

# **IVIP**

**L I M I T E D**

**2011-2012**  
**EIGHTY THIRD ANNUAL REPORT**

## Go Green, Go Electronic

Dear Shareholder,

As you are aware, last year the Ministry of Corporate Affairs (MCA) took a “**Green Initiative in the Corporate Governance**” by allowing paperless compliances by the Companies and issued Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 stating that the companies could henceforth dispatch their documents to the shareholders through electronic mode. As a result, the Companies are now permitted to send various notices/ documents to the shareholders on their registered email addresses. In compliance with the spirit of this directive and with your kind co-operation, the Company sent the Annual Report for the year 2010-11 by electronic mode to those shareholders whose e mail id is available with Company's Shares Registrars.

We are happy that you readily welcomed this move of the MCA which has empowered us, the Corporates as well as Shareholders, to contribute to the “Green Initiative” by reducing the paper consumption which means saving Trees, Forests and Greeneries, without which survival of Life on this Earth Planet will become impossible. Besides contributing to this Global Cause, this will ensure timely receipt of the documents and avoid loss of the documents in postal transit.

**In view of the importance and urgency of the above circular, for the year 2011-12, also we propose to send all documents including the Annual Report**, which inter alia, includes Notice convening Annual General Meeting, Auditors' Report, Directors' Report and Financial Statements, in electronic form, **to the email address registered by you and made available to us by the Depositories**. In case you have not already registered your email address with your Depository Participants (DP), please do so now and in case you wish to change your e-mail address, please inform your DP immediately.

If you are holding shares in physical form and you have not sent your email ID to our Share Transfer Agents, you can send it now on their email [ivp@shareproservices.com](mailto:ivp@shareproservices.com)

The advantage will be that you will be able to save the Annual Report in soft copy form and take copy of only the desired pages. Please note that the Annual Report will also be available on the Company's Website – [www.ivpindia.com](http://www.ivpindia.com)

Further, please note that as a shareholder, you will be entitled to receive hard copy of all these documents free of cost by sending a request for the same to be address of Registered Office of the Company.

For shareholders whose email address is available with their DPs, we will send this Annual Report to them to their email address in soft copy form.

**We are sure that, as you are done last year, you will whole-heartedly support this initiative of 'Greener Environment' and co-operate and put in your might behind the efforts of the Company and the Government to make it a success.**

Thanking you,  
Very Truly Yours,  
**For IVP Limited.**  
**Under the Authority of Board of Directors.**

M.S.I. LAKDAWALA  
Whole-time Director and Company Secretary

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## Chairman Writes

Dear Shareholders,

It is once again my pleasant privilege to write to you on a reasonably good performance of your Company in 2011-12 which is reflected by stable growth on all fronts i.e. production, sales and profits. These results must be reviewed in the context of stiff competition and the effects of generally a slack industrial scenario in major world economies. The Finance Minister in his budget speech has attributed the lower than budgeted industrial growth of 3.9% to a significant slackening and deceleration in industrial performance, more specifically in private investment, worsened by rising cost of credit and weak domestic business sentiments. The Finance Minister has admitted that the global economic crisis has affected Indian industry for the fiscal year 2011-12. Considering India to be in a position of global responsibilities, the Finance Minister observes that economic strength of India can be a source of stability for the world economy and provide safe destination for restless global capital. You would agree with me that given this scenario, your Company has performed reasonably well. Your Company, IVP Limited, is now by and large recognized as a Foundry Chemicals manufacturing Company, shedding the earlier image of a Oils and Fats Company.

As I reported to you last year, Company's Foundry Chemicals business supports important industrial and manufacturing sectors including, Automobile, Machine Tools, Wind Mills, Railways etc. which are key contributors to the growth of our national economy. However, contrary to the expectations of 12% to 15% growth in the Automobile industry, the growth during 2011-12 has been only 2.2% as compared to 29.3% in the previous year. However, looking to the improvement in March 2012, the Society of Indian Auto Manufacturers (SIAM) has predicted growth of 13% in the current year as compared to 2011-12. This will definitely help growth of sales of Foundry Chemicals in general and in particular sales of your Company in 2012-13 and onwards. With additional manufacturing capacity already in place and further capacities under implementation to complete the present phase of expansion, your Company has already geared itself to meet the additional demand of Foundry Chemicals products from the Automobile and related sectors. Keeping in view the amounts already spent and future requirements of funds for expansion and modernization activity and the current economic scenario, your Directors have recommended same dividend payment of 15% as that of the last year.

