|            | Expenses as above   | 54640.00          | 48213.00            | 76634.00           | (72329.00)          |
|            | Benefits Paid   | —                 | (3849.00)           | (103244.00)        | (28192.00)          |
|            | Actual return on Plan assets                                      | —                 | —                   | —                  | —                   |
|            | Acquisition adjustment  | —                 | —                   | —                  | —                   |
|            | Closing net liability   | 824643.00         | 79568.00            | 770003.00          | 35204.00            |

**25 FINANCE COSTS**

|                       |                  |                  |
|-----------------------|------------------|------------------|
| Interest Expenses     | <b>185954.17</b> | 116231.74        |
| Other Borrowing Costs | <b>21491.13</b>  | 117971.48        |
|                       | <b>207445.30</b> | <b>234203.22</b> |

**27 OTHER EXPENSES**

|                                    |                   |            |
|------------------------------------|-------------------|------------|
| Power & Fuel                       | <b>172921.00</b>  | 395690.20  |
| Lease Rent                         | —                 | 73601.00   |
| Repair to Plant & Machinery        | <b>1290.00</b>    | 12500.00   |
| Repair to Building                 | <b>206531.00</b>  | 2049119.00 |
| Repair to Others                   | <b>697713.83</b>  | 568401.46  |
| Insurance                          | <b>40956.00</b>   | 99537.00   |
| Rates, Taxes & Fees                | <b>126628.00</b>  | 294103.00  |
| Communication expenses             | <b>193011.97</b>  | 338492.79  |
| Travelling & Conveyance            | <b>1202845.97</b> | 2133964.99 |
| Printing & Stationery              | <b>85788.00</b>   | 109776.00  |
| Commission Others                  | <b>102322.00</b>  | 321469.00  |
| Business Promotion                 | <b>219346.15</b>  | 852563.84  |
| Advertisement                      | <b>46950.00</b>   | 104933.00  |
| Meeting Fees & Expenses            | <b>4000.00</b>    | 187900.00  |
| Donation                           | <b>107000.00</b>  | —          |
| Irrecoverable Advances written off | <b>64176.00</b>   | 226614.29  |
| Bad Debts & sundry Balance w/off   | —                 | 2567250.63 |
| Loss on Sales of Raw Material      | —                 | 203438.19  |

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|                                       | Current Year<br>₹  | Previous Year<br>₹ |
|---------------------------------------|--------------------|--------------------|
| Loss on Sales of Fixed Assets         | 2191598.02         | 21143314.44        |
| Loss on redemption of mutual funds    | 4536.01            | —                  |
| Exchange Fluctuation (net)            | 3593101.53         | 6869854.52         |
| Previous Year expenses                | 2501.00            | 72243.00           |
| Sales Tax payments                    | 94540.00           | 49958.00           |
| Diminution in Value of Investment     | 332933.96          | 11384.04           |
| Preliminary Expenses Written off      | —                  | 40888.00           |
| Miscellaneous expenses*               | 1354644.56         | 1541850.00         |
|                                       | <b>10845335.00</b> | <b>40268846.39</b> |
| <b>* Includes payment to Auditors</b> |                    |                    |
| As Audit Fees                         | 213484.00          | 190000.00          |
| As Tax Audit Fees                     | 22472.00           | 26000.00           |
| In Other capacity                     | 5618.00            | 16000.00           |
|                                       | <b>241574.00</b>   | <b>232000.00</b>   |

**27 EXPENDITURE IN FOREIGN CURRENCY**

| Particulars   | Value (₹) | Value (₹)  |
|---|-----------|------------|
| Travelling (Does not include cost of air tickets and other related expenditure paid in INR) | 618419.97 | 1082545.36 |
| Business Promotion Exps   | 7923.83   | —          |

**28 EARNINGS IN FOREIGN CURRENCY**

| Particulars            | Value (₹)  | Value (₹)  |
|------------------------|------------|------------|
| F.O.B value of Exports | 1488844.00 | 1217889.00 |

**29 (i) BASIC EARNINGS PER SHARE**

|   |     |            |               |
|---|-----|------------|---------------|
| Profit after tax before Impairment Loss/ written back | (A) | 376015.58  | (5456192.26)  |
| Profit after tax after Impairment Loss/ written back  | (B) | 2784928.60 | (25940459.28) |
| Weighted average no. of equity shares                 | (C) | 5465753    | 5350657       |
| Earning per share before Impairment Loss              | A/C | 0.07       | (1.02)        |
| Earning per share after Impairment Loss               | B/C | 0.51       | (4.85)        |

**Weighted average no. of equity shares**

|  | Days | No. of Share | Weighted Avg. no. of Share | Days | No. of Share | Weighted Avg. no. of Share |
|--|------|--------------|----------------------------|------|--------------|----------------------------|
| Shares at the beginning of the year  | 365  | 5465753      | 2000465598                 | 366  | 5340753      | 1954715598                 |
| Shares issued in pursuance to the approval of the scheme as mentioned in note no. 36 on 03.03.2012 |      | 5465753      | 2000465598                 | 29   | 125000       | 3625000                    |
|  |      |              | 5465753                    |      | 5465753      | 1958340598                 |
| Average No. of equity shares   |      |              | 5465753                    |      |              | 5350657                    |

**(ii) Diluted earning per share is not given as the same is anti dilutive**

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**30 Contingent Liabilities not provided for in respect of:**

- Interest on delayed payment for realty projects 97268832.00 66693346.00

31 The name of the company has been changed from Sunehari Exports Limited to Dr. Fresh Assets Limited vide certificate received from Government of India, Ministry of Corporate Affairs dated 17.05.2012.

32 Previous year figures have been regrouped and/or re-arranged wherever necessary.

33 The company has furnished bonds for ₹ 10 lacs in favour of Customs/ Excise authorities whereby in the event of default of the relevant provisions of Customs Act, 1962, Central Excise & Salt Act, 1944, the Customs/ Excise authorities shall enforce their rights under the bonds. The said unit is under process of debonding. The bonds will be released on completion of necessary formalities.

34 During earlier years the company has signed legal agreement with the Development Commissioner Noida Special Economic Zone (NSEZ) to earn Positive Net Foreign Exchange by exporting its entire production (including sale of DTA as permissible under the policy) till 31.03.2015, beginning from date of commencement of production. In the event the company is unable to fulfill its export obligation it shall be liable to pay custom/excise duty leviable at the relevant time on the imported/indigenous plant, equipment, raw material component and consumables together with interest and liquidate damages.

35 (i) The Company had filed on 19.02.2011 the scheme of amalgamation of Dr. Fresh Assets Limited with itself and demerger of Haridwar Unit of the company into Sunehari Exports (Haridwar) Ltd. from 1st April, 2011, which was sanctioned by the Hon'ble High Court of Delhi vide its order dated 29.09.2011. Dr. Fresh Assets Ltd. has been transferred and vested to the company as a going concern w.e.f. 01.04.2011 (the appointed date). To give the effect to the merger the order of the Hon'ble High Court of Delhi filed with the Registrar of Companies NCT of Delhi & Haryana on 16.01.2012 (effective date). And Haridwar Unit of the company has been demerged into Sunehari Exports (Haridwar) Ltd. w.e.f. 01.04.2011 (the appointed date). To give the effect to the demerger the order of the Hon'ble High Court of Delhi filed with the Registrar of Companies NCT of Delhi & Haryana on 13.01.2012 (effective date). Accordingly the scheme has been given effect to in accounts in earlier years.

(ii) Necessary steps and formalities in respect of transfer of properties from erstwhile Dr. Fresh Assets Ltd. in favour of the company are under implementation. Documentations relating to transfer of titles, rights, obligations, liabilities, etc., in favour of the company is in progress. However, these vest in the company by operation of statute viz. sections 391 to 392 of the Companies Act, 1956.

36 (i) In accordance with a scheme of amalgamation, which was sanctioned by the Hon'ble High Court of Delhi vide its order dated 08.07.2008, Sunehari Financial Services Pvt. Ltd. has been transferred and vested to Dr. Fresh Assets Ltd. (Formerly known as Sunehari Exports Ltd.) as a going concern w.e.f. 01.04.2007 (the appointed date). The order of the Hon'ble High Court of Delhi filed with the Registrar of Companies NCT of Delhi & Haryana on 03.09.2008 (effective date). Accordingly the scheme has been given effect to in accounts in earlier years.

(ii) Necessary steps and formalities in respect of transfer of properties from erstwhile Sunehari Financial Services Pvt. Ltd. in favour of Dr. Fresh Assets Ltd. (Formerly known as Sunehari Exports Ltd.) are under implementation. Documentations relating to transfer of titles, rights, obligations, liabilities, etc., in favour of Sunehari Exports Ltd. is still in progress. However, these vest in Sunehari Exports Ltd. by operation of statute viz. sections 391 to 392 of the Companies Act, 1956.

**37 Related Party Transactions**

A. Names of related parties & description of relationship

- |                               |   |
|-------------------------------|---|
| i) Subsidiaries Company       | SEL International Pte. Ltd.<br>Dr. Fresh Commercial Land Development Pvt. Ltd.                |
| ii) Joint Ventures            | Oriole Dr. Fresh Hotels Pvt. Ltd.   |
| iii) Key Managerial Personnel | Sumit Nanda - Managing Director<br>HCN Call Centre & Teleservices Inc. (Prop. Mr. H.C. Nanda) |



|  |   |
|--|---|
| iv) Relativs of Key Managerial Personnel | H.C. Nanda (Father of Managing Director)  |
| v) Associates                            | Berco Engineering Pvt. Ltd.<br>Dr. Fresh Buildcon Pvt. Ltd.<br>Dr. Fresh Healthcare Pvt. Ltd.<br>Dr. Fresh Property Development Pvt. Ltd.<br>Dr. Fresh Real Estate Ventures Pvt. Ltd.<br>DVA Technologies Pvt. Ltd.<br>JHS Svendgaard Laboratories Ltd.<br>S2 Proprety Pvt. Ltd.<br>S3 Real Estate Pvt. Ltd.<br>Sunehari Exports (Haridwar) Ltd.<br>(Formerly known as Sunehari Exports (Haridwar) Pvt. Ltd.)<br>Touchstone Fund Advisors Pvt. Ltd. |

**B. Disclosure of transactions with related parties.**

(Amount in ₹)

| Particulars   | Subsidiaries |            | Joint Ventures |             | Key Managerial Personnel |            | Relatives of Key managerial Personnel |             | managerial Personnel Concern |                                |
|---|--------------|------------|----------------|-------------|--------------------------|------------|---------------------------------------|-------------|------------------------------|--------------------------------|
|   | 31/3/2013    | 31/3/2012  | 31/3/2013      | 31/3/2012   | 31/3/2013                | 31/3/2012  | 31/3/2013                             | 31/3/2012   | 31/3/2013                    | 31/3/2012                      |
| Sale of goods / Services*   | -            | -          | -              | -           | -                        | -          | -                                     | -           | -                            | 1124162.00                     |
| Purchase of goods   | -            | -          | -              | -           | -                        | -          | -                                     | -           | -                            | -                              |
| Sales of Fixed Assets   | -            | -          | -              | -           | -                        | -          | -                                     | -           | -                            | 7503000.00                     |
| Equity participation in subsidiary/ associate concern / Adjustments due to scheme | -            | 3798630.00 | -              | -           | -                        | -          | -                                     | -           | -                            | 99990.00<br>(10000000.00)      |
| Preferential Capital in subsidiary/ associate concern                             | -            | -          | -              | -           | -                        | -          | -                                     | -           | -                            | 400000.00                      |
| Advance Given/ Refunded/ Adjustments due to scheme                                | 140000.00    | 85000.00   | 1000000.00     | 21465105.00 | 1705000.00               | 2500000.00 | -                                     | 33825800.00 | 8386439.00                   | 829502823.67                   |
| Advance Taken/ Received Back/ Adjustments due to scheme                           | -            | 2688500.00 | -              | -           | -                        | -          | -                                     | 33825800.00 | 1957348.00                   | 1077338167.38<br>2408000000.00 |
| Interest Received   | -            | -          | -              | -           | -                        | -          | -                                     | -           | 111310.00                    | -                              |
| Consultancy Income Received   | -            | -          | -              | -           | -                        | -          | -                                     | -           | 45000.00                     | 3150000.00                     |
| Remuneration  | -            | -          | -              | -           | -                        | 540000.00  | -                                     | -           | -                            | -                              |
| Loan Taken  | -            | -          | -              | -           | -                        | -          | -                                     | 3112500.00  | -                            | -                              |
| Loan Repaid   | -            | -          | -              | -           | -                        | -          | 3112500.00                            | -           | -                            | -                              |
| <b>Closing Balance</b>  |              |            |                |             |                          |            |                                       |             |                              |                                |
| Debtors   | -            | -          | -              | -           | -                        | -          | -                                     | -           | -                            | -                              |
| Creditors   | -            | -          | -              | -           | -                        | -          | -                                     | -           | 363010.00                    | 363010.00                      |
| Investment**  | 3932120.00   | 3932120.00 | 36200000.00    | 36200000.00 | -                        | -          | -                                     | -           | 649990.00                    | 649990.00                      |
| Unsecured loan  | -            | -          | -              | -           | -                        | -          | -                                     | 3112500.00  | 10556500.00                  | 10556500.00                    |
| Other Liability   | -            | -          | -              | -           | -                        | 24557.59   | -                                     | -           | -                            | -                              |
| Advances Given  | 3872500.00   | 3732500.00 | 22465105.00    | 21465105.00 | -                        | -          | -                                     | -           | 260704138.29                 | 254275047.29                   |
| Advances Taken  | -            | -          | -              | -           | -                        | 1705000.00 | -                                     | -           | 240800000.00                 | 240800000.00                   |
| * Net of sales return   |              |            |                |             |                          |            |                                       |             |                              |                                |
| ** Without considering Diminution.  |              |            |                |             |                          |            |                                       |             |                              |                                |

The above transaction as well as related parties have been identified on the basis of information available with the company and the same has been relied upon by the auditors.

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**38 SEGMENT REPORTING**

**A. PRIMARY SEGMENT**

The company operates only in three business segments viz. Oral hygiene products, Precious Metals Trading Activities and Real Estate Business Related Activities..

| Particulars                                    | Oral Care Activities |                      | Gold & Precious Metals Trading Activities |                      | Real Estate Business Related Activities |                      | Other Unallocated    |                      | Total                |                      |
|--|----------------------|----------------------|---|----------------------|---|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | Year ended 31/3/2013 | Year ended 31/3/2012 | Year ended 31/3/2013                      | Year ended 31/3/2012 | Year ended 31/3/2013                    | Year ended 31/3/2012 | Year ended 31/3/2013 | Year ended 31/3/2012 | Year ended 31/3/2013 | Year ended 31/3/2012 |
|  | ₹                    | ₹                    | ₹   | ₹                    | ₹                                       | ₹                    | ₹                    | ₹                    | ₹                    | ₹                    |
| <b>REVENUE</b>                                 |                      |                      |   |                      |   |                      |                      |                      |                      |                      |
| Sales *  | 1523847.00           | 2041397.00           | 10485831.00                               | 39002970.00          | -                                       | -                    | -                    | -                    | 12009678.00          | 41044367.00          |
| Total Sales                                    | 1523847.00           | 2041397.00           | 10485831.00                               | 39002970.00          | -                                       | -                    | -                    | -                    | 12009678.00          | 41044367.00          |
| <b>RESULTS</b>                                 |                      |                      |   |                      |   |                      |                      |                      |                      |                      |
| Segment Result                                 | (4091374.35)         | (46156422.91)        | 6112972.00                                | 16722319.71          | (1966499.50)                            | (2811961.00)         | (7077314.12)         | -                    | (7022215.97)         | (32246064.20)        |
| <u>Corporate Expenses</u>                      |                      |                      |   |                      |   |                      |                      |                      |                      |                      |
| Operating Profit/ (Loss)                       | (4091374.35)         | (46156422.91)        | 6112972.00                                | 16722319.71          | (1966499.50)                            | (2811961.00)         | (7077314.12)         | -                    | (7022215.97)         | (32246064.20)        |
| Interest Expenses                              | -                    | 116231.74            | -   | -                    | -                                       | -                    | 185954.17            | -                    | 185954.17            | 116231.74            |
| Other Income                                   | 372673.59            | 10830702.32          | 399815.00                                 | 360843.00            | 6892340.00                              | 917607.88            | 29969.79             | -                    | 7694798.38           | 12109153.20          |
| Profit/ (Loss) before Tax                      | (3718700.76)         | (35209488.85)        | 6512787.00                                | 17083162.71          | 4925840.50                              | (1894353.12)         | (6861390.16)         | -                    | 858536.58            | (20020679.26)        |
| Impairment Loss                                | -                    | (20484267.02)        | -   | -                    | -                                       | -                    | -                    | -                    | -                    | (20484267.02)        |
| Impairment Loss written back                   | 2408913.02           | -                    | -   | -                    | -                                       | -                    | -                    | -                    | 2408913.02           | -                    |
| Extraordinary Items                            | -                    | 5295405.00           | -   | -                    | -                                       | -                    | -                    | -                    | -                    | 5295405.00           |
| Income Tax/ Wealth Tax                         | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | (397571.00)          | (910715.00)          |
| Deferred Tax                                   | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | (84950.00)           | 10040165.00          |
| MAT Credit entitlement                         | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | -                    | 139632.00            |
| Net Profit after Tax(Net)                      | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | 2784928.60           | (25940459.28)        |
| <u>Other Information</u>                       |                      |                      |   |                      |   |                      |                      |                      |                      |                      |
| Segment Assets                                 | 53958620.45          | 128899797.56         | 125901010.00                              | 127514201.00         | 441105762.35                            | 372616645.84         | 9274598.43           | -                    | 630239991.23         | 629030644.40         |
| Segment Liabilities                            | 48861069.08          | 128899797.56         | -   | 127514201.00         | 322087526.00                            | 372616645.84         | 8930133.02           | -                    | 379878728.10         | 629030644.40         |
| Capital Expenditure                            | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | -                    | -                    |
| Depreciation                                   | 198875.00            | 6024095.00           | -   | -                    | 348251.50                               | -                    | 729870.00            | -                    | 1276996.50           | 6024095.00           |
| Non Cash Expenditure (Other than Depreciation) | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | -                    | -                    |

**Notes:-**

- Segment have been identified in accordance with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the different risks and return of these Segments.
- Segment information has been prepared in conformity with the accounting policies adopted for preparation and presenting the financial statement of the Company.
- All segment assets and liabilities as well as revenue and expenses are directly attributable to the segment.
- All unallocable assets and liabilities as well as revenue & expenses are treated separately.
- Capital expenditure includes capital advances.

