

Sache Masale



Ache Masale

“Sa Re Kha Na.....”

ANNUAL REPORT 2012-13



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.

Sache Masale

TM

Ache Masale



100% Veg.



“Sa Re Kha Na....”



Konkan Fish
Curry Masala



Exotic Egg Curry
Masala



Chinky Chinese
Mix



Punjabi Chhole
Masala



Healthy Jaljeera
Masala



Shahi Paneer
Masala



Superr Sambhar
Masala



Premium Pani Puri
Masala



Rajwadi Kitchen King
Masala



Chicken
Masala



Meat
Masala



Biryani
Masala



Chat
Masala



Pav Bhaji
Masala



Sabji
Masala



Garam
Masala



Tea
Masala

Blended Spices



Message from Chairman,

We believe that there is no top....

There are always further heights to reach.....

Dear fellow Shareholders,

Let me start with joy. 2012-13 has been the best year of your Company – much better than even the previous year, which was till the best in the history of NHC Foods. Here are some facts in comparison with previous financial year 2011-12:

(Amt. in Lacs)

- ❖ In a record year, net sales and other operating income increased from Rs. 9326.27 to **Rs. 13785.64.**
- ❖ Exports were at an all – time - high and increased from Rs. 7718.15 to **10670.25.**
- ❖ Operating profit before tax (PBT) and exceptional items increased from Rs. 75.29 to **Rs 239.39.**
- ❖ Profit after tax and exceptional items increased from Rs.46.32 to **Rs. 161.07.**

Your Company's model of a balanced portfolio with strong value added businesses and operational excellence have been the key drivers of this commendable performance. As we continue to meet customers across the world, we remain convinced of the huge potential of your Company in the global market. The key will be our ability to remain relevant to our customers, understand their business needs and perform with rigor to meet those needs. We are also concentrating on marketing new products like Basmati & Non Basmati Rice which is in huge demand world-wide as it is the staple diet of majority of the World's population. We are also concentrating on marketing Medicinal Herbs and Ayurvedic Products which had good market potential in South Asian and Far East Countries. At present we have launched our own Brand "SAAZ" of Blended Spices in the Indian Market and we are putting in all our efforts to launch our Brand of Blended Spices in the International Market also.

Your Company was recognized by industry, customers and the media for excellence in many dimensions including overall financial performance, human resources, sustainability and individual leadership.

Further, I am happy to inform you that, your Company won prestigious award from the Spices Board (Ministry of Commerce & Industry, Government of India) in recognition of outstanding performance in the Export of Spices and Spices Products for the year 2011-12.

I am grateful to the All Directors, Staff Members, Distributors and all the Stakeholders for their support and guidance, for which we are able to achieve these commendable performance.

//// If we move forward together then success takes care of itself ////

With warm regards,

Sd/-

Apoorva Shah

Chairman & Managing Director



NHC FOODS LTD.

(Government Recognized Star Export House)



ABOUT US

- **INFRASTRUCTURE:** Our plant at Gujarat is a fully integrated facility spread over 4 acres of land in moisture and dust free atmosphere, facilitated with modern amenities readily available and set in a region declared as special business park – Set up at an approximate cost of INR 950 Mn
- **TECHNOLOGY:** Total integrated and automated processing imported from Buhler, Germany to produce uniform, hygienic and quality products well controlled by computer systems with minimum interference of human touch.
- **CAPACITY:** State of the art technology taking care of mass production of 1 ton/hr for Spices & 2ton/h for seeds. On a 3 shift basis/280 days annum – 6720 tons of spices & 13440 tons of seeds.
- **QUALITY EVALUATION:** In house laboratory facility to carry out day to day quality evaluation with Highly qualified technical staff to work under clean and safe work environment.
- **ACCREDITATION:**
 - BSE LISTED COMPANY • GOVT RECOGNISED STAR EXPORT HOUSE
 - ISO – 9001 – 2008 • ISO – 22000- 2005 (HACCP) • ORGANIC CERTIFICATION
- **LOGISTICS:** Central location of plant ideal for smooth flow of raw-material to or from any place in India and convenient to distribute the consignment across the globe, in accordance with timely delivery.
- **RESEARCH & DEVELOPMENT:** Full-fledged department with specialized team to carry out innovation in the food sector.

