



92ND ANNUAL REPORT 2020-21

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COMPANY INFORMATION

Board of Directors Chairman - Non Executive

T. K. Gowrishankar

Executive Management Whole Time Director & Chief Executive officer

Mandar P. Joshi

Whole Time Director & Chief Executive Officer

Mandar P. Joshi

Chief Financial Officer

Rakesh Joshi

Independent Directors

Amin H. Manekia

Nina D. Kapadia (Up to 11.06.2021)

Sajid M. Fazalbhoy

Mala Tadarwal (From 11.06.2021)

Company Secretary

Nisha Kantirao

Non-Executive & Non-Independent

Priya Ranjan

Bankers

Union Bank of India
Bank of Baroda (Erstwhile Vijaya Bank)
HDFC Bank Limited
Bank of Bahrain and Kuwait
Kotak Mahindra Bank
Bank of India
Standard Chartered Bank

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

Auditors

Rajendra & Co., Chartered Accountants

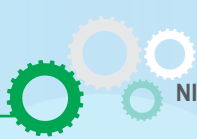
Factories

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

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

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 mirror of the society and the seed of socio-economic development. It transforms people from ignorance to enlightenment and a nation from underdevelopment to faster social and economic development. Education is the true alchemy that can bring India to its next era.

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 projects for the year 2020-21:

Construction of an Auditorium and providing furniture in Seva Ashram School, Boisar, Palghar:

During the year under review, your Company has contributed towards providing infrastructure for cultural skills development in students to enable them to explore extracurricular skills apart from obtaining basic education.

Your Company has constructed an Auditorium along with 2 changing rooms and provided furniture in Seva Ashram School, Boisar, Palghar.

Acknowledgement from Seva Ashram School, Boisar, Palghar:

"We are very thankful to IVP Limited for providing an auditorium with a stage, 2 changing rooms, speech desk, chairs and table as well as moral support needed to continue our mission. Your contributions played a key role in enabling us to successfully educate 4000 students from rural areas. We wish your organization a great success for years and years ahead."



Seva Ashram School, Boisar, Palghar



New Auditorium constructed in Seva Ashram School, Boisar, Palghar

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting to you the 92nd Annual Report together with the Audited Financial Statements for the year ended 31st March, 2021.

FINANCIAL RESULTS:

(₹ in Lakhs)

| Particulars | 2020-21 | 2019-20 |
|---|---------------|---------------|
| Revenue from Operations | 28,968 | 22,876 |
| Other Income (Net) | 244 | 228 |
| Total Income | 29,212 | 23,104 |
| Expenses | | |
| Operating expenditure | 28,038 | 23,901 |
| Depreciation and amortization expenses | 506 | 486 |
| Total Expenses | 28,544 | 24,387 |
| Profit /(Loss) before Tax | 668 | (1,283) |
| Tax Expenses | | |
| Current Tax | - | 3 |
| Deferred Tax | 218 | (424) |
| Total Tax Expenses | 218 | (421) |
| Profit/(Loss) for the year | 450 | (862) |
| Opening balance of Retained Earnings | 2,975 | 3,957 |
| Other Comprehensive Income (Net of Tax) | (56) | 4 |
| Amount available for appropriation | 3,369 | 3,099 |
| Appropriations | | |
| Dividend on equity shares (excluding tax) | - | 103 |
| Tax on Dividends | - | 21 |
| Closing balance of retained earnings | 3,369 | 2,975 |

PERFORMANCE FOR THE YEAR:

The Company achieved revenue from operations of ₹28,968 Lakhs during the current year as against ₹22,876 Lakhs during the previous year. Profit after tax for the current year was ₹450 Lakhs as compared to Loss after tax of ₹862 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:

The Directors have recommended a Dividend of ₹1 per equity share of ₹10 each, out of the current year's profit, on 1,03,26,263 equity shares of ₹10 each amounting to ₹103 Lakhs. The final dividend on equity shares, if approved by the members, would involve a cash outflow of ₹103 Lakhs.

TRANSFER TO RESERVES:

The Directors have decided to retain the entire amount of ₹3,369 Lakhs in the retained earnings.