**B. SECONDARY SEGMENT**

Segmental Revenue (as per geographical market).

The Company has considered geographical segment as secondary reporting segment for disclosure. For this purpose revenues are bifurcated based on sales in India and outside India.

|                  | Sales Revenue*         |                       | Carrying Amount of Segment Asset |                       | Cost to Acquire** Fixed Assets |                       |
|------------------|------------------------|-----------------------|----------------------------------|-----------------------|--------------------------------|-----------------------|
|                  | By Geographical Market |                       | Segment Asset                    |                       | Fixed Assets                   |                       |
|                  | Year ended 31.03.2013  | Year ended 31.03.2012 | Year ended 31.03.2013            | Year ended 31.03.2012 | Year ended 31.03.2013          | Year ended 31.03.2012 |
|                  | ₹                      | ₹                     | ₹                                | ₹                     | ₹                              | ₹                     |
| 1. Outside India | 1523847.00             | 1217889.00            | -                                | -                     | -                              | -                     |
| 2. In India      | 10485831.00            | 39826478.00           | 67682.00                         | 6712.00               | -                              | -                     |
| <b>Total</b>     | <b>12009678.00</b>     | <b>41044367.00</b>    | <b>67682.00</b>                  | <b>6712.00</b>        | <b>-</b>                       | <b>-</b>              |

\* Sales are net of returns

\*\* Net of Exchange Fluctuation

**C INTER SEGMENT SALES**

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY**

|   |                                      |  |
|---|--------------------------------------|--|
| 1- Name of the Subsidiary   | SEL International Pte. Ltd.          | Dr. Fresh Commercial Land Development Pvt. Ltd.* |
| 2- Financial Year of the subsidiary ended on  | 31 <sup>st</sup> March, 2013         | 31st March, 2013                                 |
| 3- Shares of the subsidiary held by the company on the above dates:   |                                      |  |
| a. Number and face value  | 100000 Equity Shares of S\$ 1/- each | 10000 Equity Shares of ₹ 10/- each               |
| b. Extent of Holding  | 100%                                 | 100% **  |
| 4- Net aggregate amount of Profit/ (Loss) of the above financial year so far as they concern members of the company.    |                                      |  |
| a. Dealt with in the accounts of the company for the year ended 31st March, 2013.                                       | Nil                                  | Nil  |
| b. Not dealt with in the accounts of the company for the year ended 31st March, 2013.                                   | (S\$ 32392.00)                       | (₹ 1237589.95)                                   |
| 5- Net aggregate amount of Profits/ (Losses) of previous financial years so far as they concern members of the company. | (S\$ 99738.00)                       | (₹ 204485.50)                                    |
| 6- Material changes between the end of the subsidiary's financial year ended 31 <sup>st</sup> March, 2013.              | Nil                                  | Nil  |

\* \* Subsidiary since 01.04.2011, due to the merger of Dr. Fresh Assets Limited into the company.

\*\* 1 Share in the name of Mr. Sumit Nanda as beneficiary share holder.

As per our report of even date annexed

For **B.K. SHROFF & CO.**  
Chartered Accountants

**Kavita Nangia**  
Partner  
M. No. 90378

**Surender K. Gupta**  
Company Secretary

**Sumit Nanda**  
Managing Director

**Ankur Anand**  
Director

Place : New Delhi  
Dated : 30.05.2013

## INDEPENDENT AUDITORS' REPORT

To  
The Board of Directors of  
**DR. FRESH ASSETS LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **DR. FRESH ASSETS LIMITED** ("the Company") and its subsidiaries (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31 March 2013, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as

evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2013;
- (b) In the case of the Consolidated Statement of Profit and Loss, of the Profit of the Group for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Other Matters

- (a) We did not audit the financial statements of an Indian Subsidiary, whose financial statements reflect total assets of Rs. 9757584 as at March 31, 2013 and total revenues of Rs. Nil for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of other auditors.
- (b) We did not audit the financial statements of a Foreign Subsidiary, whose financial statements reflect total assets of Rs. 272,112 as at March 31, 2013 and total revenues of Rs. 6,561,796 for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of other auditors.

Our opinion is not qualified in respect of other matters.

For **B.K. Shroff & Co.**  
Chartered Accountants  
Firm Registration No: 302166E

**Kavita Nangia**  
Partner  
(M. No. 90378)

Place : New Delhi  
Date : 30.05.2013

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013**

| Particulars                            | Note No. | As At 31.03.2013<br>₹ | As At 31.03.2012<br>₹ |
|--|----------|-----------------------|-----------------------|
| <b><u>EQUITY AND LIABILITIES:</u></b>  |          |                       |                       |
| <b><u>Shareholder's Funds:</u></b>     |          |                       |                       |
| Share Capital                          | 3        | 54307155.00           | 54307155.00           |
| Reserves & Surplus                     | 4        | <u>189507858.94</u>   | <u>189258905.43</u>   |
|  |          | 243815013.94          | 243566060.43          |
| <b><u>Non-Current Liabilities:</u></b> |          |                       |                       |
| Deferred Tax Liabilities               | 5        | 6763426.00            | 6678476.00            |
| Other Non-Current Liabilities          | 6        | 1297894.00            | 1095478.00            |
| Long Term Provisions                   | 7        | <u>829828.00</u>      | <u>780487.00</u>      |
|  |          | 8891148.00            | 8554441.00            |
| <b><u>Current Liabilities:</u></b>     |          |                       |                       |
| Short Term Borrowings                  | 8        | 17912359.00           | 21024359.00           |
| Trade Payables                         | 9        | 338867349.52          | 333901085.50          |
| Other Current Liabilities              | 10       | 22469955.86           | 25508723.39           |
| Short Term Provisions                  | 11       | <u>609230.00</u>      | <u>1064567.00</u>     |
|  |          | <u>379858894.38</u>   | <u>381498734.89</u>   |
|  |          | <u>632565056.32</u>   | <u>633619236.32</u>   |
| <b><u>ASSETS:</u></b>                  |          |                       |                       |
| <b><u>Non-Current Assets:</u></b>      |          |                       |                       |
| <b><u>Fixed Assets</u></b>             |          |                       |                       |
| Tangible Assets                        | 12       | 57511693.09           | 59384228.04           |
| Capital work in Progress               | 13       | —                     | 961598.20             |
| Non Current Investments                | 14       | 36606091.00           | 36849990.00           |
| Long Term Loans & Advances             | 15       | 6304383.00            | 4608550.00            |
| Other Non Current Assets               | 16       | —                     | 100422167.09          |
|  |          | <u>100422167.09</u>   | <u>5858.00</u>        |
|  |          | 101810224.24          |                       |
| <b><u>Current Assets:</u></b>          |          |                       |                       |
| Current Investments                    | 17       | 2748043.60            | 1231851.78            |
| Inventories                            | 18       | 117104604.00          | 120388355.00          |
| Trade Receivables                      | 19       | 67682.00              | 6712.00               |
| Cash & Bank Balances                   | 20       | 809320.85             | 811227.86             |
| Short Term Loans & Advances            | 21       | 409822088.25          | 407053798.20          |
| Other Current Assets                   | 22       | <u>1591150.53</u>     | <u>2317067.24</u>     |
|  |          | <u>532142889.23</u>   | <u>531809012.08</u>   |
|  |          | <u>632565056.32</u>   | <u>633619236.32</u>   |

The notes from 1 to 41 form an integral part of these financial statements

As per our report of even date annexed

For **B.K. SHROFF & CO.**

Chartered Accountants

**Kavita Nangia**

Partner

M. No. 90378

Place : New Delhi

Dated : 30.05.2013

**Surender K. Gupta**

Company Secretary

**Sumit Nanda**

Managing Director

**Ankur Anand**

Director

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013**

| Particulars   | Note No. | Current Year<br>₹  | Previous Year<br>₹   |
|---|----------|--------------------|----------------------|
| <b>REVENUE FROM OPERATIONS:</b>   |          |                    |                      |
| Revenue from Operations   | 23       | 12009678.00        | 41044367.00          |
| Other Income  | 24       | 14256594.74        | 12109153.20          |
| <b>TOTAL REVENUE</b>  |          | <b>26266272.74</b> | <b>53153520.20</b>   |
| <b>EXPENSES:</b>  |          |                    |                      |
| Cost of Material consumed   | 25       | —                  | 197751.15            |
| Purchase Traded Goods   |          | 1089108.00         | 26460500.00          |
| Changes in Inventories  | 26       | 3283751.00         | (3180309.30)         |
| Employee Benefits Expenses  | 27       | 10097004.00        | 6077375.50           |
| Finance Costs   | 28       | 212648.84          | 257922.85            |
| Depreciation  | 12       | 1276996.50         | 6024095.00           |
| Other expenses  | 29       | 12001844.06        | 40679731.85          |
| <b>TOTAL EXPENSES</b>   |          | <b>27961352.40</b> | <b>76517067.05</b>   |
| Profit / (Loss) for the year before Extraordinary and taxation and impairment |          | (1695079.66)       | (23363546.85)        |
| Less: Loss on Impairment  | 12       | —                  | 20484267.02          |
| Add: Loss on Impairment written back  | 12       | 2408913.02         | —                    |
| Less: Extraordinary Items   |          | —                  | (5295405.00)         |
| <b>Profit / (Loss) for the year before Taxation</b>                           |          | <b>713833.36</b>   | <b>(38552408.87)</b> |
| <b>Tax Expenses</b>   |          |                    |                      |
| Current Tax (including interest)  |          | 400000.00          | 907697.00            |
| Earlier Year Tax  |          | (2429.00)          | 3018.00              |
| Deferred Tax  | 5        | 84950.00           | (10040165.00)        |
|   |          | 231312.36          | (29422958.87)        |
| Add: MAT Credit entitlement for earlier years                                 |          | —                  | 139632.00            |
| <b>(Loss)/ Profit after Taxation</b>  |          | <b>231312.36</b>   | <b>(29283326.87)</b> |
| <b>Earning Par Share</b>  |          |                    |                      |
| Basic & Diluted   | 32       | 0.04               | (5.47)               |

The notes from 1 to 41 form an integral part of these financial statements

As per our report of even date annexed

For **B.K. SHROFF & CO.**

Chartered Accountants

**Kavita Nangia**

Partner

M. No. 90378

Place : New Delhi

Dated : 30.05.2013

**Surender K. Gupta**

Company Secretary

**Sumit Nanda**

Managing Director

**Ankur Anand**

Director

**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2013**

| Particulars  | Current Year<br>₹   | Previous Year<br>₹   |
|--|---------------------|----------------------|
| <b>A. Net Profit before Tax and after extraordinary item</b> | <b>713833.36</b>    | <b>(38552408.87)</b> |
| Adjustment for   |                     |                      |
| Interest income  | (522885.00)         | (629951.20)          |
| Dividend on Mutual Fund                                      | (9772.79)           | (127628.12)          |
| Depreciation   | 1276996.50          | 6024095.00           |
| Interest / Finance charges                                   | 212648.84           | 257922.85            |
| Foreign Currency Translation Reserve on Consolidation        | 17641.15            | 149644.68            |
| Impairment Loss  | (2408913.02)        | 20484267.02          |
| Diminution in value of Investment                            | 232943.96           | (5284020.96)         |
| Irrecoverable Advances written off                           | 64176.00            | 226614.29            |
| Irrecoverable Capital Advances/CWIP written off              | 1125598.20          | —                    |
| Exchange Fluctuation   | 3593101.53          | 6869854.52           |
| Preliminary Expenses Written off                             | 5858.00             | 49041.00             |
| Loss/ (Profit) on Sale of Investments (net)                  | 4536.01             | (788699.76)          |
| Loss/ (Profit) on Sale of Fixed Assets (net)                 | 2191598.02          | 21143314.44          |
| <b>Operating Profit before change in working capital</b>     | <b>6497360.76</b>   | <b>9822044.89</b>    |
| Adjustment for working capital changes                       |                     |                      |
| Inventories  | 3283751.00          | (2562801.19)         |
| Trade & other receivables                                    | (2499986.34)        | 399940530.28         |
| Trade & other payables                                       | (1712646.59)        | (441963933.98)       |
| <b>Net Cash inflow from operating activities</b>             | <b>5568478.83</b>   | <b>(34764160.00)</b> |
| Interest/Finance charges paid                                | (212648.84)         | (257922.85)          |
| Direct Taxes Paid/Adjusted                                   | (570104.00)         | (945056.71)          |
| <b>Net Cash inflow from operating activities</b>             | <b>4785725.99</b>   | <b>(35967139.56)</b> |
| <b>B. Cash flow from investing activities</b>                |                     |                      |
| Purchase of Fixed Assets*                                    | —                   | (73667.00)           |
| Purchases of Investments                                     | (5750000.00)        | (38700000.00)        |
| Sales of Investments   | 4250000.00          | 39044298.46          |
| Sale of Fixed Assets   | 1161315.00          | 35202738.00          |
| Loans Recd back/ (Given)                                     | (1859833.00)        | —                    |
| Interest received  | 522885.00           | 305192.20            |
| <b>Net Cash used in investing activities</b>                 | <b>(1675633.00)</b> | <b>35778561.66</b>   |
| <b>C. Cash flow from financing activities</b>                |                     |                      |
| Repayment of Long Term Loans                                 | (3112000.00)        | —                    |
| Payment of Dividend  | —                   | (2341.00)            |
| <b>Net cash out flow from financing activities</b>           | <b>(3112000.00)</b> | <b>(2341.00)</b>     |
| Decrease in Cash & Cash equivalents                          | (1907.01)           | (190918.90)          |
| Add : Cash & Cash equivalents (Opening Balance)              | 811227.86           | 1002146.76           |
| Cash & Cash equivalents (Closing Balance)                    | 809320.85           | 811227.86            |

Note: Brackets represent Cash Outflow

\* Including Capital advance

The notes from 1 to 41 form an integral part of these financial statements

As per our report of even date annexed

For **B.K. SHROFF & CO.**

Chartered Accountants

**Kavita Nangia**

Partner

M. No. 90378

**Surender K. Gupta**

Company Secretary

**Sumit Nanda**

Managing Director

**Ankur Anand**

Director

Place : New Delhi

Dated : 30.05.2013

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

**Notes to and forming part of the Consolidated Balance Sheet**

**1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

- (a) The Consolidated Financial Statements relates to Dr. Fresh Assets Ltd., its subsidiaries and associates have been prepared in compliance with the applicable accounting standard issued by the Institute of Chartered Accountants of India, and relevant provisions of Companies Act, 1956.

The subsidiaries considered in the Consolidated Financial Statements are as under and have been incorporated/ acquired during the year.

| <b>Name of the Subsidiaries</b>                 | <b>Country of Incorporation</b> | <b>Ownership Interest</b> | <b>Financial Year ends on</b> |
|---|---------------------------------|---------------------------|-------------------------------|
| SEL International Pte. Ltd.                     | Singapore                       | 100.00%                   | 31st March, 2013              |
| Dr. Fresh Commercial Land Development Pvt. Ltd. | India                           | 99.99%                    | 31st March, 2013              |

- (b) The Consolidated Financial Statements has been prepared under historical cost convention & accrual basis.
- (c) The Consolidated Financial Statements have been prepared in accordance with the accounting standard (AS)-21, "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India (ICAI).
- (d) The Financial Statements of the parent company, subsidiary companies and associate companies have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions and resulting in unrealized profits or losses.
- (e) Investments of parent company in subsidiaries are eliminated against respective proportionate stake of parent company therein on the respective dates when such investments were made by way of debiting/ crediting the difference of the two in goodwill/ capital reserve.
- (f) Investments in associate companies have been accounted for under the equity method as per AS-23, "Accounting for Investment in Associates in Consolidated Financial Statements" issued by the ICAI.
- (g) In case of foreign subsidiaries, revenue items are consolidated at the average exchange rate prevailing during the year. All Assets & Liabilities at the year-end are converted at the rates prevailing as at the end of the year. Any Exchange difference arising on consolidation is recognized as "Foreign Currency Translation Reserve on Consolidation".
- (h) The Consolidated Financial Statements have been prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's separate financial statements unless stated otherwise.
- (i) Significant Accounting Policies and Notes to these consolidated Financial Statements are intended to serve as a means of informative disclosures and a guide to better understanding the consolidated position of the companies. Recognizing this purpose, the company has disclosed only such policies and notes from the individual Financial Statements, which fairly present the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which, in the opinion of the management, could be better viewed, when referred from the individual Financial Statements.
- (j) Goodwill arising out of consolidation is not amortised.
- (k) Minority interest in the net Assets of Subsidiaries/ Associates consists of :
- i- The amount of equity attributable to the minorities at the date on which Investment in a subsidiary/ associate is made, and
  - ii- The minorities share of movements in equity since the date the parent-subsidiary relationship came into existence.
- (l) The financial statement of the subsidiary for the year ended 31st March, 2012 have been prepared and audited as per the Generally Accepted Accounting Principles (GAAP) of the countries in which they are operating. These financial statements have been converted by the management as per requirement of Indian GAAP.
- (m) The results of SEL International Pte. Ltd. used in consolidation are for the period from 01.04.2012 to 31.03.2013 (Previous Year from 01.04.2011 to 31.03.2012), Dr. Fresh Commercial Land Development Pvt. Ltd. are for the period from 01.04.2012 to 31.03.2013 (Previous Year from 01.04.2011 to 31.03.2012) .



**2 SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of preparation of Financial Statements**

The accounts are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated thereafter. Accounting policies not specifically referred to are consistent with generally accepted principles.

