

# IVP LIMITED

## 75th Annual Report 2003-2004

### REGISTERED OFFICE

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

### FACTORIES

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

Golmuri, Jamshedpur - 831 003.

37-B, Adityapur Industrial Area,  
Jamshedpur - 831 019.

28-B, Kumbalagudu, 1st Phase,  
KIADB Industrial Area,  
Bangalore - 560 074.

A-7/2, MIDC Area, Chikalhana,  
Aurangabad - 431 210.

D-19/D-20, MIDC Area,  
Tarapur, Thane - 401 506.

### DIRECTORS

A.R.J. ALLANA  
A.B.K. DUBASH  
DR. F.A. MEHTA  
T. VIJAYARAGHAVAN  
B. MALLIK  
S.S. SAYED  
S.N. BHATRI  
S.B. JIJINA  
FAISAL F. ALLANA  
SHIRAZ A.R. ALLANA  
T. K. GOWRISHANKAR

*Chairman*

*Managing Director  
Secretary Director*

### BANKERS

Bank of India, Mumbai.  
Union Bank of India, Mumbai.  
Bombay Mercantile Co-operative  
Bank Limited, Mumbai.  
Vijaya Bank, Mumbai.

### AUDITORS

A.F. Ferguson & Co., Mumbai.

### Registrar & Share Transfer Agents

Sharepro Services  
Satam Estate, 3rd Floor, Above Bank of Baroda  
Cardinal Gracious Road, Chakala,  
Andheri (East), Mumbai - 400 099.

### 2003-2004

The Annual General Meeting will be held at 3.30 p.m. (S.T.) on Tuesday,  
the 27th July, 2004 at M.C. Ghia Hall,  
Bhogilal Hargovindas Building, 2nd 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 SEVENTY FIFTH ANNUAL GENERAL MEETING of the Members of IVP Limited will be held at M.C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai - 400 001, on Tuesday, the 27th July, 2004 at 3.30 p.m. to transact, inter alia, the following business :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2004, 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 Dividend.
3. To appoint a Director in place of Mr. A. R. J. Allana ,who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.A.B.K. Dubash, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Shiraz A.R.Allana , who retires by rotation, and being eligible, offers himself for re-appointment.
6. 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 resolutions as **ORDINARY RESOLUTIONS**:

7. "RESOLVED THAT Mr. S. S. Sayed, who was re-appointed by the Board of Directors of the Company on 26th March, 2004 and who holds office up to the date of this Meeting, being eligible for appointment and in respect of whom Notice in writing under section 257 of the Companies Act, 1956 has been received by the Company, be and is hereby appointed as a Director of the Company not liable to retire by rotation".
8. "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, read with Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, the appointment of Mr. S. S. Sayed as the Whole time Director of the Company, designated as Secretary Director for a period of two years with effect from 1st April, 2004 at the remuneration and on the terms and conditions as set out in the Agreement entered between the Company and Mr. S. S. Sayed, placed before this meeting, be and the same is hereby approved".

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

9. "RESOLVED THAT, Objects Clause at Sl.No.3 of the Memorandum of Association of the Company be altered by replacing the following clauses in place of present clause (iv-a)  
(iv-a) To carry on the business of and to act as, directly or through third parties or agents, manufacturers, buyers, sellers, dealers, both wholesale and retail, exporter, importer, chemist, druggists in pharmaceutical, medicinal, related chemical / industrial and other preparations, articles and compounds including through herbal and bio-tech processes, drugs, medicines and preparations and other related articles, including artificial limbs, bandages, crutches, chairs, stretcher, ambulances and other related supporting articles, applicable for various physical and mental handicap and ailments and providers of all requisites for hospitals, patients and invalids and also acquire by any possible means and methods any existing businesses, research work, patents, trade name / marks and other business interests operating in all these areas.