“Quality is never an accident; it is always the result of high intention, sincere effort, intelligent direction and skillful execution; it represents the wise choice of many alternatives”

Global Presence

(Govt. Recognized 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 ■ Japan ■ 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



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 :

Survey No. 777, Umarsadi Desaiwad Road,
At Village Umarsadi, Taluka Pardi,
District - Valsad
Gujarat - 396175

Corporate Office :

'NHC House'
2/13, Anand Nagar,
Santacruz (E),
Mumbai – 400055
Email : grievances@nhcgroup.com
Website : www.nhcgroup.com

Statutory Auditors :

M/s. NGS & Co. LLP
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

21st ANNUAL GENERAL MEETING

On the Monday, 30th September, 2013 at 10.00 a. m. at Survey No. 777,
Umarsadi Desaiwad Road, Village Umarsadi, Taluka Pardi, District Valsad, Gujarat – 396175

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of NHC Foods Limited will be held **on Monday, 30th September, 2013 at 10.00 a.m. at *Survey No. 777, Umarsadi Desaiwad Road, At Village Umarsadi, Taluka Pardi, District Valsad, Gujarat – 396175** to transact with or without modification(s), as may be permissible the following business:

1. To receive, consider and adopt the Audited Statement of Profit and Loss Account for the year ended March 31, 2013 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Aashish Vyas, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and 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. LLP, 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.

Survey No. 777,

Umarsadi Desaiwad Road, At Village Umarsadi,

Taluka Pardi, District Valsad,

Gujarat – 396175

Place: Mumbai

Date: 17th July, 2013

(* The registered office of the Company shifted from the State of Maharashtra to the State of Gujarat vide special resolution passed by the Equity Shareholders of the Company through postal ballot on 21st September, 2012 and confirmed by Regional Director, Western Region, Mumbai vide its order dated 09th day of July, 2013.)

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY’S REGISTERED OFFICE NOT LESS THAN FORTY – EIGHT HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/AUTHORITY, AS APPLICABLE.**
2. The Register of Members and Transfer Books of the Company will be closed from Thursday, 26th September, 2013 to Monday, 30th September, 2013, both days inclusive.
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 ID and Client ID Numbers in all their correspondences;
 - (c) Approach the Company for consolidation of folios, if shareholdings are under multiple folios;
 - (d) 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.
 - (e) As part of the ‘Green Initiative in Corporate Affairs by its circular dated April 21, 2011 and April 29, 2011’ has permitted companies

to send various notices/documents (including notice calling annual general meeting, audited financial documents, directors' report, auditor's report etc.) to their Members through the electronic mode to the registered Email addresses of the Members. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow public to contribute towards a greener environment. We encourage our Members to participate in this green initiative and update their e-mail ID's and receive the communication through the electronic mode. Those who wish to receive future communications in electronic mode are requested to send their Email ID to the Registrar & Transfer Agents of the Company. If the shares are held in electronic mode, kindly have your Email registered with your respective DP.

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

4. 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.
5. 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.
6. Members holding shares in physical form are requested to immediately intimate changes, if any, in their registered addresses along with the PIN CODE & E-mail Id, to the Company or the

Registrars so as to enable the Company to address future communication to their correct address.

7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat Accounts.

By the order of the Board of Directors,

Suvarnalata Chavan
(Company Secretary)

Registered Office:

NHC FOODS LTD.
Survey No. 777,
Umarsadi Desaiwad Road, At Village Umarsadi,
Taluka Pardi, District Valsad,
Gujarat – 396175

Place: Mumbai

Date: 17th July, 2013

DISCLOSURE PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT :

Disclosure of Directors seeking appointment/re-appointment at the Annual General Meeting

Name of the Directors	Mr. Aashish Vyas
Date of Birth	27/04/1966
Date of Appointment	30/10/2009
No. of shares held	4
Expertise in Specific Functional Area	Mr. Aashish Vyas is Working in the field of investment banking over 18 years and has worked with various international investment brokers in a very senior position.
Qualifications	B.Com., ACA
List of Companies in which outside directorship held as on 31.03.2013 (excluding Private and Foreign Companies)	Intellvision Software Limited
Chairman / Member of the Audit Committee and Investor Grievances Committee of other Companies, of which he is director as on 31.03.2013	Intellvision Software Limited – Audit Committee

By the order of the Board of Directors,

Suvarnalata Chavan
(Company Secretary)

Registered Office:

NHC FOODS LTD.
Survey No. 777,
Umarsadi Desaiwad Road, At Village Umarsadi,
Taluka Pardi, District Valsad,
Gujarat – 396175

Place: Mumbai

Date: 17th July, 2013

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present their 21st Annual Report together with the Audited Financial Statement of Accounts along with the Report of the Auditors for the year ended 31st March, 2013.

1. FINANCIAL HIGHLIGHTS:

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

	(₹ In Lacs)	
	2012-2013	2011-2012
Total Income	13785.64	9326.27
Profit Before Depreciation & Tax	331.71	162.38
Less: Depreciation	92.32	87.09
Profit Before Tax	239.39	75.29
Current tax	46.93	11.26
Less: MAT Receivable	46.93	11.26
Less: Deferred Tax	78.32	28.98
Profit After Tax	161.07	46.31

2. Operations

During the year under review, your Company has recorded income of ₹ **13785.64 Lacs** as against ₹ 9326.27 Lacs in the previous year. The Net Profit for the financial year ended 31st March, 2013 increased to ₹ **161.07 Lacs** from ₹ 46.31 Lacs in the previous year.