**B. Fixed Assets**

- (i) Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses relating to acquisition and is net of Modvat/cenvat wherever applicable. In respect of project involving construction, related preoperational expenses are capitalised and form part of the value of assets capitalised. Fixed assets other than leasehold land, acquired on lease are not treated as assets of the company and lease rentals are charged as revenue expense. Noida factory building has been constructed on leasehold land held by the company under a 15-year sublease agreement between the company and NSEZ.
- (ii) Fixed assets acquired under hire purchase scheme are capitalized at their principal value and hire charges expensed.
- (iii) Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the greater of the net selling price and its value in use.

**C. Depreciation**

Depreciation is calculated on fixed assets on 'Straight Line Method' in accordance with schedule XIV of the Companies Act, 1956. Leasehold land is depreciated over Lease period.

**D. Foreign Currency Transactions**

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Items denominated in foreign currencies at the year-end and not covered by forward exchange contracts are translated at year-end rates.
- (iii) Any income or expense on account of exchange rate difference either on settlement or on translation is recognised in the profit or loss account except in cases where they relate to the acquisition of fixed assets in which case they are restated at the rates ruling at the year end and exchange differences arising on such transactions are adjusted in the cost of the fixed assets.

**E. Investments**

- (i) Long-term investments are stated at cost of acquisition. Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary in the opinion of management.
- (ii) Current investments are also stated at cost of acquisition. Provision for diminution in the value of current investment is made only if such a decline is other than temporary in the opinion of management.

**F. Inventories**

- (i) Inventories are valued at lower of cost or net realisable value except for waste. Cost is determined using First in First out (FIFO) formula.
- (ii) Finished goods and stock in process include cost of conversion and other cost incurred in bringing the inventory to their present location and condition.
- (iii) Scrap is valued at estimated realisable value.

**G. Miscellaneous Expenditure**

Preliminary expenses and share issue expenses are being proportionately written off over a period of ten years.

**H. Revenue Recognition**

- (i) Sales of goods is recognised on dispatch to customers. Sales are net of return, excise duty & sales tax.
- (ii) Export sales are accounted for on the basis of the date of bill of lading/airway bill. Other sales are accounted for ex factory on despatch and are net of excise duty and cash discount.
- (iii) In the case of real estate projects revenue is recognised on the 'Percentage of completion method of accounting. Revenue comprises the aggregate amount of sale price in terms of the agreements entered into and is recognised on the basis of percentage of actual cost incurred thereon, including proportionate land cost and to estimated cost of projects under execution.

**DR. FRESH ASSETS LIMITED**  
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- (iv) Where aggregate of the payments received provide insufficient evidence of buyer's commitment to make the complete payment, revenue is recognized only to the extent of realisation.
- (v) The estimates of the saleable areas and costs are reviewed periodically by the management and any effect of changes in estimates is recognised in the period in which such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognised immediately.

**I. Excise Duty**

- (i) Provision for excise duty is made on waste & finished goods lying in bonded warehouse & meant for sale in domestic tariff area.
- (ii) Modvat benefit accounted for by reducing the purchase cost of the material/fixed assets.

**J. Lease**

Fixed assets taken on lease before 31.3.2001 are not treated as assets of the company and lease rentals are charged to Profit and Loss account in accordance with the term(s) of the lease(s). However, lease transactions entered/ to be entered into after 1.4.2001 shall be accounted for in accordance with Accounting Standard 19 on 'Leases' prescribed by the Institute of Chartered Accountants of India.

**K. Income from Investment / Deposit**

Income from investment / deposit is credited to revenue in the year in which it accrues. Income is stated in full with tax thereon being accounted for under income tax deducted at source.

**L. Claims & benefits**

Claims receivable and export benefits are accounted on accrual basis to the extent considered receivable.

**M. Employees**

- (i) Company's contribution to Provident Fund is charged to the Profit & Loss Account each year.
- (ii) Provision for Gratuity & Leave Encashment is determined on the basis of actuarial valuation and debited to the Profit & Loss Account.

**N. Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs ceases when substantially all activities necessary to prepare the qualifying asset for its intended use or sale are complete.

**O. Taxation**

- (i) Provision for taxation is based on assessable profit of the Company as defined under Income Tax Act, 1961.
- (ii) Deferred taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in foreseeable future. Deferred tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realized in the near future.

**P. Contingent Liabilities**

Contingent Liabilities as defined in Accounting Standard – 29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefit will be required for an item previously dealt with as a Contingent Liability.

**Q. Events occurring after Balance Sheet date.**

Events occurring after Balance sheet date have been considered in the preparation of financial statements.

**R. Earning Per Share**

- (i) Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- (ii) Diluted earning per share is calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. (Adjusted for the effect of diluted option).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

|  | Current Year<br>₹    |               | Previous Year<br>₹   |               |
|--|----------------------|---------------|----------------------|---------------|
| <b>3 SHARE CAPITAL</b>                                   |                      |               |                      |               |
| <b>Authorised:</b>                                       | <b>No. of shares</b> | <b>Amount</b> | <b>No. of shares</b> | <b>Amount</b> |
| <b>Equity Shares of ₹ 10/- each</b>                      |                      |               |                      |               |
| At the beginning of the Year                             | 10000000             | 100000000.00  | 8000000              | 80000000.00   |
| Add: Additions on scheme of amalgamation                 | —                    | —             | 2000000              | 20000000.00   |
| Less: Reduction during the year                          | —                    | —             | —                    | —             |
| At the End of the Year                                   | 10000000             | 100000000.00  | 10000000             | 100000000.00  |
| <b>Issued:</b>   |                      |               |                      |               |
| <b>Equity Shares of ₹ 10/- each</b>                      |                      |               |                      |               |
| At the beginning of the Year                             | 5465753              | 54657530.00   | 5340753              | 53407530.00   |
| Add: Additions on scheme of amalgamation                 | —                    | —             | 125000               | 1250000.00    |
| Less: Reduction during the year                          | —                    | —             | —                    | —             |
| At the End of the Year                                   | 5465753              | 54657530.00   | 5465753              | 54657530.00   |
| <b>Subscribed &amp; Paid Up:</b>                         |                      |               |                      |               |
| <b>Equity Shares of ₹ 10/- each</b>                      |                      |               |                      |               |
| At the beginning of the Year                             | 5465753              | 54657530.00   | 5340753              | 53407530.00   |
| Less : Face value of Share forfeited                     |                      | 762000.00     |                      | 762000.00     |
|  |                      | 53895530.00   |                      | 52645530.00   |
| Add : Forfeited Share amount (Amount originally Paid up) |                      | 411625.00     |                      | 411625.00     |
|  |                      | 54307155.00   |                      | 53057155.00   |
| Add :Shares issued in lieu of the scheme of amalgamation | —                    | —             | 125000               | 1250000.00    |
| At the End of the Year *                                 | 5465753              | 54307155.00   | 5465753              | 54307155.00   |

\* Out of the above 2762464 shares have been issued as bonus shares by way of capitalisation of reserves and 1571568 shares have been issued pursuant to the scheme of amalgamation approved on 08.07.2008 & 125000 shares have been issued pursuant to scheme of arrangement approved on 29.09.2011.

- The company has one class of equity shares having a par value of q 10 each per share. Each shareholder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of shares held by each shareholder holding more than 5% shares:**

| Class of shares / Name of shareholder | Number of shares held | %holding in that class of shares | Number of shares held | % holding in that class of shares |
|---------------------------------------|-----------------------|----------------------------------|-----------------------|-----------------------------------|
| <b>Equity Shares</b>                  |                       |                                  |                       |                                   |
| Sumit Nanda                           | 3096193               | 57.45%                           | 3096193               | 57.45%                            |
| H.C.Nanda                             | 277949                | 5.16%                            | 277949                | 5.16%                             |
| Shikha Nanda                          | 364340                | 6.76%                            | 364340                | 6.76%                             |
| Growmax Investments Ltd.              | 299700                | 5.56%                            | 299700                | 5.56%                             |

**DR. FRESH ASSETS LIMITED**  
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**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|   | Current Year<br>₹       |                                  | Previous Year<br>₹      |                                  |
|---|-------------------------|----------------------------------|-------------------------|----------------------------------|
| <b>Details of forfeited shares</b>  |                         |                                  |                         |                                  |
| <b>Class of shares</b>  | <b>Number of shares</b> | <b>Amount Originally paid up</b> | <b>Number of shares</b> | <b>Amount Originally paid up</b> |
| Equity Shares   | 76200                   | 411625.00                        | 76200                   | 411625.00                        |
| <b>4 RESERVES &amp; SURPLUS</b>   |                         |                                  |                         |                                  |
| <b>a) Capital Reserve</b>   |                         |                                  |                         |                                  |
| <b>Created on forfeiture of Share</b>   |                         |                                  |                         |                                  |
| At the Beginning of the Year  | <b>768447.79</b>        |                                  | 768447.79               |                                  |
| Additions during the year   | —                       |                                  | —                       |                                  |
| At the End of the Year  |                         | <b>768447.79</b>                 |                         | 768447.79                        |
| <b>b) General Reserve</b>   |                         |                                  |                         |                                  |
| At the Beginning of the Year  | <b>33841493.00</b>      |                                  | 25091493.00             |                                  |
| Additions during the year - Created pursuant to the scheme of amalgamation          | —                       |                                  | 8750000.00              |                                  |
| At the End of the Year  |                         | <b>33841493.00</b>               |                         | 33841493.00                      |
| <b>c) Foreign Currency Translation Reserve on Consolidation</b>                     |                         |                                  |                         |                                  |
|   |                         | <b>139716.12</b>                 |                         | 122074.97                        |
| <b>d) Surplus</b>   |                         |                                  |                         |                                  |
| At the Beginning of the Year  | <b>154526889.67</b>     |                                  | 207296900.91            |                                  |
| Additions during the year   | <b>231312.36</b>        |                                  | (29283326.87)           |                                  |
| Add: Balance brought forward Pursuant to the scheme of arrangement for amalgamation | —                       |                                  | (10758045.54)           |                                  |
| Less: Balance transferred Pursuant to the scheme of Demerger                        | —                       |                                  | 12728638.83             |                                  |
| At the End of the Year  |                         | <b>154758202.03</b>              |                         | 154526889.67                     |
|   |                         | <b>189507858.94</b>              |                         | 189258905.43                     |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|   | Current Year<br>₹              | Previous Year<br>₹             |
|---|--------------------------------|--------------------------------|
| <b>5 DEFERRED TAXATION</b>  |                                |                                |
| As required under Accounting Standard AS-22, 'Accounting for taxes on income' issued by the Institute of Chartered Accountants of India, the company is required to account for deferred taxation while preparing its accounts. The details of deferred tax assets/liabilities are as under:  |                                |                                |
|   | <b>As at 31 March<br/>2012</b> | <b>Current<br/>Year</b>        |
|   |                                | <b>As at 31 March<br/>2013</b> |
| <b>Deferred Tax Liabilities being tax impact thereon</b>  |                                |                                |
| Difference between WDV of block of assets as per Income tax laws and WDV of the fixed assets as per books of accounts.  | 6985995.00                     | 163226.00                      |
|   | <u>6985995.00</u>              | <u>163226.00</u>               |
| <b>Total Deferred Tax Liabilities</b>   | <b>6985995.00</b>              | <b>163226.00</b>               |
| <b>Deferred Tax Assets being tax impact thereon</b>   |                                |                                |
| Expenses charged in the books, but allowance thereof deferred under income tax laws   | 307519.00                      | 78276.00                       |
|   | <u>307519.00</u>               | <u>78276.00</u>                |
| <b>Total Deferred Tax Assets</b>  | <b>307519.00</b>               | <b>78276.00</b>                |
| <b>Net Deferred Tax Liability</b>   | <b>6678476.00</b>              | <b>84950.00</b>                |
| Deferred Tax Assets of ₹ 5980266.00 as at 31.03.2013 (Previous Year ₹ 5979483.00) for unabsorbed capital losses for current year and carried forward as per Income Tax Law, has not been recognised in view of uncertainty of its realisation as recommended under Accounting Standard AS-22, 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India. |                                |                                |
| <b>6 OTHER NON CURRENT LIABILITIES</b>  |                                |                                |
| Security Deposits   | 1297894.00                     | 1095478.00                     |
|   | <u>1297894.00</u>              | <u>1095478.00</u>              |
| <b>7 LONG TERM PROVISIONS</b>   |                                |                                |
| Provision for Employees Benefits  | 829828.00                      | 780487.00                      |
|   | <u>829828.00</u>               | <u>780487.00</u>               |
| <b>8 SHORT TERM BORROWINGS</b>  |                                |                                |
| Unsecured - From Related Parties  |                                |                                |
| From Associates (Interest free)   | 10556500.00                    | 10556500.00                    |
| From Directors (Interest Free)  | 7355859.00                     | 10467859.00                    |
|   | <u>17912359.00</u>             | <u>21024359.00</u>             |

(i) The company has provided interest on unsecured borrowings taken from an associate upto 31.03.2008. No Interest has been provided for the period from 01.04.2008 to 31.03.2012 amounting to ₹ 4096239.00 (Previous year ₹ 3251719.00) as the lender has consented to companies request for not charging interest w.e.f. 01.04.2008.

**DR. FRESH ASSETS LIMITED**  
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**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|                                  | Current Year<br>₹   | Previous Year<br>₹  |
|----------------------------------|---------------------|---------------------|
| <b>9 TRADE PAYABLES</b>          |                     |                     |
| Sundry Creditors                 | 7133843.12          | 7836360.12          |
| Advance against Orders           | 301733506.40        | 294359725.38        |
| Advance against Sale of Property | 30000000.00         | 31705000.00         |
|                                  | <u>338867349.52</u> | <u>333901085.50</u> |

(i) The Company has not received the intimation from its vendors regarding the status under "The Micro Small and Medium Enterprises Development Act, 2006" and therefore disclosures under this act have not been given. The management does not envisage any material impact on the financials in this regard.

(ii) Advance against Sale of Property include due to director / officers ₹ Nil (Previous year ₹ 1705000.00) & maximum balance during the year ₹ 1705000.00 (Previous Year ₹ 4205000.00).

**10 OTHER CURRENT LIABILITIES**

|                          |                    |                    |
|--------------------------|--------------------|--------------------|
| Security Deposits        | 73332.00           | 73332.00           |
| Unclaimed dividend       | 29670.00           | 29670.00           |
| Book overdraft with Bank | —                  | 1529905.54         |
| Other Payables           | 22366953.86        | 23875815.85        |
|                          | <u>22469955.86</u> | <u>25508723.39</u> |

(i) Other payables include due to director / officers ₹ 594193.68 (Previous year ₹ 24557.59).

(ii) Other payables include due to associates ₹ 832723.20 (Previous year ₹ 1143004.80).

**11 SHORT TERM PROVISIONS**

|                                  |                  |                   |
|----------------------------------|------------------|-------------------|
| Provision for Employees Benefits | 74383.00         | 24720.00          |
| Provision for Taxes              | 534847.00        | 1039847.00        |
|                                  | <u>609230.00</u> | <u>1064567.00</u> |

12. TANGIBLE ASSETS

Current year

| Particulars   | Land at MCIA, New Delhi | Land at Manali    | Land & Building, N-108, Panchsheel Park | Leasehold Industrial Plot | Factory Building   | Plant & Machinery  | Dies & Molds       | Furniture & Fixtures | Office Equipments | Computers        | Vehicle           | Total               |
|---|-------------------------|-------------------|---|---------------------------|--------------------|--------------------|--------------------|----------------------|-------------------|------------------|-------------------|---------------------|
| Gross carrying amount as on 1 April 2012            | 17989337.00             | 9750766.00        | -                                       | -                         | 21762891.85        | 59164913.31        | 30786452.37        | 3005737.83           | 1523627.40        | 686940.30        | 6394168.00        | 151316697.06        |
| Additions during the year                           | -                       | -                 | -                                       | -                         | -                  | -                  | 348461.55          | -                    | -                 | -                | -                 | 348461.55           |
| Sales/ adjustments during the year                  | -                       | -                 | -                                       | -                         | -                  | 7000899.30         | -                  | -                    | -                 | -                | -                 | 7000899.30          |
| <b>Gross carrying amount as on 31 March 2013</b>    | <b>17989337.00</b>      | <b>9750766.00</b> | <b>-</b>                                | <b>-</b>                  | <b>21762891.85</b> | <b>52164014.01</b> | <b>31134913.92</b> | <b>3005737.83</b>    | <b>1523627.40</b> | <b>686940.30</b> | <b>6394168.00</b> | <b>144664259.31</b> |
| Accumulated Depreciation as on 1 April 2012         | -                       | -                 | -                                       | -                         | 5222157.00         | 50406502.31        | 29175667.00        | 2408761.83           | 1261193.13        | 652593.75        | 2709913.00        | 91932469.02         |
| Depreciation for the year                           | -                       | -                 | -                                       | -                         | 388786.50          | 47279.00           | 114171.00          | 111264.00            | 54952.00          | -                | 566581.00         | 1276996.50          |
| Impairment written back during the year             | -                       | -                 | -                                       | -                         | -                  | 2408913.02         | -                  | -                    | -                 | -                | -                 | 2408913.02          |
| Sales/ adjustments during the year                  | -                       | -                 | -                                       | -                         | -                  | 3647986.28         | -                  | -                    | -                 | -                | -                 | 3647986.28          |
| <b>Accumulated Depreciation as on 31 March 2013</b> | <b>-</b>                | <b>-</b>          | <b>-</b>                                | <b>-</b>                  | <b>5590943.50</b>  | <b>44396882.01</b> | <b>29289638.00</b> | <b>2520025.83</b>    | <b>1316145.13</b> | <b>652593.75</b> | <b>3278494.00</b> | <b>87152566.22</b>  |
| <b>Net carrying amount as on 31 March 2013</b>      | <b>17989337.00</b>      | <b>9750766.00</b> | <b>-</b>                                | <b>-</b>                  | <b>16171948.35</b> | <b>7767132.00</b>  | <b>1845075.92</b>  | <b>485712.00</b>     | <b>207482.27</b>  | <b>34346.55</b>  | <b>3115674.00</b> | <b>57511693.09</b>  |

