

**1<sup>st</sup> ANNUAL REPORT**

**2011-2012**

**BOARD OF DIRECTORS**

MR. VIPUL J. MODI  
MRS. LEENA V. MODI  
MR. SURAM V. RAO  
MR. SIDDHARTH P. SHAH  
MR. HEMANT MEHTA

**REGISTERED OFFICE**

66/1, HANSA VILLA, OPP. INDIAN GYMKHANA, BHAUDAJI CROSS ROAD,  
MATUNGA (CR), MUMBAI- 400 019

Email : [secretarial@intellivatecapital.com](mailto:secretarial@intellivatecapital.com)

**REGISTRAR & TRANSFER AGENT**

**PURVA SHREGISTRY (INDIA) PVT. LTD.**

9, SHIV SHAKTI INDUSTRIAL ESTATE, GROUND FLOOR, J.R. BORICHA MARG,  
OPP. KASTURBA HOSPITAL, LOWER PAREL, MUMBAI- 400 011  
TEL-NO 23016761, 23018261.

**BANKERS**

INDUSIND BANK

**AUDITORS**

J. B. DUDHELA & CO.  
*CHARTERED ACCOUNTANTS*

**ICVL STEELS LIMITED**

Registered Office: 66/1, Hansa Villa, Opp. Indian Gymkhana, Bhaudaji Cross Road, Matunga (CR),  
Mumbai, PIN 400 019,

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE FIRST ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF ICVL STEELS LIMITED WILL BE HELD ON FRIDAY, THE 28<sup>TH</sup> DAY OF SEPTEMBER 2012 AT 12.30 PM AT THE REGISTERED OFFICE OF THE COMPANY AT 66/1, HANSA VILLA, OPP. INDIAN GYMKHANA, BHAUDAJI CROSS ROAD, MATUNGS (CR), MUMBAI - 400019, TO TRANSACT THE FOLLOWING BUSINESS:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet for the year ended 31<sup>st</sup> March, 2012, the Profit & Loss Account as on that date together with Reports of Directors and Auditors thereon.
2. To appoint a director in place of Shri Venkateswara Suram Rao, Director, who retires by rotation and being eligible offers himself for re-appointment.
3. To Appoint Auditors M/s J. B. Dudhela & Co., Chartered Accountants, to hold Office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**SPECIAL BUSINESS**

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an

**Ordinary Resolution:**

"RESOLVED THAT Mr. Siddhartha Pravinchandra Shah, who was appointed as an Additional Director of the Company with effect from January 27, 2012 at the meeting of the Board of Directors of the Company and who holds office till the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director liable to retire by rotation."

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an

**Ordinary Resolution:**

"RESOLVED THAT Mr. Hemant Jitendrarai Mehta, who was appointed as an Additional Director of the Company with effect from January 27, 2012 at the meeting of the Board of Directors of the

Company and who holds office till the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director liable to retire by rotation.”

Place: Mumbai  
Date: 27<sup>th</sup> August 2012

By order of the Board of Directors of  
ICVL Steels Limited  
Sd/-  
Vipul Modi  
Director

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The enclosed proxy form, if intended to be used should reach the registered office of the company duly completed, stamped and signed not less than forty eight hours before the time fixed for the meeting.
3. The Register of Members of the Company shall remain closed from Friday, 21<sup>ST</sup> September 2012 to 28<sup>th</sup> September 2012 (both days inclusive).
4. The relevant Explanatory Statement in respect of Item Nos. 4 to 5 of the Notice is annexed to and forms part of the Notice.
5. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the Meeting. This would enable the Company to compile the information and provide replies at the Meeting.
6. Members are requested to intimate immediately, any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts or to the Company's Share Transfer Agent, M/s. Purva Sharegistry (India) Private Limited, if the shares are held by them in certificate form.
7. For the convenience of members and for proper conduct of the meeting, entry to the place of meeting will be regulated by attendance slip, which is a part of the annual report. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance to the venue.
8. Members are requested to kindly bring their copy of the Annual Report with them at the Annual General Meeting, as no extra copy of Annual Report would be made available at the Annual General Meeting.

