

Sache Masale



TM

Ache Masale

“Sa Re Kha Na.....”



ANNUAL REPORT 2011-12



NHC FOODS LIMITED

(Government Recognized Star Export House)



Offering Quality Spices & Agro Products

An ISO 22000-2005 (Food Management System)
& An ISO 9001:2008 Certified Company



100% Veg.



ABOUT US

Growth means change

....Stepping from the known to the unknown

NHC Foods Ltd engaged in the manufacture and export of a wide range of spices, oilseeds, and other food products to numerous countries across the globe. Given the diversity of consumers, NHC caters and develop the products as per the customer taste and needs with the perfect blend of only the best quality products and ingredients, colour and texture.

Equipped with the best in technology, the Company has set up a world-class processing unit at Pardi, Gujarat. With access to good quality raw material and technology, the Company offers superior quality products at globally competitive prices. Strict adherence to global quality standards during processing and packaging has been the hallmark at NHC FOODS LTD, leading to regular addition of new clients, coupled with repeat orders from existing global customers.



Chairman's Communique



**“How much you have grown that is not success....
How many challenges you have overcome
to grow that is success”**

Message from Chairman

Dear fellow Shareowners',

In 2011-12, NHC FOODS LTD. delivered fairly good results as compared to previous years. Your Company recorded significant increase in turnover and net profit during the year.

Your Company has recorded net profit after tax of Rs. 46.32 Lakhs for the financial year ended 31st March, 2012 in comparison to Rs. 45.27 Lakhs in the previous year representing, increase in earnings per share from 1.39 to 1.42.

At our last AGM, we have discussed about the launch of wide range of whole and blended spices and masala in its own brand 'SAAZ – SA RE KHA NA' into the domestic market and I am pleased to inform you that Company launched its new product of Masala (Spices) range in the Indian Markets under brand name of “NHC's Saaz” on 07th Oct, 2011.

Our new product of Masala (Spices) range in the Indian Markets under the brand name of “NHC's Saaz” added a lot of impetus to the entire business. Collectively all three varieties gained tremendous acceptance in almost all the markets.

With a vision of bringing authentic Indian flavors to people all over the world, we want your Company NHC FOODS LTD to become one of the leading name, not only in the spices, but the entire food category, that too worldwide. In this endeavor, we would keep developing food products that help us come closer to achieving our vision. We would focus on improving our portfolio, increasing efficiency, product innovation and expanding our business in order to get close to our ultimate goal for the Company.

I am grateful to the Board of Directors for their support and guidance. I also take this opportunity to express my gratitude to all stakeholders, who have shown their trust in us and have extended their constant support

With Warm Regards,

Sd/-

Apoorva Shah

Chairman and Managing Director



NHC FOODS LTD.

(Government Recognised Star Export House)
An Iso 22000:2005 (Food Safety Management System)
& An ISO 9001:2008 Certified Company



WHOLE SPICES

Turmeric Finger
Black Pepper
Chilly
Coriander Seeds
Fenugreek Seeds
Cumin Seeds
Fennel Seeds
Dill Seeds
Celery Seeds
Ajwain Seeds
Mustard Seeds
Star Ani Seeds
Poppy Seeds
Kalonji Seeds
Ginger - Bleached and Unbleached
Cardamom - Green, Black, White

PULP, JAMS, PICKLES AND PASTE

PULSES, LENTILS, RICE AND FLOUR

CANNED VEGETABLES AND FRUITS (ASSORTED PRODUCTS)

GROUND SPICES

Turmeric Powder
Black Pepper Powder
Chilly Powder
Coriander Powder
Cumin Powder
Chilly Crushed
Curry Powder - Hot and Mild
Garlic Powder
Ginger Powder
Mixed Spice Powder
Dry Mango Powder
Asafetida Powder
All Purpose Seasoning

OIL SEEDS, DRY FRUITS & NUTS

Sesame Seeds - White, Black, Brown, Hulled
Ground Nut
Safflower Seeds
Sunhemp Seeds
Sunflower Seeds
Niger Seeds
Raisin
Walnut
Cashew
Pistachio