Your Company is fully geared up to face tough competition from major competitors many of whom have the added advantage of getting support of their foreign partners. Your Company's efforts at making joint-venture or technological tie up with any well known or established foreign partner, on terms acceptable and in the best interest of shareholders, and basically at expanding in new types of resins for which there is good market, have not yielded much positive results so far. However, your Company will continue to endeavour in this direction as it cannot afford to lose sight of the need to extend its manufacturing operations to related product profiles with latest technology so as to score over other performers of the Foundry Chemical industry and achieve higher market position.

Your Company has already made place for its Foundry Chemicals products in the international market. During 2011-12 your Company exported its products to U.A.E. Countries, Saudi Arabia and Colombo amounting to Rs.2.12 crores as compared to Rs.2.88 crores last year. The reduction in exports is mainly on account of effect of international recessionary trend affecting industrial activity in general. Besides the direct export, your Company made supplies to parties based in SEZ to the tune of Rs.8.25 crores during 2011-12. A beginning was made in February 2011 with supply of Rs.1.29 crores in the year 2010-11. Your Company also earned a foreign currency income of Rs.13.24 lakhs, by selling its services of distributing an important piece of equipment on behalf of a company based at Italy. Company is hopeful in improving its export performance in the current year, both direct and indirect.

Your Company is fully committed to see that all of its manufacturing, sales and other business operations including the environmental aspects of water and air pollution, are fully in compliance with statutory and safety norms. Your Company supplements Government efforts at containing generation of effluents by reclamation of materials from discharged contaminated process water which has also helped in reduction of fresh water consumption by recycling the treated process water instead of fully discharging it into the Effluent Treatment Plant which helps in reducing pressure on Central ETP set up by the Government and also results in cost savings to the Company. The Company also operates with its strict policy concerning Health, Safety and Environment. I am pleased to report that after carrying out inspections the International Certification Services (ICS) has certified Quality Management System of the Company under ISO 9001:2008 for a further period of three years up to 21.11.2014.

The Company continues its endeavour to make best possible utilization of storage facilities at Reay Road, by renting them out and has been successful in containing the impact of standing charges of this unit.

Let me assure you that your Company will continue to strive and make all out efforts at maximizing shareholder value and returns and this onerous task has been entrusted to a competent Management Team with the logistic support of the Allana Group.

With best wishes and warm regards.

Sincerely,



Shiraz A.R. Allana  
Chairman.

# IVP LIMITED

## 83rd Annual Report 2011-12

### REGISTERED OFFICE AND CORPORATE OFFICE:

Shashikant N Redij Marg,  
Ghorupdeo, Mumbai-400033

### FACTORIES:

A. Foundry Chemicals & Coatings  
D-19/D-20 MIDC Area  
Tarapur  
Thane-401 506

28-B, Kumbalagudu, 1<sup>st</sup> Phase  
KIADB Industrial Area,  
Bangalore 560074.

Golmuri, P.O. Golmuri  
Jamshedpur 831 003

### B. Other

Shashikant N Redij Marg  
Ghorupdeo, Mumbai – 400 033.

### DIRECTORS

SHIRAZ A.R. ALLANA	<i>Chairman</i>
M.S.I. LAKDAWALA	<i>Whole-time Director and Company Secretary</i>

S.B. JIJINA  
T.K.GOWRISHANKAR  
R.R.KUMAR  
AMIN H MANEKIA

### EXECUTIVE MANAGEMENT

D.D. VYAS	President-Foundry Chemicals Division
M.S.I. LAKDAWALA	Director Corporate Administration
S.P. KOTHARI	Chief Financial Officer

### ALLANA GROUP CO-ORDINATOR

SOEB N BHATRI	Corporate Representative
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### BANKERS

Union Bank of India, Mumbai  
Vijaya Bank, Mumbai

### AUDITORS

Bansi S.Mehta & Co.,Mumbai.

### Registrar & Share Transfer Agents

Sharepro Services (India) Pvt. Ltd.  
13AB Samhita Warehousing Complex, 2<sup>nd</sup> Floor,  
Near Sakinaka Telephone Exchange  
Andheri- Kurla Road, Sakinaka,  
Andheri (East), Mumbai – 400072.

## 2011-2012

The Annual General Meeting will be held at 4.00 p.m.(S.T) on **Thursday the 19<sup>th</sup> July, 2012** at  
M. C. Ghia Hall, Bhogilal Hargovindas Building 2<sup>nd</sup> Floor, 18/20 Kaikhushru Dubash Marg,  
Mumbai-400 001.

Members are requested to bring their copies of the Annual Report along with them to the Annual General Meeting as the practice of distributing copies of the Report at the Meeting has been discontinued.

