

# NHC Foods Limited



Regd. Office: 'NHC House' 2/13, Anand Nagar, Santacruz (East), Mumbai – 400 055

---

## Chairman's Speech

Dear Fellow Shareholders,

### Introduction

Good Morning to all of you and welcome to the 20<sup>th</sup> Annual General Meeting of your company. It has been a truly remarkable and important year of our journey, which was marked by the launch of wide range of Basic and Blended spices in our own brand '**SAAZ – SA RE KHA NA**' into domestic market on 07<sup>th</sup> Oct, 2011. This has paved the way for the next level of the Company's growth as we move forward to make full utilisation of the unfolding opportunities in the branded packaged spices.

Further, I am pleased to inform you that NHC FOODS LTD has completed yet another year with sustained profitability, overcoming challenges on several fronts.

### Global and Indian Economic Scenario

The food processing industry in India is on an assured path of growth and profitability. It is expected to attract phenomenal investment in the area of Human Resources and Technology. The total food production of India is estimated to double in the next 10 years. More importantly, the food processing sector in India has been accorded high priority by the Government of India, with a number of fiscal relief measures along with incentives to encourage commercialisation and value addition.

### Moving on to Saaz

We recently launched wide range of basic and blended spices in our own brand name "SAAZ - SA RE KHA NA into domestic market of Mumbai / Maharashtra / Gujarat & Goa on 07<sup>th</sup> October 2011, and we aim to launch Pan India by the year 2014-2015. It gives me pleasure to inform that your brand has been successfully accepted in these markets, and to confirm this acceptance we have seen an average growth of 15 – 20 % month on month basis. This has encouraged us to launch 10 new



variants of blended spices, thus making SAAZ a complete range of blended spices / masalas. The new variants are proposed to be launched in November this year. Also keeping in mind the market demands your brand SAAZ is also now available in different pack sizes suitable for every consumer type. With this new pack sizes named as Mini Packs we intend to offer Quality product affordable for every common man. SAAZ has already entered into big chains such as Reliance / Magnet / Dhanraj and is doing exceptionally well. By the end of this FY SAAZ will be available in every popular Food chains. To enhance our business in terms of volume, we have introduced Wholesale packing of 500gms & 1 kg in basic spice range of CTC which is Chilly Turmeric & Corriander in 3 different quality named as SAAZ Premium / SAAZ Sargam & SAAZ Surilee, with this we will be entering in the HORRECA business formats (Hotels, Restaurants & Catering), & the 3 ranges will help us to cater all types of Hotels in terms of their Grade & generate volume in terms of sales. To summarize this concept, our goal is to ensure that quality product under your brand SAAZ will be available to all types of consumers / business format at an affordable price.

#### **company's sales and marketing efforts at National and Global Level:**

Our Company attended World Spice Congress Pune 2012 from 9<sup>th</sup> February to 11<sup>th</sup> February, 2012 at Pune and the Gulfood festival 2012 from 19<sup>th</sup> February to 22<sup>nd</sup> February, 2012 at Dubai. Our exhibition booth was of modern design; the exhibited products were our competitive products, focused on clients' requirements. Gulfood festival facilitate us to meet people from different countries also has enabled us to explore new clientele, to know the needs and demands of the people around the world. Your company is continuously making efforts to meet the demands of the people around the world. With active participation in such Shows your company aims to promote SAAZ in the international market as well, and with our recent experience in the Gulf Food 2012, SAAZ has been noticed and appreciated by international customers.

#### **Moving on the operations of your company**

During the year under the review, your company has delivered a fairly good result as compared to the previous year. Gross Revenue for the year grew to Rs. 9326 Lacs as compared to the previous year's Rs. 7311 Lacs.

#### **Let me focus on your Company's performance in the 1st quarter of 2012-13**

The financial results for the 1<sup>st</sup> quarter ended on 30<sup>th</sup> June, 2012 as approved by the Board of Directors in the Board meeting held on 14<sup>th</sup> August, 2012 are as follows

1. Net Sales stood at Rs. 3950 lacs as compared with same period of the previous year of Rs. 1868 lacs which represents growth by 111.46%
2. Gross profit stood at Rs. 106 lacs as compared to Rs. 74 lacs in the same quarter of the previous year which represents growth of 43.24%
3. Net Profit stood at Rs. 50 lacs as compared to Rs. 26 lacs in the same quarter of the previous year which represents growth of 92.31%

Going forward, the food processing industry is of enormous significance for India's Development because of the vital linkages and synergies it promotes between the two pillars of our economy, industry and agriculture. Steered by an enabling environment and supported by the government initiative, the industry is on the fast track of growth.

### Vote of Thanks

I am grateful to the Board of Directors for their unwavering support and guidance and also I would like to thank all employees for their excellent support and dedication during this challenging period. I take this opportunity to express my gratitude to all our stakeholders, who have reposed trust in us and extended their constant support.

Having provided you with a snapshot of your Company progress, may I now commend the first resolution relating to the adoption of the Accounts and Directors' Report for your consideration and approval.

Thank You.

For NHC Foods Limited,



Place: Mumbai  
Date: 27th September, 2012

Apoorva Shah  
(Chairman & Managing Director)