- (iv-aa) To carry on business as manufacturers of and dealers in chemicals disinfectants, fertilizers, salts, acids, colours, glues, gums, milk, cream and other food products, paints, pigments, varnishes, compositions, dyes and explosives, manufacturers of and dealers in all kinds of toilet requisites, and perfumes, manufacturers and dealers in all kinds of boxes and cases of card or wood or metal or otherwise, and as printers, colour printers, publishers and stationers and to carry on business of nursing, growing, trading in flowers and other horticultural products, collectors of flowers and perform producing vegetation”.
10. “RESOLVED THAT, pursuant to Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, approval is hereby accorded to the Company for commencing and undertaking the business as enumerated in the newly introduced sub-clause (iv-a) of the Objects Clause at Sl.No.3 of Memorandum of Association of the Company”.

By Order of the Board of Directors

Dated, 3rd June, 2004.  
Registered Office :  
Shashikant N. Redij Marg,  
Ghorupdeo,  
Mumbai - 400 033.

A.R.J. 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 the 12th July, 2004 to Saturday the 17th day of July, 2004.
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 17th July, 2004. 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. An explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 setting out the material facts in respect of the special business under item No. 7 to 10 is annexed hereto.
6. 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**" (IEP) set up by the Central Government. Members who have not encashed their dividend warrants for the year 1996-97 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 :-

Financial Year Ended	Date of Declaration of Dividend	Last Date for Claiming unpaid Dividend	Due Date for transfer to IEP fund.
31.03.1997	19.08.1997	18.08.2004	17.09.2004
31.03.1998	12.08.1998	11.08.2005	10.09.2005
31.03.1999	21.07.1999	20.07.2006	19.08.2006
31.03.2000	31.03.2000	30.03.2007	29.04.2007
31.03.2001	23.08.2001	22.08.2008	21.09.2008
31.03.2002	12.08.2002	11.08.2009	10.09.2009
31.03.2003	12.08.2003	11.08.2010	10.09.2010

7. 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. Nos.7 & 8.

Mr. S. S. Sayed was reappointed as the Whole time Director and Company Secretary of the company by the Board of Directors on 26th March, 2004. According to the provisions of section 260 of the Companies Act, 1956, Mr. Sayed holds office up to the date of this meeting. A notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose the candidature of Mr. Sayed for the office of Director. The required deposit of Rs. 500/- has also been received.

Mr. S. S. Sayed is having varied professional experience of more than 21 years. He is a Law Graduate and is also a member of the Institute of Chartered Accountants of India and Institute of Company Secretaries of India. He joined the Company in 1995 as Company Secretary and through his professional abilities and overall performance was elevated to the post of Secretary Director for a term of 5 years with effect from 1st April, 1997 to 31st March, 2002 and was re-appointed for a further period of 2 years from 1st April, 2002. The Board of Directors of the Company (hereinafter referred to as the "Board") has reappointed Mr. S. S. Sayed as a Whole time Director (Designated as Secretary Director) of the Company for a further period of two years effective from 1st April, 2004, subject to the approval of the members of the company. The Board has no hesitation in commending his reappointment.

The material provisions of the Agreement relating to Mr. S. S. Sayed's appointment referred to in the resolution at item 8 of the Notice are as under:

1. Period of Appointment : 2 years with effect from 1st April, 2004.

2. Mr. S. S. Sayed may be entrusted with substantial powers of management and to Perform such duties as may from time to time be entrusted to him subject to the supervision and control of the Board of Directors.

3. Remuneration

By way of Salary, Commission on profits, performance linked incentives or bonus (hereinafter referred to as "remuneration") a maximum of Rs. 6.00 Lakhs per annum.

In addition to the above remuneration, he shall also be entitled to Perquisites like furnished /non furnished accommodation or House Rent Allowance, gas, electricity, water, medical reimbursement, Leave travel concession for self and family, club fees, medical insurance, personal accident Insurance, company maintained car, telephone and such other perquisites in accordance with the Rules of the Company. The monetary value of such perquisite to be determined in accordance with the Income tax Rules, 1962, or as framed from time to time, such perquisites being restricted to Rs. 3.00 Lakhs per annum.