9. Pursuant to Section 109A of the Companies Act, 1956, members are entitled to make a nomination in respect of shares held by them in physical form.
10. In terms of the circular Nos. 17/2011 and 18/2011, dated 21 and 29 April 2011, issued by the Ministry of Corporate Affairs (MCA), Government of India, allowing paperless compliance by the companies under the 'Green Initiative in Corporate Governance', the Company requests all its members to register their e-mail address with the Company / depository participants, as the case may be.
11. The physical copy of the annual report has been sent to those members who have either opted for the same or have not registered their email addresses with the Company / depository participant. The members whose email id are registered with the company / depository participant, will be entitled to a physical copy of the annual report for the financial year 2011-12, free of cost, upon sending a request to the Compliance Officer at 66/1, Hansa Villa, Opp. Indian Gymkhana, Bhaudaji Cross Road, Matunga (CR), Mumbai - 400019

By order of the Board of Directors of

Place: Mumbai  
Date: 27<sup>th</sup> August 2012

ICVL Steels Limited  
Sd/-  
Vipul Modi  
Director

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

Item No. 4

Mr. Siddhartha Pravinchandra Shah was appointed as an Additional Director of the Company on January 27, 2012 at the meeting of the Board of Directors of the Company. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Siddhartha Pravinchandra Shah holds office upto the date of forthcoming Annual General Meeting. In view of the valuable contribution by Mr. Siddhartha Pravinchandra Shah, it is proposed to confirm the appointment of the Director as liable to retire by rotation.

The Board of Directors of your Company is of the opinion that his appointment would be beneficial to the Company and hence recommend the Resolution at item no. 4 for your approval.

Item No. 5

Mr. Hemant Jitendrarai Mehta, was appointed as an Additional Director of the Company on January 27, 2012 at the meeting of the Board of Directors of the Company. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Hemant Jitendrarai Mehta holds office upto the date of forthcoming Annual General Meeting. In view of the valuable contribution by Mr. Hemant Jitendrarai Mehta, it is proposed to confirm the appointment of the Director as liable to retire by rotation.

The Board of Directors of your Company is of the opinion that his appointment would be beneficial to the Company and hence recommend the Resolution at item no. 5 for your approval.

**Brief Profile of Mr. S. V. Rao**

Mr. S. V. Rao's educational qualifications are B.Sc. (Gen), CAIIB ,LLB. He has about two decades of experience in private, public sector and foreign Banks in Foreign Exchange Operations, Post sanction Credit, Recovery, Audit, Systems and Training areas. He has served as Convenor – Banking Panel, FIEO - Western Region. Presently, he provides consultancy / advisory services in Banking, NBFCS, International trade, Media Rights, corporate laws, securities laws and property matters.

Place: Mumbai  
Date: 27<sup>th</sup> August 2012

By order of the Board of Directors of  
ICVL Steels Limited  
Sd/-  
Vipul Modi  
Director

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## DIRECTOR'S REPORT

To,  
The Shareholders,  
ICVL Steels Limited.

Your Directors are pleased to present their 1<sup>st</sup> Annual Report together with audited account statement for the year ended on the 31<sup>st</sup> March, 2012.

### 1. BUSINESS ACTIVITY:

The Company's financial result for the year ended on the 31<sup>st</sup> March, 2012 are as under:

S. No.	Particulars	Current Year (in Rs.)
i)	Total Turnover	118621385
ii)	Profit/(Loss) before Depreciation	12422
iii)	Depreciation	73360
iv)	Profit/(loss) before Tax	(60938)
-	a. Provision for Income Tax	-
	b. Deferred Tax Assets/Liabilities	
	c. Fringe Benefit Tax	
vi)	Profit /(Loss) after tax	(60938)
vii)	Profit/(Loss) brought forward from previous year (s)	-
viii)	Balance carried to the Balance Sheet	(60938)

### 2. DIVIDEND:

Being the first year of operation and non availability of distributable profits, your directors do not recommend any dividend for the financial year.