**IVP LIMITED  
NOTICE**

Notice is hereby given that the EIGHTY THIRD ANNUAL GENERAL MEETING of the Members of IVP LIMITED will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building 2<sup>nd</sup> Floor, 18/20 Kaikhushru Dubash Marg, Mumbai-400001, on **Thursday the 19<sup>th</sup> July, 2012** at 4.00 p.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2012 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in place of Mr. R.R. Kumar, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. S.B. Jijina, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, and to fix their remuneration.

**SPECIAL BUSINESS:**

To consider and if thought fit, to pass with or without modification the following resolution as **SPECIAL RESOLUTION**:

6. **"RESOLVED THAT** pursuant to the provisions of section 309 (4) and other applicable provisions, if any, of the Companies Act, 1956 consent be and is hereby accorded to the payment and distribution of such sum by way of commission, not exceeding in aggregate one percent per annum of the net profits of the Company computed in the manner referred to in section 198 of the Companies Act, 1956 for each of the five financial years of the Company, commencing from 1<sup>st</sup> April, 2011 subject to an aggregate of Rs. 10 lakhs per annum, to such Directors of the Company (other than the Managing Director and Whole time Directors) the quantum proportion and manner of such payment and distribution to be made as the Chairman of the Board of Directors may from time to time decide.

By Order of the Board of Directors

Dated: 21<sup>st</sup> May, 2012.

Registered Office:

Shashikant N. Redij Marg,  
Ghorupdeo, MUMBAI 400 033  
Mumbai-400 033.

SHIRAZ.A. R. ALLANA  
Chairman

## NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
2. Proxies, in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Transfer Books of the Company will remain closed from **Monday, 9<sup>th</sup> July, 2012 to Saturday 14<sup>th</sup> July, 2012.**
4. The Dividend as recommended by the Board, if approved at the meeting will be paid to those members whose names appear on the Company's Register of Members on 14<sup>th</sup> July, 2012. In respect of shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
5. In terms of section 205 A and 205 C of the Companies Act, 1956, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the **"Investor Education and Protection Fund "** (IEPF) set up by the Central Government. Members who have not encashed their dividend warrants for the year 2004-05 or thereafter are requested to claim the same.

Information in respect of such unclaimed dividend when due for transfer to the said fund is given below:-

<b>Dividend Serial</b>	<b>Financial Year ended</b>	<b>Date of Declaration of Dividend</b>	<b>Last Date for claiming unpaid dividend</b>	<b>Due Date for transfer to IEP fund</b>
88 <sup>th</sup>	31.03.2005	29.07.2005	28.07.2012	27.08.2012
89 <sup>th</sup>	31.03.2006	30.08.2006	29.08.2013	28.09.2013
90 <sup>th</sup>	31.03.2008	31.07.2008	30.07.2015	29.08.2015
91 <sup>st</sup>	31.03.2009	30.07.2009	29.07.2016	28.08.2016
92 <sup>nd</sup>	31.03.2010	30.07.2010	29.07.2017	28.08.2017
93 <sup>rd</sup>	31.03.2011	28.07.2011	27.07.2018	26.07.2018

6. Members holding shares in Demat form are requested to bring the details of their Depository Identity (DP ID) numbers and their Client ID numbers for easy identification at the meeting.

**ANNEXURE TO NOTICE  
EXPLANATORY STATEMENT**

(Pursuant to Section 173(2) of the Companies Act, 1956)

**Item No - 6:**

The growth in Company's operations has substantially added to the responsibilities of the Board of Directors of the Company in attending to the business of the Company. Your Company believes that payment of sitting fees alone does not fully compensate for the time, efforts, advisory support and professional expertise of the Directors in their respective fields that has tremendously contributed in the Company attaining its present position in the industry and corporate sector.

Section 309 (4) read with Section 198 of the Companies Act, 1956 allows payment of Commission to Directors other than Managing or Whole-time Director at the rate of 1% of profits to be calculated in the prescribed manner. Section 309(7) permits approval by shareholders for a period of five years at a time. Accordingly, the special resolution at item 6 of the Notice proposes payment of commission to such directors for each of the five financial years of the Company commencing from financial year 2011-12.

The Directors recommend the passing of the Special Resolution by the Members.

All the Directors of the Company, except the Whole-time Director, are interested in the special resolution at item 6 of the Notice.

By Order of the Board of Directors

Dated: 21<sup>st</sup> May, 2012.

Registered Office:  
Shashikant N. Redij Marg,  
Ghorupdeo,  
Mumbai-400 033.

SHIRAZ.A. R. ALLANA  
Chairman



**DIRECTORS' REPORT**

To  
The Members

Your Directors have pleasure in presenting to you the 83<sup>rd</sup> Annual Report of the Company and the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2012.