Company's contribution to Provident Fund and Superannuation Fund, gratuity payment as per Company's rules and encashment of leave at the end of tenure shall not be included in the computation of ceiling on remuneration and perquisites as aforesaid.

In the event of absence or inadequacy of profits in any financial year, the above remuneration shall be payable to him as minimum remuneration provided the same is within the limits prescribed in Section II, Part II of Schedule XIII of the Companies Act, 1956.

4. The appointment may be terminated by either party giving to the other three months notice.

5. Mr. Sayed not to supplement his earning by way of buying or selling commission or otherwise concerned in any selling agency of the Company without necessary prior approval.

Pursuant to provisions of Section 302 of the Companies Act, 1956, members have already been informed vide circular dated March 26, 2004 of the Board decision, regarding reappointment and remuneration payable to Mr. Sayed.

None of the Directors, except Mr. Sayed, is concerned or interested in the Resolution at item No. 7 and 8.

Item Nos. 9 & 10

The Special Resolutions at the Items 9 & 10 of the Notice require shareholders approval to an amendment to the Object Clause of the Company.

Clause (iv-a) which presently covers pharmaceutical and other businesses is sought to be amended by replacing the clause by two independent clauses renumbered as (iv-a) & (iv-aa) that will separately deal with pharmaceutical business and other businesses, that the Company is entitled to undertake as per Object Clause of the Memorandum.

The separate paragraphs are intended to provide more appropriate drafting of the respective business areas, keeping in view the scope of the pharmaceutical business and its related areas and transactions. The redrafting is proposed so as to remain in preparedness for any possible opportunity for your company to enter into pharmaceutical and its related businesses in the light of the changing industrial, social and economic scenario, to maximize the profits and benefits by putting to optimal use the financial and managerial strengths and the capabilities that your Company possess.

The amendment is in pursuance of the requirement of Sec.13 & 17 of the Companies Act, 1956.

In compliance with the Sec.149(2A) of the Companies Act, 1956, items 9 & 10 of the Notice require shareholders to pass Special Resolutions in relation to pharmaceutical business under the amended Object Clause (iv-a)

The Board of Directors recommends the passing of the Special Resolutions at Items 9 & 10 of the Notice which are intended to meet the objectives as elaborated above.

None of the Directors, is concerned or interested in the Resolution at item No. 9 and 10.

### **Inspection of Documents**

The Agreement mentioned at item 8 will be available for inspection by the members at the Registered office of the Company on all working days, except Saturdays, Sundays, and other public holidays, between 11.00 a. m. and 1.00 p.m. up to the date of the Annual General Meeting.

By Order of the Board of Directors

Dated, 3rd June, 2004.

Registered Office :

Shashikant N. Redij Marg,

Ghorupdeo,

Mumbai - 400 033.

A.R.J. ALLANA  
Chairman

**DIRECTOR'S REPORT**

To  
The Members

Your Directors have pleasure in presenting to you the 75th Annual Report of the Company and the Audited Statement of Accounts for the year ended 31st March, 2004.

	(Rupees in lakhs)	(Rupees in lakhs)
I. FINANCIAL RESULTS :	<u>2003-2004</u>	<u>2002-2003</u>
Gross Sales and other income	36019	36365
Gross Profit before depreciation	1104	1232
Less : Depreciation	160	160
Provisions for tax	282	422
Profit after depreciation and tax	<u>662</u>	<u>650</u>
Add : Opening balance of Profit and Loss Account	929	635
<b>PROFIT AVAILABLE FOR APPROPRIATIONS</b>	<u><u>1591</u></u>	<u><u>1285</u></u>
<b>APPROPRIATIONS :</b>		
Dividend	227	227
Dividend Tax	29	29
Transfer to General Reserve	100	100
Balance retained in Profit & Loss Account	1235	929
	<u><u>1591</u></u>	<u><u>1285</u></u>

**II. PERFORMANCE FOR THE YEAR :**

During the year the Company achieved a turnover of Rs. 360 Crores, which was almost the same as in the Year 2002-2003.