DEHYDRATED PRODUCTS

Garlic - Flakes, Minced, Granules
Onion - Chopped, Kibbled, Granules
Vegetables - Carrots, Cabbage, Potato

FEED PRODUCTS

Sorghum
Barley
Maize
Millet
Soyabean Meal
Rapeseed Meal
Sunflower Seeds
Ground Nut Meal



Our Global Presence

(Govt. Recognised Star Export House) An ISO 22000-2005
(Food Management System) & An ISO 9001:2008 Certified Company.



USA • Europe • UK • Canada • Australia • Argentina • Belgium • Brazil • Russia • New Zealand • Malta • Mexico • Israel
• China • Taiwan • Hong Kong • Singapore • Philippines • Thailand • Malaysia • Cambodia • Indonesia • Turkey • Egypt
• Jamaica • Macedonia • Trinidad & Tobago • Jordan • Saudi Arabia • Ukraine • Vietnam • Mauritius • Fiji • Sri Lanka
• Iran • Iraq • UAE South Africa • Dominican Republic • Algeria • Bangladesh • Pakistan • Yemen • Kenya



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CORPORATE INFORMATION**Board of Directors :**

Mr. Apoorva Shah	Chairman & Managing Director
Mrs. Alpa Shah	Whole-Time Director
Mr. Aashish Vyas	Director
Mr. Rajiv Bhatt	Director

Registered Office :

‘NHC House’
2/13, Anand Nagar,
Santacruz (E),
Mumbai – 400055

Statutory Auditors :

M/s. NGS & Co.
Chartered Accountants
Mumbai

Registrar & Share Transfer Agents :

M/s. System Support Services
209, Shivai Industrial Estate,
89, Andheri Kurla Road,
Saki Naka, Andheri (E),
Mumbai – 400072

Board Committees :**Audit Committee :**

Mr. Aashish Vyas	Chairman
Mr. Apoorva Shah ...	Member
Mr. Rajiv Bhatt	Member

Remuneration Committee :

Mr. Rajiv Bhatt	Chairman
Mr. Aashish Vyas	Member
Mr. Apoorva Shah ...	Member

Shareholders'/Investor's Grievances Committee :

Mr. Rajiv Bhatt	Chairman
Mr. Aashish Vyas	Member
Mrs. Alpa Shah	Member

Bankers :

Union Bank of India
State Bank of India
HDFC Bank

Company Secretary :

Ms. Suvarnalata Chavan

20th ANNUAL GENERAL MEETING

On the Thursday, 27th September, 2012 at 10.30 a. m. at Mualana Azad Hall,
Guru Narayan Road, Near Reliance Energy, Santacruz (East), Mumbai - 400055



NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of NHC Foods Limited will be held on **Thursday, the 27th day of September, 2012 at 10.30 a.m. at Maulana Azad Hall, Guru Narayan Road, Near Reliance Energy, Santacruz (E), Mumbai – 400055** to transact with or without modification(s), as may be permissible the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2012 and the Balance Sheet as at that date alongwith the Reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Rajiv Bhatt, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. NGS & Co., Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

By the order of the Board of Directors,

Suvarnalata Chavan
(Company Secretary)

Registered Office:

NHC FOODS LTD.
2/13, Anand Nagar, Santacruz (East),
Mumbai - 400055

Place: Mumbai

Date: 26th May, 2012

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 24th September, 2012 to Thursday, 27th September, 2012, both days inclusive, in terms of the provisions of Section 154 of the Companies Act, 1956 and the applicable Clauses of Listing Agreement entered into with the Stock Exchanges.
3. The members are requested to:
 - (a) Intimate to the Company's Registrar and Share Transfer Agents M/s. System Support Services (for shares held in physical form) and to their Depository Participants (DP) (for shares held in dematerialized form) the changes, if any, in their registered address details at an early date;
 - (b) Quote ledger folio numbers / DP Identity and Client Identity Numbers in all their correspondences;
 - (c) Approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - (d) Get the shares transferred in joint names, if they are held in single name to avoid inconvenience;
 - (e) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the Registered Office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
 - (f) In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now

mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. Transfer of Shares, Deletion of name, Transmission of shares and Transposition of shares. Shareholders are requested to furnish copy of the PAN card for all the above mentioned transactions.

their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company/Registrars and Transfer Agents, M/s. System Support Services.

