



Making In-Roads
into the **FUTURE**

91st

Annual Report 2019-20

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COMPANY INFORMATION

Board of Directors Chairman - Non-Executive

Vishal Pandit (Up to 06.02.2020)
T. K. Gowrishankar (From 07.02.2020)

Whole Time Director & Chief Executive Officer

Mandar P. Joshi

Independent Directors

Amin H. Manekia
Nina D. Kapadia
Sajid M. Fazalbhoy

Non-Executive & Non-Independent

Priya Ranjan

Registered Office and Corporate Office

Shashikant N. Redij Marg, Ghorupdeo,
Mumbai – 400 033.
CIN: L74999MH1929PLC001503
Website: www.ivpindia.com
Tel.: 022-23787300
Email: ivpsecretarial@ivpindia.com

Factories

D-19/20, MIDC Area Tarapur, Dist. Palghar,
Boisar – 401 506.

28-B Kumbalagodu, 1st Phase KIADB Industrial Area,
Bengaluru – 560 074.

Executive Management Whole Time Director & Chief Executive Officer

Mandar P. Joshi

Chief Financial Officer

Rakesh Joshi

Company Secretary

Nisha Kantirao

Bankers

Union Bank of India
Vijaya Bank
HDFC Bank Limited
Bank of Bahrain and Kuwait
Kotak Mahindra Bank
Bank of India
Standard Chartered Bank

Auditors

B S R & Associates, LLP, Chartered Accountants

Registrar & Share Transfer Agents

Link Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083. Phone: 022-49186270

SOCIAL INITIATIVES

Education:

Your Company believes that education is the sole basis on which the future of the human and development of society depends. It is no secret that a good education has the power to change the standard of living of society as a whole. Education is the basic requirement for everyone to achieve all that they accomplish and wishes to do in their life and improve the society they live in.

Your Company continued its support towards empowering education in the communities around the Company, by providing basic infrastructure facilities in various schools for creating a better environment for students.

CSR project for the year 2019-20:

Construction of school building for Z. P. School, Salgaon, Palghar:

During the year under review, your Company has contributed to improving the quality of Education by investing in better structure and amenities that provide a clean, safe and better environment for the students studying in it.

Your Company has constructed a new school building with 2 classrooms in Z. P. School, Salgaon, Palghar.



Acknowledgement from Z. P. School, Salgaon, Palghar:

"We are very grateful to IVP Ltd. for constructing new classrooms in our school. All the Students of the school and their Parents are also thankful to the Company for carrying out this activity and wish that the Company continues this social work and prosper in its business."

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting to you the 91st Annual Report together with the Audited Financial Statements for the year ended 31st March, 2020.

FINANCIAL RESULTS:

(₹ in Lakhs)

Particulars	2019-20	2018-19
Revenue from Operations	22,876	31,988
Other Income (Net)	228	218
Total Income	23,104	32,206
Expenses		
Operating expenditure	23,901	31,892
Depreciation and amortization expenses	486	286
Total Expenses	24,387	32,178
(Loss)/Profit before Tax	(1,283)	28
Tax Expenses		
Current Tax	3	-
Deferred Tax	(424)	(310)
Total Tax Expenses	(421)	(310)
(Loss)/Profit for the year	(862)	338
Opening balance of Retained Earnings	3,957	3,907
Other Comprehensive Income (Net of Tax)	4	(40)
Amount available for appropriation	3,099	4,205
Appropriations		
Dividend on equity shares (excluding tax)	103	206
Tax on Dividends	21	42
Closing balance of retained earnings	2,975	3,957

PERFORMANCE FOR THE YEAR:

The Company achieved revenue from operations of ₹ 22,876 Lakhs during the current year as against ₹ 31,988 Lakhs during the previous year. Loss after tax for the current year was ₹ 862 Lakhs as compared to Profit after tax of ₹ 338 Lakhs in the previous year.

The Company's performance has been discussed in detail in the "Management Discussion and Analysis Report" which forms a part of this report.

DIVIDEND:

Keeping in mind the overall performance and outlook for your Company, your Directors wish to conserve the financial resources. Therefore, they do not recommend any dividend on the Equity Shares for the year under review.

TRANSFER TO RESERVES:

The Directors have decided to retain the entire amount of ₹ 2,975 Lakhs in the retained earnings.

CAPITAL EXPENDITURE:

The total Capital Expenditure incurred during the year was ₹ 350 Lakhs, spent on Factory Buildings, Plant & Machineries, Furniture & Fixtures, Office Equipments and on Information Technology.

COST ACCOUNTS AND COST RECORDS:

The Company is required to maintain Cost Records under Section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Cost Records and Audit) Rules, 2014.

As required under the abovementioned provisions, the Cost Accounts and Cost Records have been maintained by the Company.