Previous year

| Particulars   | Land at MCIA, New Delhi | Land at Manali    | Land & Building, N-108, Panchsheel Park | Leasehold Industrial Plot | Factory Building   | Plant & Machinery  | Dies & Molds       | Furniture & Fixtures | Office Equipments | Computers        | Vehicle           | Total               |
|---|-------------------------|-------------------|---|---------------------------|--------------------|--------------------|--------------------|----------------------|-------------------|------------------|-------------------|---------------------|
| Gross carrying amount as on 1 April 2011            | 17989337.00             | -                 | 39261538.31                             | 9447456.28                | 39027844.85        | 104310291.36       | 36078361.15        | 3024314.83           | 1529127.40        | 752259.30        | 11603035.00       | 263275428.48        |
| Deductions as a result of demerger                  | -                       | -                 | 9447456.28                              | -                         | 17264953.00        | 14183940.00        | 2236078.12         | 18577.00             | 5500.00           | 65319.00         | -                 | 43221823.40         |
| Additions during the year                           | -                       | -                 | -                                       | -                         | -                  | -                  | 704324.60          | -                    | -                 | -                | -                 | 704324.60           |
| Additions as a result of merger                     | 9750766.00              | -                 | -                                       | -                         | -                  | -                  | -                  | -                    | -                 | -                | -                 | 9750766.00          |
| Sales/ adjustments during the year                  | -                       | -                 | 39261538.31                             | -                         | -                  | 30861438.05        | 3760155.26         | -                    | -                 | -                | 5208667.00        | 79191998.62         |
| <b>Gross carrying amount as on 31 March 2012</b>    | <b>17989337.00</b>      | <b>9750766.00</b> | <b>-</b>                                | <b>-</b>                  | <b>21762891.85</b> | <b>59164913.31</b> | <b>30786452.37</b> | <b>3005737.83</b>    | <b>1523627.40</b> | <b>686940.30</b> | <b>6394168.00</b> | <b>151316697.06</b> |
| Accumulated Depreciation as on 1 April 2011         | -                       | -                 | 405892.00                               | 405892.00                 | 4917344.00         | 42771510.29        | 31619936.17        | 2304605.83           | 1206415.13        | 83718.00         | 6161162.01        | 90111260.18         |
| Deductions as a result of demerger                  | -                       | -                 | 405892.00                               | -                         | 211690.00          | 828188.00          | 378933.00          | 7108.00              | 174.00            | 922.00           | -                 | 1841207.00          |
| Depreciation for the year                           | -                       | -                 | -                                       | -                         | 516503.00          | 3187241.00         | 1095601.00         | 111264.00            | 54952.00          | 11963.00         | 1025432.00        | 6024095.00          |
| Impairment during the year                          | -                       | -                 | -                                       | -                         | -                  | 20484257.02        | -                  | -                    | -                 | -                | -                 | 20484257.02         |
| Sales/ adjustments during the year                  | -                       | -                 | -                                       | -                         | -                  | 15208328.00        | 3160937.17         | -                    | -                 | -                | 4476681.01        | 22845946.18         |
| <b>Accumulated Depreciation as on 31 March 2012</b> | <b>-</b>                | <b>-</b>          | <b>5222157.00</b>                       | <b>-</b>                  | <b>50406502.31</b> | <b>29175667.00</b> | <b>2408761.83</b>  | <b>1261193.13</b>    | <b>95681.00</b>   | <b>652593.75</b> | <b>2709913.00</b> | <b>91932469.02</b>  |
| <b>Net carrying amount as on 31 March 2012</b>      | <b>17989337.00</b>      | <b>9750766.00</b> | <b>-</b>                                | <b>-</b>                  | <b>16540734.85</b> | <b>8758411.00</b>  | <b>1610785.37</b>  | <b>596976.00</b>     | <b>262434.27</b>  | <b>34346.55</b>  | <b>3684255.00</b> | <b>59384228.04</b>  |

(i) During the previous year fixed assets of ₹ 43221823.40 accumulated depreciation ₹ 1841207.00 has been reduced due to the demerger of Haridwar Unit of the company as a result of the approval of the scheme of amalgamation of Dr. Fresh Assets Limited with Sunehari Exports Limited and demerger of Haridwar Unit of Sunehari Exports Limited into Sunehari Exports (Haridwar) Limited from 1st April, 2011, which was sanctioned by the Hon'ble High Court of Delhi vide its order dated 23.09.2011.

(ii) Additions includes Exchange Fluctuation on Mould & Dies ₹ 348461.55 (Previous Year ₹ 704324.60)

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**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|  | Current Year<br>₹ | Previous Year<br>₹ |
|--|-------------------|--------------------|
|--|-------------------|--------------------|

**12. (Contd.)**

In pursuance of Account Standard on Impairment of Assets (AS-28) issued by the Institute of Chartered Accountants of India, the company has as on 31.03.2012 identified cash generating unit viz. Dr. Fresh Assets Ltd. - Unit MCIA, Delhi and Unit-2, NSEZ, Noida and which are not economically viable. The carrying amount of the said units exceeded its net recoverable amount which is the net selling price determined on the basis of certificate given by the management of the Company.

| Class/ Nature                           | Carrying Amount as on 31.03.12 | Carrying Amount of Assets sold during the year | Balance Carrying Amount as on 31.03.13 | Net Recoverable Amount | Impairment Loss as on 31.03.12 | Impairment Loss written back during the year | Balance Impairment Loss as on 31.03.13 |
|---|--------------------------------|--|--|------------------------|--------------------------------|--|--|
| Plant & Machinery - Unit MCIA, Delhi    | 2968309.02                     | 2597132.02                                     | 371177.00                              | 1216167.00             | 2248309.02                     | 1910132.02                                   | 338177.00                              |
| Plant & Machinery - Unit-2, NSEZ, Noida | 25675458.00                    | 755781.00                                      | 24919677.00                            | 7182500.00             | 18235958.00                    | 498781.00                                    | 17737177.00                            |
| <b>Total</b>                            | <b>28643767.02</b>             | <b>3352913.02</b>                              | <b>25290854.00</b>                     | <b>8398667.00</b>      | <b>20484267.02</b>             | <b>2408913.02</b>                            | <b>18075354.00</b>                     |

The impairment loss has been written back so has been credited to Profit & Loss Account during the year and depreciation on the impaired assets is continue to be charged as per the policy of the company.

**13 CAPITAL WORK IN PROGRESS**

Pre-operative Exps. Allocation pending

|                                   |                   |                  |
|-----------------------------------|-------------------|------------------|
| Opening Balance                   | 961598.20         | 1293716.00       |
| Less: Due to demerger             | —                 | 1293716.00       |
| Add: Due to merger                | —                 | 887931.20        |
| Add: Additions during the year    | 170553.00         | 73667.00         |
|                                   | <u>1132151.20</u> | <u>961598.20</u> |
| Less: Written off during the year | 1132151.20        | —                |
|                                   | <u>—</u>          | <u>961598.20</u> |

During the year the subsidiary company i.e. Dr. Fresh Commercial Land Development Pvt. Ltd. has abandoned its Hotel Project at Manali "Due to lack of financial resources", accordingly the entire capital work in progress has been written off.

**14 NON CURRENT INVESTMENTS**

Unquoted

In Associates

|   | No. of Shares | No. of Shares |
|---|---------------|---------------|
| Equity share of Sunehari Exports (Haridwar) Ltd. @ ₹ 10 each fully Paid Up  | 9999          | 9999          |
| 0.01% Compulsorily Redeemable Non Cumulative Preference share of Sunehari Exports (Haridwar) Ltd. @ ₹ 10 each fully Paid Up | 40000         | 40000         |
| Equity share of Dr. Fresh Real Estate Ventures Pvt Ltd. @ ₹ 10 each fully Paid Up   | 15000         | 15000         |



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|  |         | Current Year<br>₹         |          |  | Previous Year<br>₹        |
|--|---------|---------------------------|----------|--|---------------------------|
| <u>In Joint Ventures</u>   |         |                           |          |  |                           |
| Equity Shares of Oriole Dr. Fresh Hotels Pvt. Ltd. @ ₹ 10 each fully paid up   | 40000   | 400000.00                 | 40000    |  | 400000.00                 |
| 5% Cumulative Redeemable Preference Shares of Oriole Dr. Fresh Hotels Pvt. Ltd. @ a 100 each fully paid up   | 358000  | 35800000.00               | 358000   |  | 35800000.00               |
|  |         | <u>36849990.00</u>        |          |  | <u>36849990.00</u>        |
| <b>Less: Provision for Diminution in Value of Investment</b>   |         | <b>243899.00</b>          |          |  | <b>—</b>                  |
|  |         | <u><b>36606091.00</b></u> |          |  | <u><b>36849990.00</b></u> |
| <b>Aggregate value of Unquoted Investments</b>   |         | <b>36849990.00</b>        |          |  | <b>36849990.00</b>        |
| <p>(i) The Company has an investment of ₹ 400000.00 (PY ₹ 400000.00) in its Joint Venture Company Oriole Dr. Fresh Hotels Pvt. Ltd., the company has begun its operation during the year resulting in loss, the parent company envisages growth &amp; profitability in future years and hence the diminution in investment to be temporary in nature and accordingly no provision is considered necessary.</p> |         |                           |          |  |                           |
| <b>15 LONG TERM LOANS &amp; ADVANCES</b>   |         |                           |          |  |                           |
| (Unsecured - considered good)  |         |                           |          |  |                           |
| Loans to Others  |         | 5191621.00                |          |  | 3331788.00                |
| Capital Advances   |         | —                         |          |  | 164000.00                 |
| Security Deposits  |         | 1112762.00                |          |  | 1112762.00                |
|  |         | <u><b>6304383.00</b></u>  |          |  | <u><b>4608550.00</b></u>  |
| <p>(i) In the opinion of the management, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.</p> <p>(ii) Loans to others includes interest receivable ₹ 1181051.00 (Previous Year ₹ 821218.00).</p>                                      |         |                           |          |  |                           |
| <b>16 OTHER NON CURRENT ASSETS</b>   |         |                           |          |  |                           |
| <u>Miscellaneous Expenditures</u>  |         |                           |          |  |                           |
| (To the extent not written off or adjusted)  |         |                           |          |  |                           |
| Preliminary Expenses (Opening Balance)   | 5858.00 |                           | 52430.00 |  |                           |
| Less: Due to demerger  | —       |                           | 11542.00 |  |                           |
| Add: Due to merger   | —       |                           | 14011.00 |  |                           |
| Less: Preliminary Expenses written off   | 5858.00 | —                         | 49041.00 |  | 5858.00                   |
|  |         | <u><b>—</b></u>           |          |  | <u><b>5858.00</b></u>     |

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|  |                         | Current Year<br>₹   |                         | Previous Year<br>₹  |
|--|-------------------------|---------------------|-------------------------|---------------------|
| <b>17 CURRENT INVESTMENTS</b>                                | <b>No. of<br/>Units</b> |                     | <b>No. of<br/>Units</b> |                     |
| <u>Quoted</u>  |                         |                     |                         |                     |
| <u>In Mutual Funds</u>                                       |                         |                     |                         |                     |
| DSP BlackRock Small & Midcap Fund                            | 781.949                 | 13245.00            | 12609.521               | 220000.00           |
| HDFC Top 200 Fund  | 69.048                  | 13308.00            | 1085.772                | 220000.00           |
| ICICI Prudential Discovery Fund                              | 4687.768                | 220000.00           | 4687.768                | 220000.00           |
| Reliance Vision Fund   | 45.347                  | 11193.00            | 848.770                 | 220000.00           |
| SBI MSFU Emerging Business Fund                              | 757.566                 | 33144.00            | 5065.710                | 220000.00           |
| <u>In Debt Funds</u>   |                         |                     |                         |                     |
| Pine Bridge India - Short Term Fund Direct Growth            |                         | 2396699.79          |                         | —                   |
| Pine Bridge India - Short Term Fund Std Growth               |                         | 59205.20            |                         | 59205.20            |
| Pine Bridge India Treasury Fund Institutional Daily Dividend |                         | —                   |                         | 84030.62            |
| Pine Bridge India Total Return Bond Fund SDD                 |                         | 1669.72             |                         | —                   |
| Pine Bridge India Total Return Fund SMD                      |                         | 7.89                |                         | —                   |
|  |                         | <u>2748472.60</u>   |                         | <u>1243235.82</u>   |
| Less: Provision for Diminution in Value of Investment        |                         | 429.00              |                         | 11384.04            |
|  |                         | <u>2748043.60</u>   |                         | <u>1231851.78</u>   |
| <b>Aggregate value of quoted Investments</b>                 |                         | <b>2748472.60</b>   |                         | <b>1243235.82</b>   |
| <b>18 INVENTORIES</b>  |                         |                     |                         |                     |
| (As taken, valued and certified by the management)           |                         |                     |                         |                     |
| Traded Goods   |                         | 117104604.00        |                         | 120388355.00        |
|  |                         | <u>117104604.00</u> |                         | <u>120388355.00</u> |
| <b>19 TRADE RECEIVABLES</b>                                  |                         |                     |                         |                     |
| <u>Exceeding six months</u>                                  |                         |                     |                         |                     |
| Unsecured - Considered good                                  |                         | 4566.00             |                         | —                   |
| <u>Other Debts</u>   |                         |                     |                         |                     |
| Unsecured - Considered good                                  |                         | 63116.00            |                         | 6712.00             |
|  |                         | <u>67682.00</u>     |                         | <u>6712.00</u>      |
| <b>20 CASH &amp; BANK BALANCES</b>                           |                         |                     |                         |                     |
| <u>Balances with Scheduled Banks</u>                         |                         |                     |                         |                     |
| In Current Account   | 199594.64               |                     | 47909.73                |                     |
| In Dividend accounts   | 29931.00                | 229525.64           | 29931.00                | 77840.73            |
| <u>Balances with Non-Scheduled Banks</u>                     |                         |                     |                         |                     |
| In Current Account *   |                         | 506686.91           |                         | 335314.83           |
| Cash in hand   |                         | 73108.30            |                         | 398072.30           |
|  |                         | <u>809320.85</u>    |                         | <u>811227.86</u>    |

\*(Maximum Balance outstanding during the year ₹ 233209.02 (PY ₹ 11733264.17) in DBS Bank and ₹ 5109445.66 (PY ₹ 52005245.72) in Standard Chartered Bank).

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|   | <b>Current Year</b>        | <b>Previous Year</b>       |
|---|----------------------------|----------------------------|
|   | ₹                          | ₹                          |
| <b>21 SHORT TERM LOANS &amp; ADVANCES</b>                             |                            |                            |
| (Unsecured - considered good)   |                            |                            |
| Advances (recoverable in cash or in kind or for value to be received) |                            |                            |
| -Joint Ventures   | <b>22465105.00</b>         | 21465105.00                |
| -Others   | <b>387356983.25</b>        | 385588693.20               |
|   | <b><u>409822088.25</u></b> | <b><u>407053798.20</u></b> |

- (i) In the opinion of the management, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.
- (ii) The company has entered into a Joint venture agreement on 24.08.07 with Oriole Dr. Fresh Hotels Private Limited, (Venture Company), M/s. Spank Hotels Private Limited and Mr. Bhushan Arora. Their interest in the JV will be in the ratio of 60 (Spank Hotels Pvt. Ltd.), 20 (Dr. Fresh Assets Ltd.) and 20 (Mr. Bhushan Arora) i.e. the ratio of equity participation by all three in the venture company. The amount paid towards equity contribution has been reflected under investment. The JV partners have agreed that profit of the venture company shall be shared in the ratio of respective equity shareholders of the parties and minimum 90% of profit after tax of the venture company after settling external debt at the end of every financial year will be distributed in the form of dividend between the JV Partners.
- (iii) Advances to others includes ₹ Nil (Previous Year ₹ 1268855.91) due from Directors.

**(iii) Disclosure in respect of Joint Ventures:**

**Name of Joint Venture and Financial Interest in the same.**

|  |   |                             |
|--|---|-----------------------------|
| Name of Joint Venture                        | <b>Oriole Dr. Fresh Hotels Pvt. Ltd.</b>            |                             |
| Description of Interest (Description of Job) | <b>Jointly Controlled Entity (Since 01.04.2011)</b> |                             |
| Proportion of ownership Interest             | 20%   |                             |
| Country of Residence                         | India   |                             |
| Company's shares of :                        | <b><u>Current Year *</u></b>                        | <b><u>Previous Year</u></b> |
| Assets as at the end of the year             | —   | 105369104.00                |
| Liabilities as at the end of the year        | —   | 68875607.00                 |
| Income for the year                          | —   | 11867829.00                 |
| Expenses for the year                        | —   | 15087722.00                 |
| Tax for the year                             | —   | (502.00)                    |

\* Figures for the current year have not been furnished as the same is under finalisation.

a – Share in contingent liabilities of Joint Venture themselves for which the Company is contingently liable as on 31st March, 2013 is ₹ NIL.

b – Liabilities does not include ₹ 22465105.00 (Previous Year ₹ 21465105.00), which represents company's share given as unsecured loan to the Joint Venture Company.