By the order of the Board of Directors,

Suvarnalata Chavan
(Company Secretary)

Registered Office:
NHC FOODS LTD.

2/13, Anand Nagar, Santacruz (East),
Mumbai - 400055

Place: Mumbai
Date: 26th May, 2012

(g) Members are requested to bring their Attendance Slip along-with copy of the Report and Accounts to the Annual General Meeting.

4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. A brief profile of the Directors retiring by rotation and eligible for reappointment, as stipulated under clause 49(IV)(G) of the Listing Agreement are provided as an annexure to the Notice. The Company has received the requisite Form DD-A from the said Directors in terms of Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules 2003 confirming their eligibility for re-appointment.
7. In terms of section 109A of the Companies Act, 1956, Members are entitled to make nomination in respect of shares held by them in physical form. Members desirous of making nominations are requested to send their requests in Form 2B in duplicate to the registered office of the Company or the Registrars. The nomination forms will be made available to the members on request.
8. Members holding shares in physical form are requested to immediately intimate changes, if any, in their registered addresses along with the Pin Code to the Company or the Registrars so as to enable the Company to address future communication to their correct addresses.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants (DP) with whom they are maintaining

DISCLOSURE PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT :

Disclosure of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting to be held on 27th September, 2012.

Name of the Directors	Mr. Rajiv Bhatt
Date of Birth	22/11/1965
Date of Appointment	30/08/2008
No. of Shares Held	Nil
Expertise in specific Functional Area	Electronics Engineer having vast business experience
Qualifications	Diploma in Electronics Engineering
List of Companies in which outside Directorship held as on 31.03.2012 (excluding Private and Foreign Companies)	Shingar Limited
Chairman/Member of the Audit Committee and Investor Grievance Committee of other Companies, of which he is a Director as on 31.03.2012	NIL

By the order of the Board of Directors,

Suvarnalata Chavan
(Company Secretary)

Registered Office:

NHC FOODS LTD.
2/13, Anand Nagar, Santacruz (East),
Mumbai - 400055

Place: Mumbai

Date: 26th May, 2012

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present their Twentieth Annual Report together with the Audited Financial Statement of Accounts along with the Report of the Auditors for the year ended 31st March, 2012.

FINANCIAL HIGHLIGHTS:

The Financial Highlights of your Company for the year under review are given below:

	(₹ In Lacs)	
	2011-2012	2010-2011
Total Income	9326.27	7311.06
Profit Before Depreciation & Tax	162.38	125.10
Less : Depreciation	87.09	76.97
Profit Before Tax	75.29	48.13
Less : Earlier year adjustment	–	–
Less : Provision for Tax	–	7.44
Less : Deferred Tax	28.98	(4.58)
Profit After Tax	46.31	45.27

OPERATIONS

During the year under review, your Company has recorded income of ₹ 9326.27 Lacs as against ₹ 7311.06 Lacs in the previous year. The Net Profit for the financial year ended 31st March, 2012 increased to ₹ 46.31 Lacs from ₹ 45.27 Lacs in the previous year.

A) NHC FOODS LTD – “SAAZ”

Vision – India's Finest Premium Brand for Spice & Spice Mixes.

Mission – Export Quality Spices & Spice Mixes at Affordable Prices for All.

Aim – Presence of NHC Foods Ltd Saaz in Pan India by 2014 – 2015.