The Net Profit is Rs. 662 lakhs compared to Rs. 650 lakhs in the previous year.

The above results have been achieved by the Company despite pressure on margins in the edible oils division.

**III. DIVIDEND :**

Your Directors have recommended a tax free dividend of 22% same as in the previous year. The total dividend outgo including tax will be Rs. 2.56 Crores.

**IV. INSURANCE :**

All fixed assets of the Company are adequately insured.

**V. FIXED DEPOSITS :**

Amount outstanding under the Fixed Deposit / Loan Scheme as at end of March, 2004 was Rs. 2.06 Lacs representing unclaimed deposits, of these deposits amounting to Rs. 0.88 Lacs have since been renewed / repaid.

**VI. CORPORATE GOVERNANCE :**

Your Company attaches considerable importance to good Corporate Governance and aspire to build investor confidence, to maximise shareholders long-term value and improved investor's protection. Pursuant to clause 49 of the listing Agreement with Stock Exchanges a compliance report on Corporate Governance has been annexed as part of the Annual Report.

**VII. DIRECTORATE :**

In accordance with Articles of Association of the Company, Mr. A.R.J. Allana, Mr. A.B.K. Dubash and Mr. Shiraz A.R. Allana retire by rotation and being eligible offer themselves for re-appointment.

Mr. S.S. Sayed, was re-appointed as a whole Time Director and Company secretary designated as Secretary Director from 1st April, 2004. The Company has received notice under section 257 of the Companies Act, 1956 proposing his appointment as a Director, and not subject to retirement by rotation.

**VIII. 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 Employees	Total Service	Remarks
1.	Mr. B. K. Pawar	32 Years	Retired
2.	Mr. S.S. Muzumdar	38 Years	Retired
3.	Mr. C. Thumbhanath	38 Years	Retired
4.	Mr. M. M. Jadhav	40 Years	Retired
5.	Mr. D.G. Shitole	25 Years	Retired
6.	Mr. R.G. Kamble	34 Years	Retired
7.	Mr. S.M. Kutty	38 Years	Retired
8.	Mr. D.G. Patel	37 Years	Retired
9.	Mr. K.S. Rawool	34 Years	Retired
10.	Mr. S.V. Parab	34 Years	Retired
11.	Mr. D.R. Samant	29 Years	Retired
12.	Mr. Vijay Parab	20 Years	Retired
13.	Mr. S.K. Rai	18 Years	Expired

**IX. LABOUR RELATIONS :**

Labour Relations continued to be satisfactory during the year.

**X. AUDITORS :**

The Auditors, M/s. A.F. Ferguson & Co., retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

**XI. DIRECTORS RESPONSIBILITY STATEMENT :**

Pursuant to sub-section (2AA) of section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm to their best knowledge :

- i. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such accounting policies and applied them Consistently and made judgements 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 of the profit of the Company for that period;



- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a going concern Basis.

## XII. APPOINTMENT OF COST AUDITORS :

The Company is required to maintain Cost records in respect of Vanaspati manufactured. M/s. N.I. Mehta & Co., Cost Auditors have been appointed for the year ended 31st March, 2005.

## XIII. STATUTORY INFORMATION :

Information in accordance with sub-section (2A) of Section 217 of the Companies Act, 1956, read with Companies (Particulars of Employees), Rules 1975, and forming part of the Director's Report is given in Annexure I to this Report. The employee listed in Annexure I is neither a relative of any Director of the Company nor hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the company.

Information setting out the particulars of Energy, Technology Absorption, Foreign Exchange earnings and outgo pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules 1988, is given in the Annexure II forming part of the Report.

## XIV. ACKNOWLEDGEMENTS :

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

Dated, 3rd June, 2004.  
Registered Office :  
Shashikant N. Redij Marg,  
Ghorupdeo,  
Mumbai - 400 033.

