



28TH ANNUAL REPORT

2014-15



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CHAIRMAN'S MESSAGE

Dear Shareholders,

It gives me immense pleasure to present to you the performance of your Company in Financial Year (FY) 15. Your Company continued its strong performance as it reported revenues of Rs. 279.50 crores for the FY 15, representing growth of 22% compared to the previous year. Your Company has recorded its highest ever profits during this year. The profit after tax stood at Rs. 19.51 crore compared to Rs. 13.57 crore last year, registering a year-on-year increase of 44%.

“In FY 15, Your Company has reported the highest turnover and profits in its history”

Major regions around the world are yet to fully emerge from the after-effects of the financial crisis that shook the global economy at the end of the last decade. While some regions have rebounded faster than others, the sustainability of the recovery is still to be fully assessed as the impact of subsidies, monetary easing and management of currency exchange rates plays out. Interestingly, for a country like India the impact of these factors is not all encompassing as the impact of political stability, implementation of reforms and development of infrastructure will have equal, if not greater, bearing on its economic progress.

India is recognized as one of the leading seafood suppliers in the world and has successfully exported a record 1 million tonnes of sea food fetching a foreign exchange of \$5.5 billion during FY 15. The exports of marine products reached an all-time high of ₹ 33,442 crore crossing all previous records in quantity, rupee value and US dollar terms. Frozen shrimps continued to be the flagship product in the seafood exports accounting for a share of 34 % in quantity and 67 % of the total exports.

“Frozen Shrimps continue to be the flagship product in the high growth marine products industry in India.”

Your Company has benefitted from the increase in acreage under shrimp farming resulting in immense growth of the shrimp feed industry over the last several years. In order to drive further growth and enable widespread availability of its shrimp feed in more farming regions across the country, significant expansion plans are being implemented. On 21st May, 2015, the Board of your Company had accorded in-principle approval for the scheme of amalgamation of Pinnae Feeds Limited with the Company. This will enable Your Company to increase its shrimp feed manufacturing capacity from

35,000 metric tonnes per annum (MTPA) to 1,10,000 MTPA and will pave the way for continued volume growth going forward.

In over Twenty Five years of existence, your Company has continually strived to encourage the development of the aquaculture industry in India in a responsible, efficient and sustainable manner. In line with this approach, your Company proposes to set up hatcheries in key farming regions across the country. The focus will be to ensure that quality Vannamei seeds are made available to farmers.

“Our focus is steady: Invest, innovate, bring a smarter, more efficient approach to how we operate and be the partner that helps customers and stakeholders thrive”

In order to participate in the next wave of growth, Your Company has implemented several strategic initiatives during the year. This includes augmenting the management team to enhance the delivery of key functions, strengthening of the distribution network, and focus on the engagement with customers.

Overall, your Company is confident about the future as it is richly endowed with the requisite resources, experience, knowhow and the ambition to champion sustainable growth of the aquaculture industry.

I would like to take this opportunity to acknowledge the contribution of our employees, their dedication and commitment in making TWL a preferred name in this industry. I would also like to thank our customers, business partners, bankers, vendors and other business associates, without whose contributions we would not have enjoyed the achievements that we have shared with all of you. I would like to express my gratitude to various Central and State Government Authorities and Industry Bodies for their contribution in shaping the Industry. Finally, I thank all our stakeholders for their unstinted interest, support, faith and encouragement. I look forward to a continued partnership with all shareholders for further value creation in the coming years.

Warm Regards,

Vikramaditya Mohan Thapar
Chairman

COMPANY OVERVIEW



The Waterbase Limited (TWL) is the pioneer in the Indian Aquaculture Industry. We operate India's first ISO 9001:2008 Certified Shrimp Feed Manufacturing Facility which is located near Nellore in Andhra Pradesh.

Part of the Karam Chand Thapar Group, TWL owns several popular brands of shrimp feed that enjoys widespread acceptance among the shrimp farming community in India. TWL's products are held in high esteem due to their high performance, quality, freshness and nutrient-rich composition.

Over the last two decades, TWL has been instrumental in inculcating a scientific approach to shrimp farming in India. It has provided training and support in farming techniques to several thousand farmers across the country. It has served as a training ground for some of the best talent in the industry and enjoys unparalleled technical expertise as it is staffed by well qualified personnel with rich industry experience. TWL's products, processes and practices are viewed as gold standard by the industry. TWL is currently focussed on manufacture of shrimp feed and processing of shrimp for exporters. It has robust manufacturing processes and stringent quality control systems.

TWL was the first to recognise the strategic advantage and potential for value creation from R&D. It has worked with renowned institutions in India and overseas. It has been at the forefront of innovation in the industry across areas such as feed manufacture, farm practices and shrimp processing.

TWL has registered a robust track record over the last few years with steady growth in Revenues and Profitability. It enjoys a strong financial performance. It is well placed to capitalise on the growth potential of the industry in the coming financial years.



SHRIMP FEED

Our shrimp feed manufacturing facility is located in Nellore, Andhra Pradesh. It has a capacity of 35,000 metric tonnes per annum (MTPA). The feed manufactured at our plant are specifically formulated to meet the nutrition requirements for each type of shrimp at all stages of its growth.

We are the first Company to launch 'Vannamei' shrimp feed in India. We work with internationally renowned nutritionists to ensure that farmers get quality feed to suit a variety of farming practices.



SHRIMP PROCESSING

We have a 4,000 MTPA processing facility where the shrimps are processed for exports. The processing facility is FDA and Best Aquaculture Practices (BAP) approved, EU listed and Hazard Analysis Critical Control Points (HACCP) certified. The shrimps processed at our facility are marketed in the quality conscious markets such as USA, Europe etc.

The Company plants to re-enter exports from FY16 onwards in a phased manner.



KEY DIFFERENTIATORS



R&D

We have a strong focus on R&D. Our world class R&D program and thrust on technology has enabled the Company to introduce innovative shrimp feeds. One such result of R&D is the introduction of functional feeds that travel much beyond just meeting the nutritional requirements of shrimps.

The Company's proven competence in research and unparalleled technical expertise in the industry continues to provide it with a competitive advantage.

TECHNICAL EXPERTISE

TWL enjoys unparalleled technical expertise due to the wealth of its human resources. The team consists of professionally qualified personnel with rich industry experience.



TRUST AND BRAND EQUITY

The Company's brands of shrimp feed command respect and enjoy the trust of farmers across the country. TWL's products are appreciated for their quality, high performance and nutrient-rich composition.



PRODUCT PORTFOLIO

SHRIMP FEED



PROCESSED SHRIMP