A) NHC Foods Limited - Saaz

- Saaz, initially launched in just two states, but in just 2 years it has started making presence in other states like Karnataka, Goa, Madhya Pradesh and Rajasthan.
- Roll out in a phased manner - Launch in Tier I cities of Gujarat, Mumbai & neighboring satellite towns. Over the year Saaz's distribution network has expanded and started spreading its reach to the remote areas of Maharashtra and Gujarat.
- Vast Repertoire of 60 + recipes of masalas and mixes – researched and concocted in-house. Initially launched – 14 masala types processed in-house.

B) NHC Foods Limited - Export

- NHC Foods Limited is a Government Recognized Star Export House engaged in the Business of Exports of Whole & Ground Spices, Lentils, Pulses, Grains, Oil Seeds and various other Agri - products and Assorted Food Products.
- Currently NHC Foods Limited is Exporting the above-mentioned Commodities to more than 60 Countries World-wide.

• Existing Clientele Countries:

Singapore, USA, Canada, Israel, Russia, Spain, New Zealand, Hong Kong, Malaysia, China, Indonesia, Vietnam, Thailand, Taiwan, UAE, Saudi Arabia, Kuwait, Bahrain, Turkey, Yemen, Egypt, Mauritius, Sri Lanka, Brazil, Ukraine, Macedonia, Iran, Pakistan, Bangladesh.

3. Current Outlook

Current outlook, industry structure & development along with opportunities and threats are discussed in the Management Discussion & Analysis Report, which forms part of this report.

4. Dividend:

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

5. Reclassification and Increase in Authorised Share Capital/Capital Raising Plans of the Company.

The Management of the Company is actively considering raising resources for increasing production capacity to meet competitive requirements of quality and value addition in both medium and long term:

a) Postal Ballot held on 21st Sept, 2012:

The Shareholders of the Company through postal ballot held on 21st Sept, 2012 have approved increase in Authorised Share Capital of the Company from ₹ 11,00,00,000/- divided into 35,00,000 Equity Shares of ₹ 10/- each and 75,00,000 Preference Shares of ₹ 10/-

each to ₹ 19,00,00,000/- divided into 1,15,00,000 Equity Shares of ₹ 10/- each and 75,00,000 Preference Shares of ₹ 10/-.

b) Postal Ballot held on 07th March, 2013:

The Shareholders of the Company through postal ballot held on 07th March, 2013 have approved:

1. Reclassification of Authorised Share Capital of the Company of ₹ 19,00,00,000/- divided into 1,15,00,000 Equity Shares of ₹ 10/- each and 75,00,000 Preference Shares of ₹ 10/- each be and is hereby reclassified into 1,35,00,000 Equity Shares of ₹ 10/- each and 55,00,000 Preference Shares of ₹ 10/- each.
2. The Authorised Share Capital of the Company increased from ₹ 19,00,00,000/- divided into 1,35,00,000 Equity Shares of ₹ 10/- each and 55,00,000 Preference Shares of ₹ 10/- each to ₹ 24,00,00,000/- divided into 1,85,00,000 Equity Shares of ₹ 10/- each and 55,00,000 Preference Shares of ₹ 10/- each.

6. Preferential Allotment:

10,00,000 fully paid-up equity shares of the face value of ₹ 10/- each at a share premium of ₹ 12.60/- per share aggregating to ₹ 2,26,00,000/- of the Company allotted to the Investors- the non Promoters on Preferential basis on 05th Oct, 2012, on the terms and conditions as mentioned in the Special Resolution passed by the Shareholders through postal ballot held on 21st Sept, 2012.

7. Conversion of OCRPS:

20,89,200 OCRPS were allotted to Mrs. Hansa Shah pursuant to the scheme of amalgamation of M/s NHC Industries Private Limited with that of the Company, where OCRPS shall be converted in the ratio of 1 (One) New Equity Shares of the face value of ₹ 10/- each for every 1 (one) OCRPS of the face value of ₹ 10/- each.

Mrs. Hansa Shah exercised her option to convert 15,42,400 OCRPS (Optionally Convertible Redeemable Preference Shares) into Ordinary Shares. Accordingly, 15,42,400 Ordinary Shares of

₹ 10/- each were allotted to Mrs. Hansa Shah on 05th Oct, 2012.

8. Delisting of shares:

The equity shares of the Company are voluntarily delisted from Ahmedabad Stock Exchange Limited (ASE) **w.e.f. 21/02/2013.**

9. Award / Recognition:

 NHC Foods Limited have been awarded for Certificate of Merit from the Spices Board (Ministry of Commerce & Industry, Government of India) in recognition of outstanding performance in the Export of Spices and Spices products for the year 2011-12.

10. Technology and Quality:

Sustained commitment to highest level of quality, best – in – class service management helped the Company attain number of milestones during the year.

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 converse the majority of the requirements of the current food safety standards.
- An auditable standard with clear requirements which provides a framework for third party certification.

(*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).