**22 OTHER CURRENT ASSETS**

|  |                          |                          |
|--|--------------------------|--------------------------|
| Prepaid Expenses                         | 13413.00                 | 17941.00                 |
| Balance with Central Excise Authorities  | 58139.53                 | 257787.24                |
| Income Tax Payments                      | 1163075.00               | 1355910.00               |
| MAT Credit entitlement for earlier years | —                        | 139632.00                |
| Other Receivables                        | 356523.00                | 545797.00                |
|  | <b><u>1591150.53</u></b> | <b><u>2317067.24</u></b> |

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|   | Current Year<br>₹  | Previous Year<br>₹ |                |           |            |                           |           |            |
|---|--------------------|--------------------|----------------|-----------|------------|---------------------------|-----------|------------|
| <b>23 REVENUE FROM OPERATIONS</b>           |                    |                    |                |           |            |                           |           |            |
| <u>Turnover Manufactured (Gross)</u>        |                    |                    |                |           |            |                           |           |            |
| Sale of Products                            | 1523847.00         | 2716161.00         |                |           |            |                           |           |            |
| Less:- Excise duty                          | —                  | 71488.00           |                |           |            |                           |           |            |
| Less:- Raw Material Sold                    | —                  | 603276.00          |                |           |            |                           |           |            |
|   | <u>1523847.00</u>  | <u>2041397.00</u>  |                |           |            |                           |           |            |
| Sale of Traded Goods                        | 10485831.00        | 39002970.00        |                |           |            |                           |           |            |
|   | <u>12009678.00</u> | <u>41044367.00</u> |                |           |            |                           |           |            |
| <b>24 OTHER INCOME</b>                      |                    |                    |                |           |            |                           |           |            |
| Interest Income                             | 522885.00          | 629951.20          |                |           |            |                           |           |            |
| Profit on Redemption of Mutual Funds        | —                  | 128699.76          |                |           |            |                           |           |            |
| Interest on Income Tax Refund               | 8437.00            | 1280.00            |                |           |            |                           |           |            |
| Liability written back                      | 261363.59          | 1970670.00         |                |           |            |                           |           |            |
| Dividend on Mutual Fund                     | 9772.79            | 127628.12          |                |           |            |                           |           |            |
| Profit on Sale of Shares                    | —                  | 660000.00          |                |           |            |                           |           |            |
| Rental Income                               | 6847340.00         | 5294608.00         |                |           |            |                           |           |            |
| Consultancy Income                          | 6602250.00         | 3150000.00         |                |           |            |                           |           |            |
| Other Misc. Income                          | 4546.36            | —                  |                |           |            |                           |           |            |
| Excise duty on opening and closing stock    | —                  | 73987.12           |                |           |            |                           |           |            |
| Liability written back for Leave Encashment | —                  | 72329.00           |                |           |            |                           |           |            |
|   | <u>14256594.74</u> | <u>12109153.20</u> |                |           |            |                           |           |            |
| <b>25 COST OF MATERIAL CONSUMED</b>         |                    |                    |                |           |            |                           |           |            |
| Current year                                |                    |                    |                |           |            |                           |           |            |
| Particulars                                 | San & Plastic Dana | Elastomer Rubber   | Nylon Bristles | PVC Sheet | Paper      | Packing Material & Spares | Others    | Total      |
| Opening Balance                             | —                  | —                  | —              | —         | —          | —                         | —         | —          |
| Add: Purchases during the year              | —                  | —                  | —              | —         | —          | —                         | —         | —          |
| Less: Cost of Material Sold                 | —                  | —                  | —              | —         | —          | —                         | —         | —          |
| Less: Consumption during the year           | —                  | —                  | —              | —         | —          | —                         | —         | —          |
| <b>Closing Balance</b>                      | —                  | —                  | —              | —         | —          | —                         | —         | —          |
| Previous year                               |                    |                    |                |           |            |                           |           |            |
| Particulars                                 | San & Plastic Dana | Elastomer Rubber   | Nylon Bristles | PVC Sheet | Paper      | Packing Material & Spares | Others    | Total      |
| Opening Balance                             | 33552.60           | 187936.94          | 619464.64      | 258003.05 | 1459091.54 | 1914655.74                | 316738.70 | 4789443.21 |
| Less: Deductions as a result of demerger    | —                  | 105631.00          | 619464.64      | 237815.42 | 1425482.84 | 1757235.35                | 26305.85  | 4171935.10 |
| Add: Purchases during the year              | 182149.23          | 98000.00           | —              | —         | —          | 4189.00                   | 102619.00 | 386957.23  |
| Less: Cost of Material Sold                 | 44066.68           | 180305.94          | —              | 20187.63  | 33608.70   | 146969.70                 | 381575.54 | 806714.19  |
| Less: Consumption during the year           | 171635.15          | —                  | —              | —         | —          | 14639.69                  | 11476.31  | 197751.15  |
| <b>Closing Balance</b>                      | —                  | —                  | —              | —         | —          | —                         | —         | —          |

**25 COST OF MATERIAL CONSUMED**

Current year

| Particulars                       | San & Plastic Dana | Elastomer Rubber | Nylon Bristles | PVC Sheet | Paper | Packing Material & Spares | Others | Total |
|-----------------------------------|--------------------|------------------|----------------|-----------|-------|---------------------------|--------|-------|
| Opening Balance                   | —                  | —                | —              | —         | —     | —                         | —      | —     |
| Add: Purchases during the year    | —                  | —                | —              | —         | —     | —                         | —      | —     |
| Less: Cost of Material Sold       | —                  | —                | —              | —         | —     | —                         | —      | —     |
| Less: Consumption during the year | —                  | —                | —              | —         | —     | —                         | —      | —     |
| <b>Closing Balance</b>            | —                  | —                | —              | —         | —     | —                         | —      | —     |

Previous year

| Particulars                              | San & Plastic Dana | Elastomer Rubber | Nylon Bristles | PVC Sheet | Paper      | Packing Material & Spares | Others    | Total      |
|--|--------------------|------------------|----------------|-----------|------------|---------------------------|-----------|------------|
| Opening Balance                          | 33552.60           | 187936.94        | 619464.64      | 258003.05 | 1459091.54 | 1914655.74                | 316738.70 | 4789443.21 |
| Less: Deductions as a result of demerger | —                  | 105631.00        | 619464.64      | 237815.42 | 1425482.84 | 1757235.35                | 26305.85  | 4171935.10 |
| Add: Purchases during the year           | 182149.23          | 98000.00         | —              | —         | —          | 4189.00                   | 102619.00 | 386957.23  |
| Less: Cost of Material Sold              | 44066.68           | 180305.94        | —              | 20187.63  | 33608.70   | 146969.70                 | 381575.54 | 806714.19  |
| Less: Consumption during the year        | 171635.15          | —                | —              | —         | —          | 14639.69                  | 11476.31  | 197751.15  |
| <b>Closing Balance</b>                   | —                  | —                | —              | —         | —          | —                         | —         | —          |

**IMPORTED AND INDIGENOUS MATERIAL CONSUMED**

| Particulars | % age | Current year | % age   | Previous Year |
|-------------|-------|--------------|---------|---------------|
|             |       | Value (₹)    |         | Value (₹)     |
| Indigenous  | —     | —            | 100.00% | 197751.15     |
| Imported    | —     | —            | —       | —             |
|             | —     | —            | 100.00% | 197751.15     |

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|  | Current Year<br>₹  | Previous Year<br>₹        |
|--|--------------------|---------------------------|
| <b>26 CHANGES IN INVENTORIES</b>                         |                    |                           |
| <u>Finished Goods</u>                                    |                    |                           |
| At the beginning of the year                             | —                  | 3102955.28                |
| Less: Due to demerger of Haridwar unit                   | —                  | 2310646.58                |
| At the end of the year                                   | —                  | 792308.70                 |
| <u>Semi - Finished Goods</u>                             |                    |                           |
| At the beginning of the year                             | —                  | 857385.56                 |
| Less: Due to demerger of Haridwar unit                   | —                  | 608885.56                 |
| At the end of the year                                   | —                  | 248500.00                 |
| <u>Traded Goods</u>                                      |                    |                           |
| At the beginning of the year                             | 120388355.00       | 116167237.00              |
| At the end of the year                                   | 117104604.00       | 120388355.00 (4221118.00) |
|  | <b>3283751.00</b>  | <b>(3180309.30)</b>       |
| <b>27 EMPLOYEE BENEFITS EXPENSES</b>                     |                    |                           |
| <u>Salary &amp; Wages</u>                                |                    |                           |
| Salaries, Wages, Bonus & Other benefits                  | 2001532.00         | 2379046.00                |
| Directors' Remuneration                                  | 7868700.00         | 3448262.50                |
| <u>Contribution to Provident Funds &amp; Other Funds</u> |                    |                           |
| Contribution to Provident Fund, ESI, etc.                | 33393.00           | 45905.00                  |
| <u>Other Expenses</u>                                    |                    |                           |
| Workmen & Staff Welfare expenses                         | 90526.00           | 127528.00                 |
| Gratuity   | 54640.00           | 76634.00                  |
| Leave Encashment   | 48213.00           | —                         |
|  | <b>10097004.00</b> | <b>6077375.50</b>         |

(i) Remuneration paid to the Managing Director in CY ₹ NIL, in PY ₹ 540000.00 (from 01.04.2011 to 31.12.2011). Managing Director has forgone his remuneration from 01.01.2012.

(ii) Director Remuneration of ₹ 7868700.00 (Previous Year ₹ 2908262.50) was paid to the Director of the foreign subsidiary company.

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

|           |   | Current Year<br>₹ |                     | Previous Year<br>₹ |                     |
|-----------|---|-------------------|---------------------|--------------------|---------------------|
|           |   | Gratuity          | Leave<br>Encashment | Gratuity           | Leave<br>Encashment |
| <b>1.</b> | <b>Assumptions :</b>  |                   |                     |                    |                     |
|           | Discount Rate   | <b>8.00%</b>      | <b>8.00%</b>        | 8.50%              | 8.50%               |
|           | Rate of increase in Compensation levels                       | <b>5.50%</b>      | <b>5.50%</b>        | 6.00%              | 6.00%               |
|           | Expected Rate of Return on Plan Assets                        | —                 | —                   | —                  | —                   |
|           | Average remaining working lives of employees (Years)          | <b>22.17</b>      | <b>23.03</b>        | 19.22              | 19.22               |
| <b>2-</b> | <b>Changes in Present Value of Obligations :</b>              |                   |                     |                    |                     |
|           | Present Value of obligation as at the beginning of the Period | <b>770003.00</b>  | <b>35204.00</b>     | 796613.00          | 135725.00           |
|           | Acquisition Adjustment  | —                 | —                   | —                  | —                   |
|           | Interest Cost   | <b>61600.00</b>   | <b>2816.00</b>      | 67712.00           | 11537.00            |
|           | Past Service Cost   | —                 | —                   | —                  | —                   |
|           | Current Service Cost  | <b>58226.00</b>   | <b>9552.00</b>      | 60161.00           | 5403.00             |
|           | Curtailment Cost / (Credit)                                   | —                 | —                   | —                  | —                   |
|           | Settlement Cost / (Credit)                                    | —                 | —                   | —                  | —                   |
|           | Benefits Paid   | —                 | <b>(3849.00)</b>    | (103244.00)        | (28192.00)          |
|           | Actuarial (Gain) / (Loss) on obligations                      | <b>(65186.00)</b> | <b>35845.00</b>     | (51239.00)         | (89269.00)          |
|           | Present Value of Obligation as at the end of the Period       | <b>824643.00</b>  | <b>79568.00</b>     | 770003.00          | 35204.00            |
| <b>3-</b> | <b>Changes in the Fair Value of Plan Assets :</b>             |                   |                     |                    |                     |
|           | Fair Value of Plan Assets at the beginning of the period      | —                 | —                   | —                  | —                   |
|           | Acquisition Adjustments                                       | —                 | —                   | —                  | —                   |
|           | Expected Return on Plan Assets                                | —                 | —                   | —                  | —                   |
|           | Contributions   | —                 | —                   | —                  | —                   |
|           | Benefits Paid   | —                 | —                   | —                  | —                   |
|           | Actuarial gain /(loss) on plan assets                         | —                 | —                   | —                  | —                   |
|           | Fair Value of Plan Assets at the end of the Period            | —                 | —                   | —                  | —                   |
| <b>4-</b> | <b>Fair value of Plan Assets :</b>                            |                   |                     |                    |                     |
|           | Fair value of Plan Assets at the beginning of the period      | —                 | —                   | —                  | —                   |
|           | Acquisition adjustment  | —                 | —                   | —                  | —                   |
|           | Actual return on Plan Assets                                  | —                 | —                   | —                  | —                   |

|   | Current Year<br>₹  |                     | Previous Year<br>₹ |                     |
|---|--------------------|---------------------|--------------------|---------------------|
|   | Gratuity           | Leave<br>Encashment | Gratuity           | Leave<br>Encashment |
| Contributions   | —                  | —                   | —                  | —                   |
| Benefits Paid   | —                  | —                   | —                  | —                   |
| Fair value of Plan Assets at the end of the period  | —                  | —                   | —                  | —                   |
| Funded status   | <b>(824643.00)</b> | <b>(79568.00)</b>   | (770003.00)        | (35204.00)          |
| Excess of actual over estimated return on Plan Assets   | —                  | —                   | —                  | —                   |
| <b>5- Actuarial Gain / (Loss) Recognized :</b>  |                    |                     |                    |                     |
| Actuarial (Gain)/ Loss for the period - Obligation  | <b>65186.00</b>    | <b>(35845.00)</b>   | 51239.00           | 89269.00            |
| Actuarial (Gain)/ Loss for the period - Plan Assets   | —                  | —                   | —                  | —                   |
| Total (Gain)/ Loss recognized in the period   | <b>(65186.00)</b>  | <b>35845.00</b>     | (51239.00)         | (89269.00)          |
| Actuarial (Gain) / Loss recognized in the period  | <b>(65186.00)</b>  | <b>35845.00</b>     | (51239.00)         | (89269.00)          |
| Unrecognized actuarial (Gains)/ Losses at the end of the period                               | —                  | —                   | —                  | —                   |
| <b>6- The Amounts to be recognized in Balance Sheet and Statements of Profit &amp; Loss :</b> |                    |                     |                    |                     |
| Present Value of Obligation as at the end of the period                                       | <b>824643.00</b>   | <b>79568.00</b>     | 770003.00          | 35204.00            |
| Fair Value of Plan Assets as at the end of the period   | —                  | —                   | —                  | —                   |
| Funded Status / Difference  | <b>(824643.00)</b> | <b>(79568.00)</b>   | (770003.00)        | (35204.00)          |
| Excess of actual over estimated   | —                  | —                   | —                  | —                   |
| Unrecognized Actuarial (Gain) / Losses  | —                  | —                   | —                  | —                   |
| Net Asset / (Liability) Recognized in Balance Sheet   | <b>(824643.00)</b> | <b>(79568.00)</b>   | (770003.00)        | (35204.00)          |
| <b>7- Expenses Recognized in the Statement of Profit &amp; Loss:</b>                          |                    |                     |                    |                     |
| Current Service Cost  | <b>58226.00</b>    | <b>9552.00</b>      | 60161.00           | 5403.00             |
| Past Service Cost   | —                  | —                   | —                  | —                   |
| Interest Cost   | <b>61600.00</b>    | <b>2816.00</b>      | 67712.00           | 11537.00            |
| Expected Return on Plan Assets  | —                  | —                   | —                  | —                   |
| Curtailment Cost / (Credit)   | —                  | —                   | —                  | —                   |
| Settlement Cost / (Credit)  | —                  | —                   | —                  | —                   |
| Net Actuarial (Gain) / Loss recognized in the period  | <b>(65186.00)</b>  | <b>35845.00</b>     | (51239.00)         | (89269.00)          |
| Expenses Recognized in the statement of Profit & Loss   | <b>54640.00</b>    | <b>48213.00</b>     | 76634.00           | (72329.00)          |

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|            |   | Current Year<br>₹  |                     | Previous Year<br>₹ |                     |
|------------|---|--------------------|---------------------|--------------------|---------------------|
|            |   | Gratuity           | Leave<br>Encashment | Gratuity           | Leave<br>Encashment |
| <b>8-</b>  | <b>Reconciliation statement of expense in the statement of profit &amp; loss:</b> |                    |                     |                    |                     |
|            | Present value of obligation as at the end of period                               | <b>824643.00</b>   | <b>79568.00</b>     | 770003.00          | 35204.00            |
|            | Present value of obligation as at the beginning of the period                     | <b>770003.00</b>   | <b>35204.00</b>     | 796613.00          | 135725.00           |
|            | Benefits paid   | —                  | <b>3849.00</b>      | 103244.00          | 28192.00            |
|            | Actual return on plan assets  | —                  | —                   | —                  | —                   |
|            | Acquisition adjustment  | —                  | —                   | —                  | —                   |
|            | Expenses recognized in the statement of profit & losses                           | <b>54640.00</b>    | <b>48213.00</b>     | 76634.00           | (72329.00)          |
| <b>9-</b>  | <b>Amount for the current period:</b>   |                    |                     |                    |                     |
|            | Present value of obligation as at the end of period                               | <b>824643.00</b>   | <b>79568.00</b>     | 770003.00          | 35204.00            |
|            | Fair value of plan assets at the end of the period                                | —                  | —                   | —                  | —                   |
|            | Surplus / (Deficit)   | <b>(824643.00)</b> | <b>(79568.00)</b>   | (770003.00)        | (35204.00)          |
|            | Experience adjustment on plan Liabilities (loss)/ gain                            | <b>67900.00</b>    | <b>(35787.00)</b>   | 51239.00           | 89269.00            |
|            | Experience adjustment on plan Assets (loss)/ gain                                 | —                  | —                   | —                  | —                   |
| <b>10-</b> | <b>Movement in the liability recognized in the Balance Sheet:</b>                 |                    |                     |                    |                     |
|            | Opening net liability   | <b>770003.00</b>   | <b>35204.00</b>     | 796613.00          | 135725.00           |
|            | Expenses as above   | <b>54640.00</b>    | <b>48213.00</b>     | 76634.00           | (72329.00)          |
|            | Benefits Paid   | —                  | <b>(3849.00)</b>    | (103244.00)        | (28192.00)          |
|            | Actual return on Plan assets  | —                  | —                   | —                  | —                   |
|            | Acquisition adjustment  | —                  | —                   | —                  | —                   |
|            | Closing net liability   | <b>824643.00</b>   | <b>79568.00</b>     | 770003.00          | 35204.00            |

**28 FINANCE COSTS**

|                       |                  |                  |
|-----------------------|------------------|------------------|
| Interest Expenses     | <b>187265.62</b> | 118672.24        |
| Other Borrowing Costs | <b>25383.22</b>  | 139250.61        |
|                       | <b>212648.84</b> | <b>257922.85</b> |



