

# ntc industries limited

## Chairman's Speech

Distinguished Board Members of ntc industries limited, our esteemed shareholders, Ladies and Gentlemen, a very good morning to you all.

On behalf of the board of directors, it gives me a great pleasure in welcoming you all to the **22<sup>nd</sup> Annual General Meeting** of your Company.

I, the appointed Chairman of this meeting, have been informed that the required quorum is present hence declare that the 22<sup>nd</sup> Annual General Meeting as properly convened, constituted and in order.

The Indian economy started off in 2012 with a lot of promise continuing the high growth of the previous years. However, weaker currency, higher domestic inflation, high interest rates, weak external demand and risk adverse sentiments have prevented the emerging and developing economies from returning back to a higher growth trajectory.

Despite facing the challenging environment, I feel very proud to announce that your company has posted a record result. Your Company's performance was commendable both in terms of profitability and revenue.

During the year under review, your company has achieved highest ever level of production and sales of cigarettes. In the Financial Year 2012-13 your Company's Post tax Profit increased by more than 500% and it has posted turnover of ₹ 4,822.30 Lacs as compared to ₹ 4,177.09 Lacs in the previous year reflecting strong growth of 15.45%. But the major evolution came in the exports where your Company achieved a praiseworthy escalation of 274.94% by registering the sales of ₹ 1739.37 Lacs as compared to ₹ 463.91 Lacs in the previous year. Your Company has also shown uptrend in domestic sales as well and has earned a growth of 14.29% by registering sales of ₹ 1368.81 Lacs as compared to ₹ 1197.65 Lacs in the previous year.

During the year 2012-13, the Company has aggressively explored new opportunities in the export markets which paid rich dividends and the export of cigarettes has grown by 275%. Your Company has also updated technologies and has undertaken constant research and development initiatives that allow us to produce quality cigarette brands. Apart from this, the company has also introduced new brands in the 64 mm segment to reduce taxation impact.

Your Company foresees 2013-14 to be an equally challenging year as 2012-13 due to the continued unfavorable situation in the global economy. The first quarter of 2013-14 has only reconfirmed this situation.

You are also aware that your Company has ample unused land bank under its belt which is to be utilized for generating additional incomes to enhance its rental income.

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At the end, I take this opportunity to thank all those who contributed to the company's growth – customers, employees, associates, partners, suppliers and members. I look forward for the continued and unprecedented support from all.

During the year under consideration the Board could not recommend any dividend as the Company has ongoing need of financial resources for the expansion activities.

As I conclude, may I on behalf of the Board and the employees of your Company once again thank you, our valued shareholders, for your continued support and encouragement.