By order of the Board of Directors.

A.R.J. Allana  
Chairman

### ANNEXURE I TO THE DIRECTORS' REPORT INFORMATION PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES 1975 AND FORMING PART OF THE DIRECTOR'S REPORT

Sr. No.	Name	Age (Years)	Designation	Gross Remuneration (Rs.)	Qualification	Experience (Years)	Date of Commencement of Employment	Last Employment Held
1.	MALLIK B.	54	Managing Director	Rs. 40,92,700/-	B.Tech (Hons.), PGDM (IIMA)	31	01.04.1987	Allana Oil Mills (Chief Executive)

**ANNEXURE - II TO THE DIRECTORS' REPORT  
PARTICULARS PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE  
REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTOR'S REPORT**

**A. CONSERVATION OF ENERGY** 2003-2004 2002-2003  
**PARTICULARS WITH RESPECT TO VANASPATI**

**A. POWER AND FUEL CONSUMPTION :**

1. Electricity			
(a) Purchased			
Unit	KWH	2,53,937	2,42,324
Total Amount	Rs.	10,89,392	10,54,109
Rate / Unit	Rs.	4.29	4.35
(b) Own Generation		-	-
2. Coal (Specify quality and where used)		-	-
3. Furnace Oil			
Quantity	K. Ltrs.	907,643	1100.044
Total Amount	Rs.	1,20,87,179	1,45,90,800
Average Rate	Rs.	13,317	13,264
4. Others / Internal Generation		-	-

**B. CONSUMPTION PER UNIT OF PRODUCTION :**

Product - Vanaspati			
Electricity	KWH/Tonnes	60	53
Furnace Oil	Ltrs. / Tonnes	214	239
Coal (Specify quality)		-	-
Others (Specify)		-	-

**B. TECHNOLOGY ABSORPTION :  
RESEARCH AND DEVELOPMENT (R&D)**

- Specific areas in which R&D carried out by the Company.  
The Company's R&D Centre is situated at Reay Road, Mumbai and carries out R&D with a focus on improving product quality, import substitution, process modification, waste utilization, raw material cost optimization etc. Our fields for R&D work are Phenolic and Alkyd Resins, Industrial Ceramics, Oil Based Plasticizers and Silicons.
- Benefits derived :  
Improved quality, cost reduction, pollution reduction and import substitution.
- Future Plan of Action :  
Focus will continue on product and process development in existing lines of activities and in the newly identified products in Alkyd and Phenolic Resins, Industrial Ceramics, Oil Based Plasticizers. Work will continue in the direction of import substitution.
- Expenditure on R&D :  
The total expenditure during the year was Rs. 3.76 lakhs.

**TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION :**

- Developed high strength Phenolic Resins for some specialised Casting.
- Developed 99.5% Alumina Crucibles.
- Developed 99% Alumina ISO pressed sleeves for pumps.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Particulars with regards to foreign exchange earnings and outgo appears in Schedule 'L' item (12 & 13) of the Accounts.