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|   | Current Year<br>₹ | Previous Year<br>₹ |
|---|-------------------|--------------------|
| <b>29 OTHER EXPENSES</b>  |                   |                    |
| Power & Fuel  | 172921.00         | 395690.20          |
| Lease Rent  | —                 | 73601.00           |
| Repair to Plant & Machinery   | 1290.00           | 12500.00           |
| Repair to Building  | 206531.00         | 2049119.00         |
| Repair to Others  | 697713.83         | 568401.46          |
| Insurance   | 40956.00          | 99537.00           |
| Rates, Taxes & Fees   | 129002.30         | 299253.63          |
| Communication expenses  | 193011.97         | 338492.79          |
| Travelling & Conveyance   | 1202845.97        | 2133964.99         |
| Printing & Stationery   | 90072.07          | 110223.43          |
| Commission Others   | 102322.00         | 321469.00          |
| Business Promotion  | 219346.15         | 852563.84          |
| Advertisement   | 51222.00          | 121253.00          |
| Meeting Fees & Expenses   | 4000.00           | 187900.00          |
| Donation  | 107000.00         | —                  |
| Irrecoverable Advances written off  | 64176.00          | 226614.29          |
| Bad Debts & sundry Balance w/off  | —                 | 2567250.63         |
| Loss on Sales of Raw Material   | —                 | 203438.19          |
| Loss on Sales of Fixed Assets   | 2191598.02        | 21143314.44        |
| Loss on redemption of mutual funds  | 4536.01           | —                  |
| Exchange Fluctuation (net)  | 3594369.27        | 6869854.52         |
| Previous Year expenses  | 2501.00           | 72243.00           |
| Sales Tax payments  | 94540.00          | 49958.00           |
| Diminution in Value of Investment   | 232943.96         | 11384.04           |
| Preliminary Expenses Written off  | 5858.00           | 49041.00           |
| Capital Advances/ CWIP written off  | 1132151.20        | —                  |
| Miscellaneous expenses *  | 1460936.31        | 1922664.40         |
|   | 12001844.06       | 40679731.85        |
| <b>* Includes payment to Auditors</b>   |                   |                    |
| As Audit Fees   | 270942.00         | 243810.00          |
| As Tax Audit Fees   | 22472.00          | 26000.00           |
| In Other capacity   | 5618.00           | 16000.00           |
|   | 299032.00         | 285810.00          |
| <b>30 EXPENDITURE IN FOREIGN CURRENCY</b>   |                   |                    |
| <b>Particulars</b>  | <b>Value (₹)</b>  | <b>Value (₹)</b>   |
| Travelling (Does not include cost of air tickets and other related expenditure paid in INR) | 618419.97         | 1082545.36         |
| Business Promotion Exps   | 7923.83           | —                  |
|   | 7923.83           | —                  |

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**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

|  | Current Year<br>₹ | Previous Year<br>₹ |
|--|-------------------|--------------------|
| <b>31 EARNINGS IN FOREIGN CURRENCY</b> |                   |                    |
| <b>Particulars</b>                     | <b>Value (₹)</b>  | <b>Value (₹)</b>   |
| F.O.B value of Exports                 | <u>1488844.00</u> | <u>1217889.00</u>  |

**33 (i) BASIC EARNINGS PER SHARE**

|   |                  |               |
|---|------------------|---------------|
| Profit after tax before Impairment Loss/ written back | (A) (2177600.66) | (49767593.89) |
| Profit after tax after Impairment Loss/ written back  | (B) 231312.36    | (29283326.87) |
| Weighted average no. of equity shares                 | (C) 5465753      | 5350657       |
| Earning per share before Impairment Loss              | A/C (0.40)       | (9.30)        |
| Earning per share after Impairment Loss               | B/C 0.04         | (5.47)        |

**Weighted average no. of equity shares**

|  | <u>Days</u> | <u>No. of Share</u> | <u>Weighted Avg. no. of Share</u> | <u>Days</u> | <u>No. of Share</u> | <u>Weighted Avg. no. of Share</u> |
|--|-------------|---------------------|-----------------------------------|-------------|---------------------|-----------------------------------|
| Shares at the beginning of the year  | 365         | 5465753             | 2000465598                        | 366         | 5340753             | 1954715598                        |
| Shares issued in pursuance to the approval of the scheme as mentioned in note no. 38 on 03.03.2012 |             |                     |                                   | 29          | 125000              | 3625000                           |
|  |             | <b>5465753</b>      | <b>2000465598</b>                 |             | <b>5465753</b>      | <b>1958340598</b>                 |
| Average No. of equity shares   |             |                     | <b>5465753</b>                    |             |                     | <b>5350657</b>                    |

(ii) Diluted earning per share is not given as the same is anti dilutive

**33 Contingent Liabilities not provided for in respect of :**

|   |                    |             |
|---|--------------------|-------------|
| - Interest on delayed payment for realty projects | <b>97268832.00</b> | 66693346.00 |
|---|--------------------|-------------|

**34** The name of the company has been changed from Sunehari Exports Limited to Dr. Fresh Assets Limited vide certificate received from Government of India, Ministry of Corporate Affairs dated 17.05.2012.

**35** Previous year figures have been regrouped and/or re-arranged wherever necessary.

**36** The company has furnished bonds for ₹ 10 lacs in favour of Customs/ Excise authorities whereby in the event of default of the relevant provisions of Customs Act, 1962, Central Excise & Salt Act, 1944, the Customs/ Excise authorities shall enforce their rights under the bonds. The said unit is under process of debonding. The bonds will be released on completion of necessary formalities.

**37** During earlier years the company has signed legal agreement with the Development Commissioner Noida Special Economic Zone (NSEZ) to earn Positive Net Foreign Exchange by exporting its entire production (including sale of DTA as permissible under the policy) till 31.03.2015, beginning from date of commencement of production. In the event the company is unable to fulfill its export obligation it shall be liable to pay custom/excise duty leviable at the relevant time on the imported/indigenous plant, equipment, raw material component and consumables together with interest and liquidate damages.

**38 (i)** The Company had filed on 19.02.2011 the scheme of amalgamation of Dr. Fresh Assets Limited with itself and demerger of Haridwar Unit of the company into Sunehari Exports (Haridwar) Ltd. from 1st April, 2011, which was sanctioned by the Hon'ble High Court of Delhi vide its order dated 29.09.2011. Dr. Fresh Assets Ltd. has been transferred and vested to the company as a going concern w.e.f. 01.04.2011 (the appointed date). To give the effect to the merger the order of the Hon'ble High Court of Delhi filed with the Registrar of Companies NCT of Delhi & Haryana on 16.01.2012 (effective date). And Haridwar Unit of the company has been demerged into

Sunehari Exports (Haridwar Ltd.) w.e.f. 01.04.2011 (the appointed date). To give the effect to the demerger the order of the Hon'ble High Court of Delhi filed with the Registrar of Companies NCT of Delhi & Haryana on 13.01.2012 (effective date). Accordingly the scheme has been given effect to in accounts in earlier years.

(ii) Necessary steps and formalities in respect of transfer of properties from erstwhile Dr. Fresh Assets Ltd. in favour of the company are under implementation. Documentations relating to transfer of titles, rights, obligations, liabilities, etc., in favour of the company is in progress. However, these vest in the company by operation of statute viz. sections 391 to 392 of the Companies Act, 1956.

**39** (i) In accordance with a scheme of amalgamation, which was sanctioned by the Hon'ble High Court of Delhi vide its order dated 08.07.2008, Sunehari Financial Services Pvt. Ltd. has been transferred and vested to Dr. Fresh Assets Ltd. (Formerly known as Sunehari Exports Ltd.) as a going concern w.e.f. 01.04.2007 (the appointed date). The order of the Hon'ble High Court of Delhi filed with the Registrar of Companies NCT of Delhi & Haryana on 03.09.2008 (effective date). Accordingly the scheme has been given effect to in accounts in earlier years.

(ii) Necessary steps and formalities in respect of transfer of properties from erstwhile Sunehari Financial Services Pvt. Ltd. in favour of Dr. Fresh Assets Ltd. (Formerly known as Sunehari Exports Ltd.) are under implementation. Documentations relating to transfer of titles, rights, obligations, liabilities, etc., in favour of Sunehari Exports Ltd. is still in progress. However, these vest in Sunehari Exports Ltd. by operation of statute viz. sections 391 to 392 of the Companies Act, 1956.

#### **40 Related Party Transactions**

##### **A. Names of related parties & description of relationship**

- |  |  |
|--|--|
| i) Subsidiaries Company                  | Dr. Fresh Commercial Land Development Pvt. Ltd.<br>(Upto 31.03.2011)   |
| ii) Joint Ventures                       | Oriole Dr. Fresh Hotels Pvt. Ltd.  |
| iii) Key Managerial Personnel            | Sumit Nanda - Managing Director<br>HCN Call Centre & Teleservices Inc. (Prop. Mr. H.C. Nanda)  |
| iv) Relativs of Key Managerial Personnel | H.C. Nanda (Father of Managing Director)   |
| v) Associates                            | Berco Engineering Pvt. Ltd.<br>Dr. Fresh Buildcon Pvt. Ltd.<br>Dr. Fresh Healthcare Pvt. Ltd.<br>Dr. Fresh Property Development Pvt. Ltd.<br>Dr. Fresh Real Estate Ventures Pvt. Ltd.<br>DVA Technologies Pvt. Ltd.<br>JHS Svendgaard Laboratories Ltd.<br>S2 Proprety Pvt. Ltd. (Upto 20.06.2011)<br>S3 Real Estate Pvt. Ltd.<br>Sunehari Exports (Haridwar) Ltd.<br>(Formerly known as Sunehari Exports (Haridwar) Pvt. Ltd.)<br>Touchstone Fund Advisors Pvt. Ltd.<br>S4 Trading & Investment Pte. Ltd.<br>The Golden State Capital Pte. Ltd. |

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**B. Disclosure of transactions with related parties.**

(Amount in ₹)

| Particulars  | Subsidiaries |            | Joint Ventures |             | Key Managerial Personnel |             | Associate Concern |              |
|--|--------------|------------|----------------|-------------|--------------------------|-------------|-------------------|--------------|
|  | 31/3/2013    | 31/3/2012  | 31/3/2013      | 31/3/2012   | 31/3/2013                | 31/3/2012   | 31/3/2013         | 31/3/2012    |
| Sale of goods / Services*  | -            | -          | -              | -           | -                        | -           | -                 | 1124162.00   |
| Purchase of goods  | -            | -          | -              | -           | -                        | -           | -                 | -            |
| Sales of Fixed Assets  | -            | -          | -              | -           | -                        | -           | -                 | 7503000.00   |
| Equity participation in subsidiary/ associate concern/ Adjustments due to scheme | -            | (99990.00) | -              | -           | -                        | -           | -                 | 99990.00     |
| Preferential Capital in subsidiary/ associate concern                            | -            | -          | -              | -           | -                        | -           | -                 | 400000.00    |
| Advance Given/ Refunded/ Adjustments due to scheme                               | -            | -          | 1000000.00     | 54000.00    | 2973895.61               | 36325800.00 | 8386439.00        | 163338205.67 |
| Advance Taken/ Received Back/ Adjustments due to scheme                          | -            | 3513500.00 | -              | -           | -                        | 1268855.91  | 2267629.60        | 577182778.18 |
| Interest Received  | -            | -          | -              | -           | -                        | -           | 111310.00         | -            |
| Consultancy Income Received  | -            | -          | -              | -           | -                        | -           | 45000.00          | 3150000.00   |
| Remuneration   | -            | -          | -              | -           | 7868700.00               | 3448262.50  | -                 | -            |
| Loan Taken   | -            | -          | -              | -           | 500.00                   | -           | -                 | -            |
| Loan Repaid  | -            | -          | -              | -           | 3112500.00               | -           | -                 | -            |
| <b>Closing Balance</b>   |              |            |                |             |                          |             |                   |              |
| Debtors  | -            | -          | -              | -           | -                        | -           | -                 | -            |
| Creditors  | -            | -          | -              | -           | -                        | -           | 363010.00         | 363010.00    |
| Investment**   | -            | -          | 36200000.00    | 36200000.00 | -                        | -           | 649990.00         | 649990.00    |
| Unsecured loan   | -            | -          | -              | -           | 7355859.00               | 10467859.00 | 10556500.00       | 10556500.00  |
| Other Liability  | -            | -          | -              | -           | 594193.68                | 24557.59    | -                 | -            |
| Advances Given   | -            | -          | 22465105.00    | 21465105.00 | -                        | -           | 260704138.29      | 254275047.29 |
| Advances Taken   | -            | -          | -              | -           | -                        | 2973855.91  | 241632723.20      | 241943004.80 |

\* Net of sales return

\*\* Without considering Diminution.

The above transaction as well as related parties have been identified on the basis of information available with the company and the same has been relied upon by the auditors.

**41 SEGMENT REPORTING**

**A. PRIMARY SEGMENT**

The company operates only in three business segments viz. Oral hygiene products, Precious Metals Trading Activities and Real Estate Business Related Activities.

| Particulars                                    | Oral Care Activities |                      | Gold & Precious Metals Trading Activities |                      | Real Estate Business Related Activities |                      | Other Unallocated    |                      | Total                |                      |
|--|----------------------|----------------------|---|----------------------|---|----------------------|----------------------|----------------------|----------------------|----------------------|
|  | Year ended 31/3/2013 | Year ended 31/3/2012 | Year ended 31/3/2013                      | Year ended 31/3/2012 | Year ended 31/3/2013                    | Year ended 31/3/2012 | Year ended 31/3/2013 | Year ended 31/3/2012 | Year ended 31/3/2013 | Year ended 31/3/2012 |
|  | ₹                    | ₹                    | ₹   | ₹                    | ₹                                       | ₹                    | ₹                    | ₹                    | ₹                    | ₹                    |
| <b>REVENUE</b>                                 |                      |                      |   |                      |   |                      |                      |                      |                      |                      |
| Sales *  | 1523847.00           | 2041397.00           | 10485831.00                               | 39002970.00          | -                                       | -                    | -                    | -                    | 12009678.00          | 41044367.00          |
| Total Sales                                    | 1523847.00           | 2041397.00           | 10485831.00                               | 39002970.00          | -                                       | -                    | -                    | -                    | 12009678.00          | 41044367.00          |
| <b>RESULTS</b>                                 |                      |                      |   |                      |   |                      |                      |                      |                      |                      |
| Segment Result                                 | (4091374.35)         | (49464479.99)        | 6112972.00                                | 16722319.71          | (3204089.45)                            | (2849212.00)         | (14956448.22)        | -                    | (16138940.02)        | (35591372.28)        |
| <b>Corporate Expenses</b>                      |                      |                      |   |                      |   |                      |                      |                      |                      |                      |
| Operating Profit/ (Loss)                       | (4091374.35)         | (49464479.99)        | 6112972.00                                | 16722319.71          | (3204089.45)                            | (2849212.00)         | (14956448.22)        | -                    | (16138940.02)        | (35591372.28)        |
| Interest Expenses                              | -                    | 118672.24            | -   | -                    | -                                       | -                    | 187265.62            | -                    | 187265.62            | 118672.24            |
| Other Income                                   | 372673.59            | 10830702.32          | 399815.00                                 | 360843.00            | 6892340.00                              | 917607.88            | 6591766.15           | -                    | 14256594.74          | 12109153.20          |
| Profit/ (Loss) before Tax                      | (3718700.76)         | (38515105.43)        | 6512787.00                                | 17083162.71          | 3688250.55                              | (1931604.12)         | (8177416.45)         | -                    | (1695079.66)         | (23363546.84)        |
| Impairment Loss                                | -                    | (20484267.02)        | -   | -                    | -                                       | -                    | -                    | -                    | -                    | (20484267.02)        |
| Impairment Loss written back                   | 2408913.02           | -                    | -   | -                    | -                                       | -                    | -                    | -                    | 2408913.02           | -                    |
| Extraordinary Items                            | -                    | 5295405.00           | -   | -                    | -                                       | -                    | -                    | -                    | -                    | 5295405.00           |
| Income Tax/ Wealth Tax                         | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | (397571.00)          | (910715.00)          |
| Deferred Tax                                   | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | (84950.00)           | 10040165.00          |
| MAT Credit entitlement                         | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | -                    | 139632.00            |
| Net Profit after Tax(Net)                      | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | 231312.36            | (29283326.86)        |
| <b>Other Information</b>                       |                      |                      |   |                      |   |                      |                      |                      |                      |                      |
| Segment Assets                                 | 49992490.45          | 122484064.33         | 125901010.00                              | 127514201.00         | 447124845.90                            | 383498896.04         | 9546709.97           | -                    | 632565056.32         | 633497161.37         |
| Segment Liabilities                            | 48861069.08          | 122484064.33         | -   | 127514201.00         | 329448695.00                            | 383498896.04         | 10440278.30          | -                    | 388750042.38         | 633497161.37         |
| Capital Expenditure                            | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | -                    | -                    |
| Depreciation                                   | 198875.00            | 6024095.00           | -   | -                    | 348251.50                               | -                    | 729870.00            | -                    | 1276996.50           | 6024095.00           |
| Non Cash Expenditure (Other than Depreciation) | -                    | -                    | -   | -                    | -                                       | -                    | -                    | -                    | -                    | -                    |

**Notes:-**

- Segment have been identified in accordance with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the different risks and return of these Segments.
- Segment information has been prepared in conformity with the accounting policies adopted for preparation and presenting the financial statement of the Company.
- All segment assets and liabilities as well as revenue and expenses are directly attributable to the segment.
- All unallocable assets and liabilities as well as revenue & expenses are treated separately.
- Capital expenditure includes capital advances.

**B. SECONDARY SEGMENT**

Segmental Revenue (as per geographical market).

The Company has considered geographical segment as secondary reporting segment for disclosure. For this purpose revenues are bifurcated based on sales in India and outside India.

|                  | Sales Revenue*         |                      | Carrying Amount of Segment Asset |                      | Cost to Acquire** Fixed Assets |                      |
|------------------|------------------------|----------------------|----------------------------------|----------------------|--------------------------------|----------------------|
|                  | By Geographical Market |                      |                                  |                      |                                |                      |
|                  | Year ended 31/3/2013   | Year ended 31/3/2012 | Year ended 31/3/2013             | Year ended 31/3/2012 | Year ended 31/3/2013           | Year ended 31/3/2012 |
|                  | ₹                      | ₹                    | ₹                                | ₹                    | ₹                              | ₹                    |
| 1. Outside India | 1523847.00             | 1217889.00           | 272111.54                        | 1370961.72           | -                              | -                    |
| 2. In India      | 10485831.00            | 39826478.00          | 67682.00                         | 6712.00              | -                              | -                    |
| <b>Total</b>     | <b>12009678.00</b>     | <b>41044367.00</b>   | <b>339793.54</b>                 | <b>1377673.72</b>    | <b>-</b>                       | <b>-</b>             |

\* Sales are net of returns

\*\* Net of Exchange Fluctuation

**C INTER SEGMENT SALES**

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

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**SEL INTERNATIONAL PTE LTD**

Registration No. 200901187Z (Incorporated in Singapore)

**DIRECTOR'S REPORT**

The sole director presents his report to the members together with the audited financial statements of the Company for the financial year ended 31 March 2013.