	(Rupees in lakhs)	(Rupees in lakhs)
<b>I. FINANCIAL RESULTS :</b>	<b>2011-2012</b>	<b>2010-2011</b>
Sales and other income	15455	13019
Gross Profit before depreciation and exceptional item	891	793
Less : Depreciation	114	108
Profit after depreciation but before exceptional item	777	685
Less: Tax Provision	159	46
Deferred Tax	14	(4)
Profit after tax but before exceptional item	604	643
Less: Exceptional item	-	325
<b>Profit for the year after exceptional item</b>	<b>604</b>	<b>318</b>
Add : Opening balance of Profit and Loss Account	118	-
<b>PROFIT BEFORE APPROPRIATIONS</b>	<b>722</b>	<b>318</b>
<b>APPROPRIATIONS:</b>		
Transfer to General Reserve	35	20
Proposed Dividend (as the Board of Directors may decide)	155	155
Corporate Dividend Tax	25	25
Balance in Profit & Loss Account	507	118
Carried to Balance Sheet		
	<b>722</b>	<b>318</b>

**II. PERFORMANCE FOR THE YEAR:**

During the year the Company achieved revenue of Rs.154.55crores (net of Excise Duties), as against Rs.130.19 crores during the previous year, a stable and encouraging growth of 19%. The volume growth in sales was to the extent of a healthy 14%.

The profit after tax and all other adjustments stands at Rs.6.04 crores as against Rs.3.18 crores in the previous year. During the previous year an exceptional amount of Rs.3.25 crores was paid to temporary workers of Reay Road factory towards settlement of legal dispute

As reported last year, Reay Road Factory has already started earning rentals for use of storage facilities that has contributed in substantial reduction of standing charges.

Keeping in view the performance and after consideration of the other relevant factors, the Directors are pleased to recommend dividend @ 15% or Re 1.50 per share for 2011-12 same as that paid for last year.

**III INSURANCE:**

All fixed assets of the Company are adequately insured. Periodical Risk Assessment and adequate insurance coverage of Company's valuable assets exposed to various kinds of risks is a regular, necessary and desirable exercise undertaken by the Executive Management and regularly reported to the Board of Directors.

**IV. FIXED DEPOSITS:**

The Company does not have any deposits to which provisions of section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975 apply.

**V. CORPORATE GOVERNANCE:**

Corporate Governance is corner stone of your Company's philosophy for the Board and Executive Management. Pursuant to clause 49 of the Listing Agreement with Stock Exchanges a Compliance Report on Corporate Governance is annexed as part of the Annual Report.

**VI. DIRECTORATE:**

In accordance with the Articles of Association of the Company, Mr.R.R.Kumar and Mr. S.B. Jijina retire by rotation and being eligible offer themselves for re-appointment.

The Board of Directors have recommended for Shareholders' approval payment of commission to Directors other than the Whole-time Director, as per Special Resolution at item 6 of the Notice with Explanatory Statement as per Section 173(2) of the Companies Act, 1956.

**VII ALLANA GROUP:**

The Board of Directors place on record their appreciation of the advice, guidance and logistic support from the Allana Group in general and Mr. S.N.Bhatri, Corporate Representative, nominated by the Group Management to overview the financial aspects of the business of the Company, in particular..

Your Company takes pride and considers itself fortunate to be a part of the Allana Groups one of the major business conglomerates amongst family owned business houses in India.

**VIII SHIFTING OF CORPORATE OFFICE TO REGISTERED OFFICE:**

The Corporate Office which was at Sidhwa House, N.A.Sawant Marg, Colaba, Mumbai – 400 005 has been operating from the address of Registered Office itself, since October 2010. All the statutory records are now available at the Registered Office at Shashikant Narayan Redij Marg, Ghorupdeo, Mumbai 400 033.

**IX. STAFF:**

The following members of the staff and workers have retired/expired during the year under review after long and loyal service with the Company.

Sr.No.	Name of Employee	Total service (years)	Location	Remarks
1.	Rabindranath S Pramanik	19	Head Office	Expired
2.	L. Shankar	24	Bangalore	Expired
3.	Shambhu Prasad Singh	18	Tarapur	Retired
4.	L.P. Sinha	36	Jamshedpur	Retired
5.	S.J. Topno	36	Jamshedpur	Retired
6.	J.Y. Chorge	27	Tarapur	Retired
7.	Ramesh Chandra Barik	31	Bangalore	Retired

**X. LABOUR RELATIONS:**

Labour Relations continued to be cordial and satisfactory during the year.