STATE OF COMPANY'S AFFAIRS:

During the financial year 2019-20, the Company focused on investments for diversification, capacity expansion and sustainability. The manufacturing sites at Tarapur and Bengaluru undergo continual improvements in terms of new technology absorption as well as automation. The Company remained focused on its long-term vision throughout the year and completed planned capacity expansion and sustainability initiatives. The Company uses operational excellence tools to standardize its processes and activities and ensure efficient systems.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis Report is enclosed as a part of this report.

CORPORATE GOVERNANCE REPORT:

The Company has taken adequate steps to adhere to all the stipulations laid down in the Listing Regulations.

A report on Corporate Governance and Certificate from M/s. Amit Jaste & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Listing Regulations are included as a part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. T. K. Gowrishankar (DIN: 00847357) was appointed as an Additional Director (Non-Executive and Non-Independent) of the Company w.e.f. 7th February, 2020 to hold office up to the date of ensuing Annual General Meeting (AGM). Based on the recommendation of the Nomination and Remuneration Committee, it is proposed to recommend to the shareholders the appointment of Mr. T. K. Gowrishankar as Director at the ensuing AGM.

Mr. T. K. Gowrishankar was also appointed as the Chairman of the Board and the Company w.e.f. 7th February, 2020.

Mr. Priya Ranjan (DIN: 08065588), Non-Executive & Non-Independent Director, retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

The tenure of Mr. Sajid M. Fazalbhoy (DIN: 00022760), Independent Director, was due to expire on 10th February, 2020. The Board of Directors at its Meeting held on 6th February, 2020, approved the re-appointment of Mr. Sajid M. Fazalbhoy as an Additional Director (Independent) to hold office as an Independent Director for a further period of 5 years, subject to the approval of the shareholders by a Special Resolution at the ensuing 91st AGM of the Company. Accordingly, the matter with respect to his re-appointment is proposed in the Notice of the 91st AGM.

Additional information, pursuant to Regulation 36(3) and Regulation 26(4) of the Listing Regulations, in respect of the directors seeking appointment and re-appointment in AGM, forms a part of the Notice.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. Vishal Pandit resigned w.e.f. 7th February, 2020 as the Director and Chairman of the Board and the Company. The Board places on record its appreciation for contribution made by Mr. Vishal Pandit as the Director and Chairman of the Board and the Company.

During the year under review, there were no changes in the Key Managerial Personnel of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March, 2020 are:

Mr. Mandar P. Joshi - Whole Time Director & Chief Executive Officer, Mr. Rakesh Joshi - Chief Financial Officer and Mrs. Nisha Kantirao - Company Secretary.

DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations. There has been no change in the circumstances or situation that could impact their ability to discharge their duties.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Act, in relation to the audited financial statements of the Company for the year ended 31st March, 2020, the Board of Directors hereby confirms that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed and there are no material departures;
- b) they 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 ended 31st March, 2020 and of the loss of the Company for the same period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate internal financial control procedures commensurate with its size and the nature of business.

The Company has appointed an Internal Auditor who periodically conducts audit of the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

The Audit Committee of the Board of Directors approves the annual internal audit plan and periodically reviews the progress of audits as per approved audit plans.

NUMBER OF MEETINGS OF THE BOARD:

The Board met four times during the Financial Year 2019-20. The details of which are given in the Corporate Governance Report which forms part of this Annual Report.

BOARD EVALUATION:

The Board of Directors have carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by the Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, contribution at the meetings, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from Committee members on the basis of the criteria such as composition of committees, effectiveness of Committee meetings, etc.

The Board reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January, 2017.

In a separate meeting of Independent Directors:

- i) performance of Non-Independent Directors and the Board as a whole was evaluated;
- ii) performance of Chairman of the Company, taking into account the views of Executive Director and Non-Executive Director was evaluated.

The same was discussed in the Board meeting held subsequently to the meeting of the Independent Directors. The performance of the Board, its Committees and individual Directors was also reviewed by the Board. The performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

COMPANY'S POLICY ON NOMINATION, REMUNERATION, BOARD DIVERSITY AND EVALUATION:

In terms of the applicable provisions of the Act, read with the Rules made thereunder and the Listing Regulations, the Company has formulated a Policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees, Board Diversity and Evaluation of Directors. The salient features/terms of reference of the Company's policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other matters as provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of this report. The Nomination and Remuneration Policy can be accessed on the website of the Company at www.ivpindia.com.

AUDIT COMMITTEE:

The details pertaining to composition of Audit Committee has been provided in the Corporate Governance Report, which forms part of this report.