**REVENUE ACCOUNTS**

Year	Gross Revenue	Pay Roll	Depreciation	Development Rebate/ Investment Allowance/ Export Profit/ Capital Reserve	Profit Before Tax	Taxation	Profit After Tax	Gross Dividend
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
1929-30	0.63	0.11	-	-	0.40	-	0.40	-
1934-35	15.46	0.89	0.85	-	0.81	-	0.81	0.55
1939-40	26.55	1.23	0.60	-	2.32	0.71	1.61	1.21
1944-45	113.46	3.10	0.50	-	18.65	14.77	3.88	2.08
1949-50	179.04	4.46	1.50	-	3.14	0.50	2.64	1.82
1954-55	130.37	5.15	0.75	-	2.21	0.20	2.01	1.03
1959-60	293.91	7.58	0.62	0.08	9.09	3.65	5.44	3.60
1960-61	345.32	7.88	0.72	0.08	9.21	4.55	4.66	3.60
1961-62	366.60	8.28	0.71	0.08	12.64	6.80	5.84	3.60
1962-63	393.40	8.26	0.80	0.32	16.86	11.20	5.66	3.63
1963-64	436.82	10.17	1.27	0.46	20.64	14.40	6.24	3.87
1964-65	472.83	11.30	2.18	1.50	29.33	18.00	11.33	4.84
1965-66	602.76	12.77	2.77	0.69	15.87	10.00	5.87	3.87
1966-67	674.78	14.04	2.82	0.60	7.96	4.33	3.63	3.77
1967-68	505.02	14.70	3.06	0.45	13.54	7.40	6.14	4.36
1968-69	586.46	19.27	2.94	0.26	15.88	7.70	8.18	4.65
1969-70	584.46	20.35	3.51	0.81	21.67	11.84	9.83	4.94
1970-71 (15 months)	711.95	27.50	6.89	1.50	11.13	5.30	5.83	4.94
1972	516.34	23.78	5.46	0.57	22.10	12.85	9.25	4.94
1973	624.36	27.41	5.92	0.70	44.85	32.05	12.80	6.91
1974	837.70	36.20	6.91	1.00	27.37	18.18	9.19	6.10
1975	865.00	41.97	6.96	-	37.02	25.50	11.52	8.13
1976	961.95	48.80	16.65	0.30	91.60	63.25	28.35	12.71
1977	1424.42	56.28	10.76	13.00	132.40	62.50	69.90	12.71
1978	1547.07	67.81	22.32	3.50	110.44	66.25	44.19	12.71
1979	1840.12	81.88	16.14	1.75	130.75	83.50	47.25	15.25
1980	2057.36	88.90	18.27	3.00	151.98	94.50	57.48	20.33
1981	2213.32	96.09	19.39	1.25	125.11	68.75	56.36	20.33
1982	2590.56	112.14	20.18	21.00	77.42	21.50	55.92	21.85
1983	2833.71	114.45	35.45	1.32	45.79	20.00	25.79	24.39
1984	3802.10	133.57	51.01	3.00	60.16	15.00	45.16	24.39
1985	4609.55	155.52	43.87	15.75	138.12	20.00	118.12	28.46
1986	5131.28	175.16	39.42	16.00	160.79	35.00	125.79	30.49
1987	4994.38	168.81	62.34	15.00	188.17	37.00	151.17	43.25
1988-89 (15 months)	5765.12	206.90	68.33	40.00	283.77	43.00	240.77	68.84
1989-90	6533.45	221.77	88.07	33.00	258.32	41.00	217.32	68.84
1990-91	8053.65	238.76	107.54	-	323.67	68.00	255.67	68.84
1991-92	9047.78	258.77	127.61	-	468.41	200.00	276.01	103.26
1992-93	8318.95	293.21	133.87	25.00	518.58	225.00	293.58	117.03
1993-94	8432.20	306.76	83.47	-	515.01	169.25	345.76	137.68
1994-95	9649.17	356.70	89.07	-	510.04	210.00	300.04	137.68
1995-96	25566.27	412.66	90.44	-	834.53	368.00	466.53	137.68
1996-97	28852.16	495.38	96.74	-	1211.59	540.00	671.59	165.22
1997-98	29223.73	483.53	106.18	-	1275.07	440.00	835.07	206.53
1998-99	69528.19	553.27	121.73	-	2002.93	720.00	1282.93	258.16
1999-2000	72670.64	555.38	127.19	-	1310.79	505.00	805.79	258.16
2000-2001	27822.63	538.81	155.27	-	340.49	97.00	243.49	154.89
2001-2002	27427.80	528.54	153.82	-	588.28	217.34	370.94	185.87
2002-2003	36364.98	589.13	160.00	-	1071.75	421.74	650.01	227.18
2003-2004	35082.95	580.86	159.16	-	944.39	282.47	661.92	227.18