**Director**

The sole director of the Company in office at the date of this report is as follows:

Nanda Sumeet

**Arrangements to enable directors to acquire shares and debentures**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

**Directors' interest in shares and debentures**

According to the register of directors' shareholdings required to be kept under Section 164 of the Companies Act Cap 50, no person who was a director of the Company at the end of the financial year had interests in the shares of the Company.

**Director contractual benefits**

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or related corporation with a firm of which he is a member, or with a company in which he has a substantial financial interest other than those disclosed in Note 11 to the financial statements.

**Share options**

There were no options granted during the financial year to subscribe for the unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

**Nanda Sumeet**  
Sole director  
Singapore  
Singapore, 30 May 2013

**STATEMENT BY DIRECTOR**

I, Nanda Sumeet, being the sole director of SEL INTERNATIONAL PTE LTD do hereby state that, in my opinion,

- (i) The accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 March 2013 and of the results of the business, changes in equity and the cash flows of the Company for the financial year then ended, and
- (ii) At the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due as disclosed in note 2.2 on the financial statements.

**Nanda Sumeet**  
Sole director  
Singapore, 30 May 2013

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SEL INTERNATIONAL PTE LTD**

***Report on the Financial Statements***

We have audited the accompanying financial statements of SEL International Pte Ltd (the "Company"), which comprise the statement of financial position as at 31 March 2013, statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial period then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 09 to 15.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Company as at 31 March 2013 and the results, changes in equity and cash flows of the Company for the financial period ended on that date.

***Emphasis of matters***

Without qualifying our opinion, we draw attention the following matters:-

As set under Note 2.2, the financial statements have been prepared on a going concern basis. The Company incurred a net loss of \$32,392 (2012: \$81,269) for the financial year ended 31 March 2013 and as at 31 March 2013, there is a deficit of \$32,130 (2012: surplus of \$262) in the total equity attributable to shareholders of the Company.

The validity of the going concern assumptions on which the financial statements are prepared depends on the undertaking given by the Company's holding company. If the Company is unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the statement of financial position. In addition, the Company may have to provided for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and liabilities respectively.

***Report on other legal and regulatory requirements***

In our opinion the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**Plan Partners PAC**  
*Public Accountants and  
Certified Public Accountants*  
Singapore, 30 May 2013

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

**STATEMENT OF FINANCIAL POSITION**

*As at 31st March 2013*

| Particulars  | Note | 2013<br>\$    | 2012<br>\$    |
|--|------|---------------|---------------|
| <b>ASSETS</b>  |      |               |               |
| <b>Current assets</b>                                  |      |               |               |
| Other receivables                                      | 5    | —             | 31,353        |
| Bank balances  | 6    | 6,254         | 2,523         |
| <b>Total current assets</b>                            |      | <b>6,254</b>  | <b>33,876</b> |
| <b>Total assets</b>                                    |      | <b>6,254</b>  | <b>33,876</b> |
| <b>EQUITY AND LIABILITIES</b>                          |      |               |               |
| <b>Equity attributable to the owner of the company</b> |      |               |               |
| Share capital  | 7    | 100,000       | 100,000       |
| Accumulated losses                                     |      | (132,130)     | (99,738)      |
| <b>Total equity</b>                                    |      | <b>32,130</b> | <b>262</b>    |
| <b>Current liabilities</b>                             |      |               |               |
| Bank overdraft   | 5    | —             | 59            |
| Other payables   | 8    | 38,384        | 33,555        |
| <b>Total current liabilities</b>                       |      | <b>38,384</b> | <b>33,614</b> |
| <b>Total equity and liabilities</b>                    |      | <b>6,254</b>  | <b>33,876</b> |

**STATEMENT OF COMPREHENSIVE INCOME**

*For the financial year ended 31 March 2013*

| Particulars                        | Note | 2013<br>\$      | 2012<br>\$      |
|------------------------------------|------|-----------------|-----------------|
| Revenue                            |      | —               | —               |
| Other Income                       |      | 150,104         | —               |
| Other operating expenses           |      | (182,496)       | (81,269)        |
| Loss before taxation               | 9    | (32,392)        | (81,269)        |
| Taxation                           | 10   | —               | —               |
| <b>Loss for the financial year</b> |      | <b>(32,392)</b> | <b>(81,269)</b> |



**STATEMENT OF CHANGES IN EQUITY**

*For the financial year ended 31 March 2013*

|                                    | Share Capital<br>\$ | Accumulated<br>Loss \$ | Total<br>\$  |
|------------------------------------|---------------------|------------------------|--------------|
| Balance as at 01 April 2011        | 1,000               | (18,469)               | (17,469)     |
| Issuance of shares                 | 99,000              | —                      | 99,000       |
| Loss for the financial year        | —                   | (81,269)               | (81,269)     |
| Balance as at 31 March 2012        | 100,000             | (99,738)               | 262          |
| Loss for the financial year        | —                   | (32,392)               | (32,392)     |
| <b>Balance as at 31 March 2013</b> | <b>100,000</b>      | <b>(132,130)</b>       | <b>32130</b> |

**STATEMENT OF CASH FLOWS**

*For the financial year ended 31 March 2013*

| Particulars  | Note | 2013<br>\$      | 2012<br>\$ |
|--|------|-----------------|------------|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>               |      |                 |            |
| Loss before taxation                                     |      | <b>(32,392)</b> | (81,269)   |
| <i>Movement in working capital:</i>                      |      |                 |            |
| Other payables   | 8    | <b>300</b>      | 20         |
| Net cash used in operating activities                    |      | <b>(32,092)</b> | (81,249)   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>               |      |                 |            |
| Net cash generated from investing activities             |      | —               | —          |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>               |      |                 |            |
| Issuance of share capital                                |      | —               | 99,000     |
| Amount due by a director                                 |      | <b>(31,353)</b> | (31,353)   |
| Amount due to related parties                            |      | <b>4,529</b>    | 9,000      |
| Net cash used in financing activities                    |      | <b>(35,882)</b> | 76,647     |
| NET CHANGES IN CASH AND CASH EQUIVALENTS                 |      | <b>(3,790)</b>  | (4,602)    |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR |      | <b>2,464</b>    | 7,066      |
| CASH AND CASH EQUIVALENTS AT<br>END OF FINANCIAL YEAR    | 5    | <b>6,254</b>    | 2,464      |

## **DR. FRESH ASSETS LIMITED**

**(Formerly known as Sunehari Exports Limited)**

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These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### **1. Domicile and activities**

The Company is a private limited company incorporated in Singapore.

The address of the Company's registered office is at 138 Cecil Street, #18-00 Cecil Court, Singapore 069538. The principal activities of the Company are those of general trading.

The immediate and ultimate holding company is DR. FRESH ASSETS LIMITED, a listed company incorporated in India.

### **2. Basis of preparation**

#### **2.1 Statement of compliance**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

#### **2.2 Going concern assumption**

The financial statements of the Company have been prepared on a going concern basis which assumes that financial support from the Company's ultimate holding company will continue to be available to the Company.

The validity of the going concern assumption on which the financial statements are prepared depends on the undertaking given by the Company's ultimate holding company. If the Company is unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the situation that assets may need to be realised other than the amount at which they are currently recorded in the statement of financial position. In addition, the Company may have to provide for further liabilities that might arise, and to reclassify fixed assets and long term liabilities as current assets and liabilities respectively.

#### **2.3 Basis of measurement**

The financial statements have been prepared under the historical cost convention basis except for those disclosed in the significant accounting policies.

#### **2.4 Functional currency**

These financial statements are presented in Singapore dollar (SGD), which is the Company's functional currency.

#### **2.5 Changes in accounting policies**

On 1 April 2012, the Company adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reports for the current or prior financial year.

### **3. Critical accounting estimates, assumptions and judgments**

The preparation of financial statements in conformity with FRSs requires the directors to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements and assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is discussed below.

#### **3.1 Determination of functional currency**

In determining the functional currency of the entity, judgment is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currency of the entity is determined based on the directors' assessment of the economic environment in which the entity operates and the entity's process of determining sales prices.

#### **3.2 Income taxes**

The Company is subject to income taxes in Singapore. Significant judgement is involved in determining the Company-wide provision for income taxes. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income taxes and deferred tax provisions in the period in which such determination is made.

#### **3.3 Provisions and contingent liabilities**

Estimates of the Company's obligations arising from contracts exist as at statement of financial

position date may be affected by future events, which cannot be predicted with any certainty. The assumptions and estimates are made based on the directors' knowledge and experience and may vary from actual experience so that the actual liability may vary considerably from the best estimates.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

4. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.4, which addresses changes in accounting policies.

4.1 Financial Instrument

Trade and other receivables are initially recognised at the transaction price. All sales are made on the basis of normal credit terms. And the receivables do not bear interest. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, and impairment loss is recognised immediately in profit or loss.

Financial liabilities are initially recognised at the transaction price (including transaction costs.). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

4.2 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position.

4.3 Share capital

**Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

4.4 Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

4.5 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously. A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

|  |                |               |  |                  |                 |
|--|----------------|---------------|--|------------------|-----------------|
| <b>5. Other receivables</b>  | <b>2013</b>    | <b>2012</b>   | <b>9. Loss before taxation</b>   | <b>2013</b>      | <b>2012</b>     |
|  | \$             | \$            |  | \$               | \$              |
| Amount due by a director   | —              | 31,353        | This is arrived at after charging/(Crediting):-  |                  |                 |
| Amount owing by a director is unsecured, interest-free and repayable on demand.  |                |               | Consultancy fee expenses   | —                | 6,960           |
|  |                |               | Consultancy fee income   | <b>(150,000)</b> | —               |
|  |                |               |  |                  |                 |
| <b>6. Cash and cash equivalents</b>  | <b>2013</b>    | <b>2012</b>   | <b>10. Taxation</b>  | <b>2013</b>      | <b>2012</b>     |
|  | \$             | \$            | (a) Tax expense  | \$               | \$              |
| Bank balance   | 6,254          | 2,523         | Current year income tax  | —                | —               |
| Bank overdraft   | —              | (59)          |  |                  |                 |
|  |                |               | The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2012: 17%) to profit before income tax as a result of the following differences:-   |                  |                 |
|  | <b>6,254</b>   | <b>2,46</b>   |  | <b>2013</b>      | <b>2012</b>     |
|  |                |               |  | \$               | \$              |
| <b>7. Share capital</b>  | <b>2013</b>    | <b>2012</b>   | Loss before taxation   | <b>(32,392)</b>  | <b>(81,269)</b> |
|  | \$             | \$            | Income tax expense at statutory rate   | <b>(5,507)</b>   | <b>(13,816)</b> |
| Issued and fully paid:-  |                |               | Tax losses not recognised  | <b>5,507</b>     | <b>13,816</b>   |
| Balance at beginning and at end of the financial year 100,000 (2012: 100,000)  |                |               |  |                  |                 |
| Ordinary Share   | <b>100,000</b> | 100,000       |  |                  |                 |
|  |                |               |  |                  |                 |
| The above have no par value.   |                |               |  |                  |                 |
| The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. All shares rank equally with regard to the Company's residual asset. |                |               | <b>11. Significant related party transactions</b>  |                  |                 |
| The Company reviews its capital structure at least annually to ensure that the Company will be able to continue as a going concern. The capital structure of the Company comprises only of share capital and accumulated losses.       |                |               | In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:   |                  |                 |
|  |                |               |  | <b>2013</b>      | <b>2012</b>     |
| <b>8. Other payables</b>   | <b>2013</b>    | <b>2012</b>   | Key management personnel compensations are as follows:   | \$               | \$              |
|  | \$             | \$            | Directors' remuneration  | <b>180,000</b>   | <b>71,500</b>   |
| - Amount owing to holding company  | 4,000          | 4,000         |  |                  |                 |
| - Amount owing to related parties  | 32,489         | 27,960        | <b>12. Financial risk management</b>   |                  |                 |
| - Amount owing to third parties  | 695            | —             | The Company's activities expose it to currency risk and liquidity risk. The Company's overall risk management strategy seeks to minimize potential adverse effects from the unpredictability of financial markets on the financial performance of the Company. |                  |                 |
|  | <b>37,184</b>  | <b>31,960</b> | The directors manage and monitor such exposures to ensure appropriate risk management measures are implemented on timely and effective manners. However, these are not documented in formal written documents. The following guidelines are followed:          |                  |                 |
| - Other accruals for operating expenses  | 1,200          | 1,595         | (i) Minimise interest rate, currency, credit and market risks for all kinds of transactions.   |                  |                 |
| Total other payables   | <b>38,384</b>  | <b>33,555</b> |  |                  |                 |
|  |                |               |  |                  |                 |
| The non-trade amount owing to a corporate shareholder and a related party are unsecured, interest-free and has no fixed term of repayment.   |                |               |  |                  |                 |

- (ii) All financial risk management activities are carried out and monitored by the directors.
- (iii) All financial risk management activities are carried out following market practices.

There has been no significant change to the manner in which it manages and measures these risks.

**Currency risk**

The Company's exposure to currency risk relates only to Singapore Dollars.

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a level of cash and cash equivalents deemed adequate by management to finance the Company's operation and mitigate the effects of fluctuations in cash flows.

The table below summarises the maturity profile of the Company's financial assets and liabilities at the balance sheet based on contractual undiscounted repayment obligations.

Non-derivative financial liabilities:

|   | 2013                   | 2012                 |
|---|------------------------|----------------------|
|   | \$                     | \$                   |
| <b>Financial Assets:</b>                              |                        |                      |
| Other receivables (Note 5)                            | -                      | 31,353               |
| Bank balances (Note 6)                                | <b>6,254</b>           | 2,523                |
| Total undiscounted financial assets                   | <b><u>6,254</u></b>    | <b><u>33,876</u></b> |
| <b>Financial Liabilities:</b>                         |                        |                      |
| Other payables (Note 8)                               | <b>38,384</b>          | 33,555               |
| Bank Overdraft  | -                      | 59                   |
| Total undiscounted financial liabilities              | <b><u>38,384</u></b>   | <b><u>33,555</u></b> |
| Total net undiscounted financial (liability) / assets | <b><u>(32,130)</u></b> | <b><u>321</u></b>    |

**13. Capital Management**

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value.

The Company defines capital as share capital and reserves.

The Company manages the level of capital in proportion to risk and future business development requirements while balancing the need to maximise the return on capital. The Company does not stipulate the desired level of capital nor is it subject to externally imposed capital requirements. It monitors and manages its capital structure on an on-going basis and makes adjustments to it in the light of changes in economic conditions and/ or events and the Company's financial performance.

As part of its capital management process, the Company may adjust its level of dividends or allot new shares to shareholders where appropriate. The Board takes into consideration the cash position and business requirements of the Company when determining the level of dividends to pay its shareholders.

**14. Currently Effective Requirements**

With effect from 1 April 2012, the Company has adopted all the following new, revised and amendments to FRS that are mandatory for financial years beginning on or after 1st January 2012. The adoption of these new, revised and amendments to FRS has no significant impact to the Company.

| FRS No.               | Description                                 | Effective for annual periods beginning or after |
|-----------------------|---|---|
| Amendments to FRS 107 | Disclosures - Transfers of Financial Asset  | 1 July 2011                                     |
| Amendments to FRS 12  | Deferred Tax - Recovery of Underlying Asset | 1 January 2012                                  |

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

*Future changes in accounting policies*

The Company has not adopted the following new, revised and amendments to FRS that have been issued but not yet effective. Those new, revised and amendments to FRS are not expected to have significant impact to the Company.

| FRS No.                      | Description  | Effective for annual periods beginning or after |
|------------------------------|--|---|
| FRS 1                        | Amendments to FRS 1 Presentation of Items of Other Comprehensive Income  | 1 July 2012                                     |
| FRS 19                       | Employee Benefits  | 1 January 2013                                  |
| FRS 27                       | Separate Financial Statements  | 1 January 2014                                  |
| FRS 28                       | Investments in Associates and Joint Ventures   | 1 January 2014                                  |
| FRS 110                      | Consolidated Financial Statements  | 1 January 2014                                  |
| FRS 111                      | Joint Arrangements   | 1 January 2014                                  |
| FRS 112                      | Disclosure of Interest in Other Entities   | 1 January 2014                                  |
| FRS 113                      | Fair Value Measurement   | 1 January 2013                                  |
| FRS 107                      | Disclosures - Offsetting Financial Assets and Financial Liabilities  | 1 January 2013                                  |
| FRS 32                       | Offsetting Financial Assets and Financial Liabilities  | 1 January 2014                                  |
| FRS 1, FRS 16 and FRS 32     | Improvements to FRSs 2012  | 1 January 2013                                  |
| FRS 110, FRS 111 and FRS 112 | Amendments to the transition guidance of FRS 110 Consolidated Financial Statements, FRS 111 Joint Arrangements and FRS 112 Disclosure of Interests in Other Entities | 1 January 2014                                  |
| FRS 110, FRS 112 and FRS 27  | Amendments to FRS 110, FRS 112 and FRS 27: Investment Entities   | 1 January 2014                                  |

**15. Authorisation of financial statements**

The sole director of SEL INTERNATIONAL PTE LTD authorized these financial statements for issue on 30 May 2013.

**DR. FRESH COMMERCIAL LAND DEVELOPMENT PRIVATE LIMITED**

**DIRECTORS' REPORT**

Dear Members

Your Directors present the Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2013.