### 3. AUDITORS AND THEIR REPORT

M/s J. B. Dudhela & Co., Chartered Accountants, the auditors of the company are retiring at the conclusion of the ensuing Annual General Meeting of the company and being eligible offer themselves for reappointment as Auditors. The Company has received certificate to the effect that their appointment, if made, would be within the limit prescribed under Section 224 (1B) of the Companies Act, 1956.

The Auditor's Report is self-explanatory and needs no clarification.

### 4. PARTICULARS OF EMPLOYEES

During the year under review, the Company did not have any employee attracting provisions of Section 217 (2A) of the Companies Act, 1956.

### 5. PUBLIC DEPOSITS

The company has not accepted any Public Deposit as per the provisions of Section 58A of the Companies Act, 1956.

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

Particulars as prescribed u/s 217 (1)(e) of the Companies Act, 1956, are nil.

**7. DIRECTORS' RESPONSIBILITY STATEMENT:**

Your directors state that:

1. in preparation of Annual Accounts the applicable accounting standards have been followed alongwith proper explanation relating to material departure therefrom.
2. they had selected such accounting policies and applied them constantly 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 and that of profit of the company for that period.
3. they had taken proper and sufficient care of maintenance of adequate accounting records so as to safeguard the company's assets and to detect fraud and irregularities.
4. they have prepared the annual accounts of the company on a going concern basis.

**8. ACKNOWLEDGEMENT:**

The Board wishes to express their sincere gratitude for the continued co-operation, encouragement and support extended by the shareholders, financial institutions and bankers of the company. The Board also wishes to express their deep appreciation of the dedicated services of the officers, staff and workers of the company.

For & on behalf of the Board of Directors

Place : Mumbai  
Date : 27-08-2012

Sd/-  
Vipul Modi  
Director

Sd/-  
Leena Modi  
Director

## **MANAGEMENT DISCUSSION & ANALYSIS**

### **Overview of the World Economy**

The world is gradually recovering from the shocks of the most severe recession in recent history. Emerging Asian economies led by China and India are expected to lead the global economic growth as the global economy shifts in their favour. Earlier this year, China overtook Japan as the world's second largest economy, as Japan grappled with its worst natural catastrophe that shocked the slowly consolidating global recovery.

The Euro zone is currently facing the possibility of a severe debt crisis as it scrambles to bail out several of its members. The ECB has already spent over billions to fund the bailouts of three member nations of the Euro Zone. The Euro too faces downward pressure against the U.S. Dollar as ECB indicates continued period of low rates. Coupled with low growth prospects, the Euro zone may be entering a phase of severe economic austerity.

Global commodity pressures continue to remain a worry for India. Higher commodity prices, particularly food, will also put an upward pressure on wages, affecting India's competitiveness in several industries.

**Global Steel industry:** Global crude steel production reached a new height during 2010 at 1,414 million metric tonnes, up by 15% over 2009. While China maintained the lead position in terms of volume of steel produced, with a growth of 9.3%, most of the negative growths seen in the steel producing nations hit by the economic downturn in 2009 reversed during 2010 and they recorded positive double digit growths during the year.

### **Business Overview:**

The Company is mainly into trading of steel. Prior to demerger the steel business was carried out by Intellivate Capital ventures Limited. Recovery in steel demand in developed markets remains fragile, but the strong growth in steel demand in emerging markets will continue, fuelled by growing demand from infrastructure, construction and automotive end-users.



**J. B. DUDHELA**

B. Com., F.C.A

**J . B . Dudhela & Co.**

**CHARTERED ACCOUNTANTS**

ROOM NO. 1, BLDG. NO. 1, SINDHI COLONY, RAM NAGAR, NEAR KORA KENDRA, MUMBAI – 400092

TEL: (O): 28082624, (M) 9820123371. EMAIL ID: cajbdudhela@gmail.com

**TO THE MEMBERS OF  
ICVL STEELS LIMITED**

We have examined the compliance of conditions of Corporate Governance by **ICVL Steels Limited** ("the Company"), for the period ended 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Companies Management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of  
J. B. Dudhela & Co.  
Chartered Accountants  
FRN No. 102777W

Sd/-

( J. B. Dudhela )  
Proprietor  
Mem. No. 035354

Place : Mumbai  
Date : 27-08-2012