Objective – To Capture 45% of Unorganized Spice Market Share in India

Current Upgradation for 2012 – 2013 – launch of 7 new variants in September 2012 – Chole Masala, Sambhar Masala, Paani Puri Masala, Kitchen Mix, Egg Curry Masala, Fish Masala, Jaljeera Masala, this will increase the sale volume and turnover.

Brand Guru **Mr. Jagdeep Kapoor of Samsika Marketing Consultants** appointed as marketing consultant for the success of 'NHC SAAZ'.

Final stage of negotiation for Exporting NHC SAAZ to USA, South Africa, UAE, Malaysia & Israel.

BUSINESS OUTLOOK:

A rapidly growing domestic economy with changing consumption patterns presents huge opportunity for your Company going forward and has draw up a strategy to continue its focus on the branded food business. It will continue to introduce new products and penetrate new markets, overseas.

DIVIDEND:

In order to conserve the resources for the future expansion plan of the Company & plans under implementation, your Directors do not recommend any dividend for the year under review.

TECHNOLOGY AND QUALITY:

Your Company has already obtained various quality Certifications in its name, such as:-

- ***ISO 9001:2008** - for its satisfactory development, implementation and continual improvements in Management Operations Systems for procurement and dispatch of Whole & Grounded Spices and other food products and Miscellaneous assorted products for grocery.
- **ISO 22000: 2005** - (Food Safety Management Systems) - is awarded to our plant at Pardi, Gujarat, for laying down a set of standardized requirements for Food Safety Management Systems after satisfactory verification and validations of its Food Safety Management Systems. This certification would have following benefits to our organization:

- A truly global international standard that covers the majority of the requirements of the current food safety standards.
- Complies with the Codex HACCP principles enabling the communication of HACCP concepts internationally. HACCP compliance / HACCP certification helps organizations focus on the hazards affecting food safety and hygiene and also identifies them by setting up control limits at critical points during the food production process.
- An auditable standard with clear requirements which provides a framework for third party certification.
- Our Company, has received the ‘Star Export House Status’ by the Ministry of Commerce and Industry, Office of Zonal Joint Director of Foreign Trade, a recognition granted to established exporters for promoting India’s exports and to building up marketing infrastructure and expertise required for export promotion.

*(*The said certifications are transferred in the name of our Company from erstwhile, M/s. NHC Industries Private Limited, pursuant to the Scheme of Amalgamation).*

At NHC FOODS LTD, quality is of paramount importance. Thus, the Company ensures that stringent quality checks are followed at each and every stage of processing so that the end result surpasses the expectations of its customers.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

A Statement giving details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed to this report.

Report on Management Discussion & Analysis is provided in a separate section and forming part of this Annual Report.

PARTICULARS OF EMPLOYEES:

Your Company does not have any employee of the category as specified in Section 217 (2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended thereto from time to time.

DIRECTORS’ RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors’

Responsibilities Statement, your Directors hereby confirm:

- (1) that in the preparation of the annual accounts for the year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (2) that 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 at the end of the financial year and of the profit or loss of the Company for the financial year;
- (3) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (4) that the Directors have prepared the annual accounts on a going concern basis.

INTERNAL AUDIT AND CONTROLS:

During the year under review, your Company has appointed M/s. Surekha Associates, Chartered Accountants as its Internal Auditor. Your Company continued to implement their suggestions and recommendations to improve the control environment.

Their scope of work includes safeguarding the assets of your Company, review of operational efficiency, effectiveness of systems and processes and assessing the internal control strengths in all areas of operations.

The Internal Auditors findings are discussed with the processing persons and suitable corrective actions are taken as per the Directions of the Audit Committee on a going concern basis to improve the efficiency in operations.

AUDITORS & THEIR REPORT:

In terms of provisions of Section 224 of the Companies Act, 1956, M/s. NGS & Co., Chartered Accountants retire at this Annual General Meeting and being eligible, offer themselves for re-appointment. Pursuant to the recommendations of the Audit Committee for reappointment of M/s. NGS & Co. as Statutory Auditors of the Company for the Financial year 2012-13, the Board