**CAPITAL EXPENDITURE:**

The total Capital Expenditure incurred during the year was ₹42 Lakhs, spent on Factory Buildings, Plant & Machineries 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 2020-21, the Company focused on capacity utilisation, sales growth and sustainability of operations considering the global pandemic of the Novel Coronavirus disease (COVID-19). 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 achieved sales growth and better capacity utilisation. 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:

Mrs. Mala Tadarwal (DIN: 06933515) was appointed as an Additional Director (Non-Executive & Independent) of the Company on 11th June, 2021 to hold office upto 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 Mrs. Mala Tadarwal as an Independent Director for a term of 5 (five) years w.e.f. 11th June, 2021 to 10th June, 2026 at the ensuing AGM.

Mr. Mandar P. Joshi (DIN: 07526430), Whole Time Director & Chief Executive Officer, 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.

Additional information, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations, in respect of the director seeking appointment/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.

Ms. Nina D. Kapadia resigned w.e.f. 11th June, 2021 as an Independent Director of the Company due to her work related pre-occupations and other personal responsibilities. The disclosure in this regard is available at <http://www.ivpindia.com/announcements.php> The Board places on record its appreciation for the contribution made by Ms. Nina D. Kapadia as an Independent Director of 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, 2021 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 the Listing Regulations. There has been no change in the circumstances or situation that could impact their ability to discharge their duties.

As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have completed the registration with the Independent Directors Databank.

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, 2021, the Board of Directors hereby confirms that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2021, 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, 2021 and of the profit 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 the 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 2020-21. 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 the 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 the 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 the composition of the Audit Committee has been provided in the Corporate Governance Report, which forms part of this report.

AUDITORS:

i) Statutory Auditors:

M/s. Rajendra & Co., Chartered Accountants (Firm Registration No.: 108355W), has been appointed as the Statutory Auditors of the Company by the members by passing the resolution through Postal Ballot on 25th December, 2020 for filling the casual vacancy caused by the resignation of M/s. B S R & Associates LLP to hold office upto the date of this AGM. The Audit Committee and the Board of Directors have placed on record their appreciation for the professional services rendered by M/s. B S R & Associates LLP during their association with the Company as the Auditors of the Company.

The Audit Committee and Board further recommended the appointment of M/s. Rajendra & Co., Chartered Accountants, as the Statutory Auditors of the Company for a period of five consecutive years to hold office from the conclusion of the ensuing 92nd AGM till the conclusion of 97th AGM to be held in the year 2026.

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Act and Rules issued thereunder, from M/s. Rajendra & Co., Chartered Accountants. They have confirmed to hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the Listing Regulations.

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 Auditors for auditing the Cost Accounts of the Company for the year ended 31st March, 2022.

The remuneration as fixed by the Board of Directors is required to be ratified by the 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 Auditors:

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 Annexure - B to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The salient features/ terms of reference along with details of the composition of the Corporate Social Responsibility Committee, the brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in 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

Ministry of Corporate Affairs vide its Notification dated 22nd January, 2021, notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, which, inter alia, provides for the revised format of annual report for publishing the CSR activities undertaken during the financial year ended 31st March, 2021. The other changes pursuant to said Notification under the CSR provisions, have been briefly highlighted in the annual report of the Company's CSR activities for the financial year ended 31st March, 2021.

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2021, in accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in Annexure - C to this report.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177(9) & (10) of the Act and Regulation 22 of the 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 2020-21 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

HOLDING, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company has been informed by Allana Exports Private Limited (AEPL) vide letter dated 28th September, 2020 that pursuant to Scheme of Merger by Absorption sanctioned by Hon'ble NCLT, Mumbai through Order dated 15th November, 2019, Phoenicia Shipping Company Private Limited has merged with AEPL and consequently, after considering shares held in the Company by AEPL as well as its subsidiaries, the Company has become subsidiary company of AEPL on operation of the said Scheme of Merger.

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

EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Act and the Rules framed thereunder, the Annual Return for the Financial Year ended 31st March, 2021 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 - D 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, 2021 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.