AUDITORS:

i) Statutory Auditors:

M/s. B S R & Associates LLP, Chartered Accountants (Firm Registration No. 116231W/W-100024) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 89th AGM of the Company to hold office till 94th AGM of the Company to be held in the year 2023.

The report of the Statutory Auditors along with notes to Schedules is a part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. Further, there is no incident of fraud requiring reporting by the Auditors under Section 143(12) of the Act.

ii) Cost Auditors:

M/s. Hemant Shah & Associates, Cost Accountants, were appointed by the Board of Directors as the Cost Auditor for auditing the Cost Accounts of the Company for the year ended 31st March, 2021.

The remuneration as fixed by the Board of Directors is required to be ratified by members at the forthcoming AGM of the Company.

The Board of Directors recommends the ratification of the Cost Auditor's remuneration at the forthcoming AGM.

iii) Secretarial Auditor:

Pursuant to Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. A. A. Mulla & Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company. The Secretarial Audit Report is enclosed as Annexure - A to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the Annexure - B to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The salient features/ terms of reference along with details of composition of Corporate Social Responsibility Committee has been provided under Corporate Governance Report which forms part of this Annual Report.

The content of the CSR Policy of the Company as approved by the Board on the recommendation of the CSR Committee is available on the website of the Company at www.ivpindia.com.

The report as per Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as Annexure - C which forms part of this report.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177(9) & (10) of the Act and Regulation 22 of Listing Regulations, a Vigil Mechanism for Directors and Employees to report genuine concerns/grievances has been established. The Vigil Mechanism and Whistle Blower Policy as approved by the Board of Directors is available on the website of the Company at www.ivpindia.com.

RELATED PARTY TRANSACTIONS:

All transactions with related parties entered into during the Financial Year 2019-20 were at arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the Rules made thereunder. There were no transactions which were material (considering the materiality thresholds prescribed under the Act and Regulation 23 of the Listing Regulations). Accordingly, no disclosure is made in respect of the Related Party Transactions in the prescribed Form AOC-2 in terms of Section 134 of the Act and Rules made thereunder.

All Related Party Transactions including transactions with the entities which holds 10% or more shareholding of the Company are mentioned in the notes to the Financial Statements.

All transactions with related parties are placed before the Audit Committee for approval. An omnibus approval of the Audit Committee is obtained for the Related Party Transactions which are repetitive in nature. The Audit Committee reviews all transactions entered into pursuant to the omnibus approvals so granted on a quarterly basis. A statement giving details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board of Directors is available on the website of the Company at www.ivpindia.com.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company does not have any Subsidiaries, Associates or Joint Venture Companies.

EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Act and the rules framed thereunder, the Annual Return for the Financial Year ended 31st March, 2020 made under the provisions of Section 92(3) of the Act, is attached as Annexure - D. The same is available on the website of the Company at www.ivpindia.com.

REMUNERATION OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is given in the Annexure - E to this report.

Details of employees remuneration as required under Section 197 of the Act and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours and shall be made available to any shareholder on their request.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The information on Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act is not applicable as no such Loans, Guarantees have been given or Investments have been made by the Company.

FIXED DEPOSITS:

The Company has not accepted any fixed deposits including from the Public and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

RISK MANAGEMENT:

The Company has Risk Management Policy to mitigate the risks. The Company manages and monitors the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Independent Chartered Accountant appointed by the Company prepares quarterly risk analysis reports which are reviewed and discussed at the Audit Committee.

INSURANCE:

All assets of the Company are adequately insured.

EMPLOYEES' RELATIONS:

Employees relations continued to remain cordial and satisfactory during the year. The total number of permanent employees as on 31st March, 2020 was 190.

SEXUAL HARASSMENT AT WORKPLACE:

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe, secure and dignified work environment.

The Company has complied with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, including constitution of the Sexual Harassment Committee i.e. Internal Complaints Committee.

No. of complaints filed during Financial Year 2019-20	:	NIL
No. of complaints disposed off during Financial Year 2019-20	:	NA
No. of complaints pending as on 31 st March, 2020	:	NA

SECRETARIAL STANDARDS:

The Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 as issued by the Institute of Company Secretaries of India.

GREEN INITIATIVES:

Electronic copies of Annual Report 2019-20 are sent to all the members who have registered their email address with the Company/Depository Participant(s).

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation of the continuous support received from Banks, Central/State Government Departments. The Directors would also like to record their appreciation for the dedication shown by the employees of the Company at all levels.

By Order of the Board of Directors

T. K. Gowrishankar
Chairman

Place : Mumbai
Date : 29th June, 2020

Registered Office:

Shashikant N. Redij Marg,
Ghorupdeo, Mumbai – 400 033.
CIN : L74999MH1929PLC001503
Tel : 022-23787300
Email : ivpsecretarial@ivpindia.com
Website : www.ivpindia.com