**Financial Highlights** (Amount in ₹)

| Particulars   | Financial Year Ended         |                              |
|---|------------------------------|------------------------------|
|   | 31 <sup>st</sup> March, 2013 | 31 <sup>st</sup> March, 2012 |
| Total Income  | NIL                          | NIL                          |
| Total Expenditure                                       | 12,37,589.95                 | 37,251                       |
| Profit before tax                                       | (12,37,589.95)               | (37,251)                     |
| Provision for tax                                       | NIL                          | NIL                          |
| Profit after tax  | (12,37,589.95)               | (37,251)                     |
| Transfer to Reserve                                     | NIL                          | NIL                          |
| Paid-up Share Capital                                   | 1,00,000                     | 1,00,000                     |
| Reserves and Surplus<br>(excluding revaluation reserve) | (14,42,075.45)               | (2,04,485.50)                |

**Year in Retrospect**

During the year under review there was no income. The company has not generated any revenue as in case of real estate business the revenue earn after completion of projects. The Expenditures made by the company are recurring expenditures. Your Directors are putting in their best efforts to improve the performance of the Company.

**Material Changes etc.**

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company-31st March, 2013 and the date of this Report.

**Dividend**

In view of loss suffered by the Company, your Directors regret their inability to recommend any dividend.

**Public Deposits**

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A of the Companies Act, 1956.

**Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

**a. Conservation of Energy & Technology Absorption:**  
Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.

- b. Export Activities:** There was no export activity in the Company during the year under review. The Company is not planning any export in the near future as well.
- c. Foreign Exchange Earnings and Outgo:** There was no Foreign Exchange earnings and outgo during the year under review.

**Particulars of Employees**

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

**Directors**

After the last Annual General Meeting, Mr Ritesh Kumar Mittal was appointed as additional director. In terms of the provisions of the Companies Act, 1956, he holds office until the date of the ensuing Annual General Meeting. His appointment as an Ordinary Director of the Company is placed before the Members for consideration. The Board recommends the resolution for adoption by the members.

**Auditors**

M/s Suresh Kumar Mittal & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

**Auditors' Report**

Comments made by the Statutory Auditors in the Auditors' Report are self-explanatory and do not require any further clarification.

**Holding Company etc.**

The Company is a Wholly Owned Subsidiary Company of Dr. Fresh Assets Ltd.

**Directors' Responsibility Statement**

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed;

**DR. FRESH ASSETS LIMITED**  
**(Formerly known as Sunehari Exports Limited)**

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- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the loss of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. the Directors have prepared the Annual Accounts on a going concern basis.

**Acknowledgment**

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Banks and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees; support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on Behalf of the Board

**Dr. Fresh Commercial Land Development Pvt. Ltd.**

Date : 30.08.2013

**Sumit Nanda**

**H.C. Nanda**

Place : New Delhi

Director

Director

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**AUDITOR'S REPORT**

To  
The Members

**DR. FRESH COMMERCIAL LAND DEVELOPMENT PRIVATE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **DR. FRESH COMMERCIAL LAND DEVELOPMENT PRIVATE LIMITED** ("the Company") which comprise the Balance Sheet as at 31 March 2013 and the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter**

We draw attention to note no. 7(a) relating to Hotel project being abandoned due to financial constraints pending financial infusion these accounts have been prepared as a going concern.



**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2013; and
- b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date.

**Report on Other Legal and Regulatory requirements**

- 1. The Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, is not applicable to the company.
- 2. As required by section 227(3) of the Act, we report that:
  - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- (ii) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act; and
- (v) On the basis of written representation received from the directors as at 31 March 2013 and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **SURESH KUMAR MITTAL & CO.**

Chartered Accountants

Firm Registration No: 500063N

**Sandeep Mittal**

Partner

Membership Number :501404

Place : New Delhi

Date : 30.05.2013

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**BALANCE SHEET AS AT 31ST MARCH, 2013**

| Particulars                           | Note No. | As At 31.03.2013 |                   | As At 31.03.2012 |                    |
|---------------------------------------|----------|------------------|-------------------|------------------|--------------------|
|                                       |          |                  | ₹                 |                  | ₹                  |
| <b><u>EQUITY AND LIABILITIES:</u></b> |          |                  |                   |                  |                    |
| <b><u>Shareholder's Funds:</u></b>    |          |                  |                   |                  |                    |
| Share Capital                         | 2        | 100000.00        |                   | 100000.00        |                    |
| Reserves & Surplus                    | 3        | (1442075.45)     | (1342075.45)      | (204485.50)      | (104485.50)        |
| <b><u>Non Current Liabilities</u></b> |          |                  |                   |                  |                    |
| <b><u>Current Liabilities:</u></b>    |          |                  |                   |                  |                    |
| Short Term Borrowings                 | 4        |                  | 11094359.00       |                  | 10953859.00        |
| Other Current Liabilities             | 5        |                  | 5300.00           |                  | 32876.70           |
|                                       |          |                  | <b>9757583.55</b> |                  | <b>10882250.20</b> |
| <b><u>ASSETS:</u></b>                 |          |                  |                   |                  |                    |
| <b><u>Non-Current Assets:</u></b>     |          |                  |                   |                  |                    |
| <b><u>Fixed Assets</u></b>            |          |                  |                   |                  |                    |
| Tangible Assets                       | 6        | 9750766.00       |                   | 9750766.00       |                    |
| Capital Work in Progress              | 7        | —                |                   | 961598.20        |                    |
| Long Term Loans & Advances            | 8        | —                |                   | 164000.00        |                    |
| Other Non-Current Assets              | 9        | —                | 9750766.00        | 5858.00          | 10882222.20        |
| <b><u>Current Assets:</u></b>         |          |                  |                   |                  |                    |
| Cash and Cash Equivalents             | 10       | 6817.55          | 6817.55           | 28.00            | 28.00              |
|                                       |          |                  | <b>9757583.55</b> |                  | <b>10882250.20</b> |

The notes from 1 to 14 form an integral part of these financial statements

As per our separate report of even date annexed

For **Suresh Kumar Mittal & Co.**  
Chartered Accountants

**Sandeep Mittal**  
Partner  
(M. No. 501404)

**Sumit Nanda**  
Director

**H.C. Nanda**  
Director

Place : New Delhi  
Dated : 30.05.2013

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AS ON 31ST MARCH 2013**

| <b>Particulars</b>                         | <b>Note<br/>No.</b> | <b>Current Year<br/>₹</b> | <b>Previous Year<br/>₹</b> |
|--|---------------------|---------------------------|----------------------------|
| <b>REVENUE FROM OPERATIONS</b>             |                     |                           |                            |
| Revenue from Operations                    |                     | —                         | —                          |
| <b>TOTAL REVENUE</b>                       |                     | <b>—</b>                  | <b>—</b>                   |
| <b>EXPENSES:</b>                           |                     |                           |                            |
| Finance Costs                              | 11                  | 875.75                    | 1145.00                    |
| Other Expenses                             | 12                  | 1236714.20                | 36106.00                   |
| <b>TOTAL EXPENSES</b>                      |                     | <b>1237589.95</b>         | <b>37251.00</b>            |
| <b>(Loss) for the year</b>                 |                     | <b>(1237589.95)</b>       | <b>(37251.00)</b>          |
| <b>Basic and Diluted Earning per share</b> |                     | <b>(123.76)</b>           | <b>(3.73)</b>              |

The notes from 1 to 14 form an integral part of these financial statements

As per our separate report of even date annexed

For **Suresh Kumar Mittal & Co.**

Chartered Accountants

**Sandeep Mittal**

*Partner*

(M. No. 501404)

Place : New Delhi

Dated : 30.05.2013

**Sumit Nanda**

*Director*

**H.C. Nanda**

*Director*

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**1 SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of preparation of Financial Statements**

The accounts are prepared under the historical cost convention using the accrual method of accounting unless otherwise stated thereafter. Accounting policies not specifically referred to are consistent with generally accepted principles.

**B. Fixed Assets**

Fixed Assets are stated at cost less depreciation.

**C. Miscellaneous Expenditure**

Preliminary expenses and share issue expenses are being proportionately written off over a period of Five years from the date of commencement of operation.

**D. Taxation**

Provision for taxation is based on assessable profit of the Company as defined under Income Tax Act, 1961.

Deferred taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in foreseeable future. Deferred tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realized in the near future.

**E. Contingent Liabilities**

Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes on accounts. Provision is made if it becomes probable that an outflow of future economic benefit will be required for an item previously dealt with as a Contingent Liability.

**F. Events occurring after Balance Sheet date.**

Events occurring after Balance sheet date have been considered in the preparation of financial statements.

**G. Earning Per Share**

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. (Adjusted for the effect of diluted option).

|   | Current Year<br>₹    |                   | Previous Year<br>₹   |                   |
|---|----------------------|-------------------|----------------------|-------------------|
| <b>2 SHARE CAPITAL</b>                  |                      |                   |                      |                   |
| <b>Authorised:</b>                      | <b>No. of shares</b> | <b>Amount</b>     | <b>No. of shares</b> | <b>Amount</b>     |
| <b>Equity Shares of ₹ 10/- each</b>     |                      |                   |                      |                   |
| At the beginning of the Year            | 100000               | 1000000.00        | 100000               | 1000000.00        |
| Add: Additions during the year          | —                    | —                 | —                    | —                 |
| Less: Reduction during the year         | —                    | —                 | —                    | —                 |
| At the end of the Year                  | <u>100000</u>        | <u>1000000.00</u> | <u>100000</u>        | <u>1000000.00</u> |
| <b>Issued, Subscribed and Paid up :</b> |                      |                   |                      |                   |
| <b>Equity Shares of ₹ 10/- each</b>     |                      |                   |                      |                   |
| At the beginning of the Year            | 10000                | 100000.00         | 10000                | 100000.00         |
| Add: Additions during the year          | —                    | —                 | —                    | —                 |
| Less: Reduction during the year         | —                    | —                 | —                    | —                 |
| At the end of the Year                  | <u>10000</u>         | <u>100000.00</u>  | <u>10000</u>         | <u>100000.00</u>  |

- (i) The company has one class of equity shares having a par value of Rs.10 each per share. Each shareholder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees.
- (ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|  | Current Year<br>₹            | Previous Year<br>₹                      |
|--|------------------------------|---|
| <b>Details of shares held by each shareholder holding more than 5% shares:</b>   |                              |   |
| <b>Class of shares / Name of shareholder</b>   | <b>Number of shares held</b> | <b>%holding in that class of shares</b> |
| <u>Equity Shares with voting rights</u>  |                              |   |
| Dr. Fresh Assets Ltd.  | 9999                         | 99.99%                                  |
|  | 9999                         | 99.99%                                  |
| <b>3 RESERVES &amp; SURPLUS</b>  |                              |   |
| <u>Surplus</u>   |                              |   |
| At the beginning of the accounting period  | (204485.50)                  | (167234.50)                             |
| Additions during the year  | (1237589.95)                 | (37251.00)                              |
| At the end of the accounting period  | <u>(1442075.45)</u>          | <u>(204485.50)</u>                      |
| <b>4 SHORT TERM BORROWINGS</b>   |                              |   |
| From Holding Company (Interest Free)   | 3738500.00                   | 3598500.00                              |
| From Directors (Interest Free)   | 7355859.00                   | 7355359.00                              |
|  | <u>11094359.00</u>           | <u>10953859.00</u>                      |
| <b>5 OTHER CURRENT LIABILITIES</b>   |                              |   |
| Book overdraft with Bank   | —                            | 7624.70                                 |
| Other Payables   | 5300.00                      | 25252.00                                |
|  | <u>5300.00</u>               | <u>32876.70</u>                         |
| <p>The Company has not received the intimation from its vendors regarding the status under "The Micro Small and Medium Enterprises Development Act, 2006" and therefore disclosures under this act have not been given. The management does not envisage any material impact on the financials in this regard.</p> |                              |   |
| <b>6 TANGIBLE ASSETS</b>   |                              |   |
| Land at Manali   | 9750766.00                   | 9750766.00                              |
|  | <u>9750766.00</u>            | <u>9750766.00</u>                       |
| <b>7 CAPITAL WORK IN PROGRESS</b>  |                              |   |
| <u>Pre-operative Exps. Allocation pending</u>  |                              |   |
| Opening Balance  | 961598.20                    | 887931.20                               |
| Add: <u>Additions during the year</u>  |                              |   |
| Consultancy & Professional Exps.   | —                            | 10500.00                                |
| Tour & Travelling Exps.  | 6553.00                      | 63167.00                                |
| Capital Advances w/off   | 164000.00                    | 73667.00                                |
|  | <u>170553.00</u>             | <u>73667.00</u>                         |
| Less: Written off during the year  | 1132151.20                   | —                                       |
|  | <u>—</u>                     | <u>961598.20</u>                        |
| <b>8 LONG TERM LOANS &amp; ADVANCES</b>  |                              |   |
| <u>Advance (recoverable in cash or in kind or value to be received)</u>  |                              |   |
| Capital Advances   | —                            | 164000.00                               |
|  | <u>—</u>                     | <u>164000.00</u>                        |

In the opinion of the management, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.

**DR. FRESH ASSETS LIMITED**  
(Formerly known as Sunehari Exports Limited)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

|   | Current Year<br>₹ | Previous Year<br>₹ |
|---|-------------------|--------------------|
| <b>9 OTHER NON-CURRENT ASSETS</b>   |                   |                    |
| Miscellaneous Expenditures<br>(To the extent not written off or adjusted) |                   |                    |
| Preliminary Expenses - Opening Balance                                    | 5858.00           | 14011.00           |
| Less: Written off during the year   | 5858.00           | 8153.00            |
|   | -                 | 5858.00            |
| <b>10 CASH &amp; BANK BALANCES</b>  |                   |                    |
| Balances with Scheduled Banks<br>(in Current Account)                     | 6413.55           | -                  |
| Cash in Hand  | 404.00            | 28.00              |
|   | 6817.55           | 28.00              |
| <b>11 FINANCE COSTS</b>   |                   |                    |
| Interest Paid to Others   | -                 | -                  |
| Bank Charges  | 875.75            | 1145.00            |
|   | 875.75            | 1145.00            |
| <b>12 OTHER EXPENSES</b>  |                   |                    |
| Advertisement Expenses  | 4272.00           | 16320.00           |
| Consultancy & Professional Charges  | 2809.00           | 4413.00            |
| Preliminary Expenses written off  | 5858.00           | 8153.00            |
| Capital Advances/ CWIP written off  | 1132151.20        | -                  |
| Rates taxes & Fees  | 1500.00           | 2100.00            |
| Salary Exps   | 85000.00          | -                  |
| Misc. Expenses *  | 5124.00           | 5120.00            |
|   | 1236714.20        | 36106.00           |
| <b>* Includes payment to Auditors</b>                                     |                   |                    |
| As Audit Fees   | 5000.00           | 5000.00            |
|   | 5000.00           | 5000.00            |
| <b>13 EARNING PER SHARE</b>   |                   |                    |
| (Loss) / Profit after tax for the period (A)                              | (1237589.95)      | (37251.00)         |
| No. of equity shares of ₹ 10 each (B)                                     | 10000.00          | 10000.00           |
| Earning per share A/B   | (123.76)          | (3.73)             |
| Diluted earning per share is not given as the same is anti dilutive       |                   |                    |

**14 Related Party Transactions**

**A. Names of related parties & description of relationship**

- i) Holding Company Dr. Fresh Assets Ltd.
- ii) Key Managerial Personnel Harish Chander Nanda - Director

**B. Disclosure of transactions with related parties in ordinary course of business.**

| Nature of transactions                  | Holding<br>Company | Key<br>Managerial<br>Personnel | Holding<br>Company | Key<br>Managerial<br>Personnel |
|---|--------------------|--------------------------------|--------------------|--------------------------------|
| Unsecured Loan Taken                    | 140000.00          | 500.00                         | 85000.00           | -                              |
| <b>Closing Balance - Unsecured Loan</b> | 3738500.00         | 7355859.00                     | 3598500.00         | 7355359.00                     |

The above transaction as well as related parties have been identified on the basis of information available with the company and the same has been relied upon by the auditors.

**Dr. FRESH ASSETS LIMITED**

(Formerly Sunehari Exports Limited)

Registered Office : B-1/E-24, Mohan Co-operative Industrial Area,  
New Delhi - 110 044, India

**ATTENDANCE SLIP**

Folio No. \_\_\_\_\_

No. of shares held \_\_\_\_\_

I/We hereby record my/our presence at the 23rd Annual General Meeting of the Company to be held at 11, Hindi Bhawan, ITO, Delhi - 110 002 on Saturday, 28th September, 2013 at 11.15 A.M. or at any adjournment thereof.

Name of the Shareholder (in Block Letters) \_\_\_\_\_

Name of the Proxy \_\_\_\_\_  
(to be filled only when shareholder is appointing proxy)

Signature of Member/Proxy

Note : Member attending the meeting must fill in this attendance slip and hand it over at the entrance duly signed.

**Dr. FRESH ASSETS LIMITED**

(Formerly Sunehari Exports Limited)

Registered Office : B-1/E-24, Mohan Co-operative Industrial Area,  
New Delhi - 110 044, India

**PROXY FORM**

Folio No. \_\_\_\_\_

No. of shares held \_\_\_\_\_

I/We \_\_\_\_\_

R/o \_\_\_\_\_ being a Member/Members  
of the above mentioned Company, hereby appoint Sh./Smt. \_\_\_\_\_ R/o  
\_\_\_\_\_ failing him, Sh./Smt. \_\_\_\_\_

R/o \_\_\_\_\_ as my/our Proxy to attend and vote for me/us (in the vent of Poll) on my/our behalf at the  
23rd Annual General Meeting of the Company to be held at 11, Hindi Bhawan, ITO, Delhi - 110 002 on Saturday, 28th  
September, 2013 at 11.15 A.M. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Signature \_\_\_\_\_

Affixe  
Re.1/-  
Revenue  
Stamp

**NOTE :**

1. Revenue Stamp of Re. 1/- is to be affixed on this form.
2. The form should be signed across the stamp as per specimen signature registered with the company.
3. The Proxies must reach the Registered Office of the Company at least 48 hours before the time fixed for holding the aforesaid meeting.
4. The person to be appointed as proxy need not to be a member of the company.

## Book Post

*If undelivered, please return to :*

**Dr. FRESH ASSETS LIMITED**

Registered Office : B-1/E-24,  
Mohan Co-operative Industrial Area,  
New Delhi - 110 044, India