**STATISTICS****CAPITAL ACCOUNTS**

Share Capital	Reserves and Surplus	Borrowing	Gross Block	Cumulative Depreciation	Net Block	Earnings	Gross Dividend	Net Worth Per Equity Share
Rs.in Lakhs	Rs.In Lakhs	Rs.In Lakhs	Rs.In Lakhs	Rs.In Lakhs	Rs.In Lakhs	%	%	%
9.87	-	-	6.19	-	6.19	-	-	96
11.00	1.78	-	9.08	2.20	6.88	7.4	5.0	103
12.10	1.16	-	11.31	5.30	6.01	13.3	10.00	110
12.10	6.44	-	12.54	8.50	4.04	32.1	17.0	153
18.15	7.46	8.94	22.13	16.50	5.63	14.5	10.0	141
21.17	3.95	-	25.37	20.00	5.37	9.5	5.0	119
21.17	7.77	-	27.91	21.27	6.64	25.7	17.0	137
21.17	8.85	-	28.47	21.90	6.57	22.0	17.0	142
21.17	10.08	-	28.97	22.59	6.38	27.5	17.0	152
24.20	10.08	-	31.87	23.37	8.50	23.3	15.0	142
24.20	12.45	-	32.94	24.63	8.31	25.8	16.0	151
24.20	18.94	-	41.07	26.60	14.47	46.8	20.0	178
29.04	18.09	5.15	44.60	29.38	15.22	20.2	16.0	163
29.04	17.95	10.48	48.93	32.20	16.73	12.5	13.0	162
29.04	19.72	25.08	58.80	35.01	23.79	21.1	15.0	168
29.04	23.26	13.13	62.33	37.95	24.38	28.1	16.0	180
29.04	28.16	35.73	72.52	41.35	31.17	33.8	17.0	197
29.04	29.06	70.74	86.83	48.14	38.69	20.0	17.0	200
29.04	33.41	82.00	91.04	53.08	37.96	31.8	17.0	215
40.66	27.71	92.14	102.62	58.82	43.80	31.6	17.0	168
40.66	30.80	72.96	110.65	65.54	45.11	22.6	15.0	176
40.66	34.19	51.39	115.70	72.41	43.29	28.3	20.0	184
50.82	39.67	125.75	146.12	86.92	59.20	55.8	25.0	178
50.82	96.86	136.41	213.84	75.86	137.98	137.5	25.0	291
50.82	128.32	294.69	278.14	97.76	180.38	87.1	25.0	353
101.64	109.01	302.51	311.82	112.26	199.56	46.5	15.0	207
101.64	146.14	374.61	352.88	130.00	222.88	56.6	20.0	244
101.64	182.16	468.69	433.89	144.87	289.02	55.5	20.0	279
135.52	233.17	544.55	520.87	150.48	370.39	46.1	18.0	272
135.52	234.56	564.22	545.96	182.84	363.12	19.0	18.0	273
135.52	561.54	674.74	873.42	233.40	640.02	33.3	18.0	514
203.28	570.62	1001.16	1031.90	288.61	743.29	58.1	14.0	381
203.28	635.84	1176.84	1103.84	339.16	764.68	61.9	15.0	413
229.47	758.69	1285.99	1266.19	412.99	835.20	66.0	20.0	431
229.47	1356.12	2104.67	2137.30	493.50	1643.80	104.9	30.0	692
458.95	1257.56	2083.91	2342.87	607.68	1735.19	49.30	15.0	374
458.95	1417.81	2178.46	2532.12	741.78	1790.34	55.71	15.0	409
688.42	1334.52	2325.87	2709.73	895.11	1814.62	40.09	15.0	294
688.42	1472.87	2551.36	2664.10	1002.74	1661.36	42.65	17.0	314
688.42	1654.57	2641.02	2766.67	941.64	1825.02	50.22	20.0	340
688.42	1790.72	3383.80	2805.59	1034.96	1770.63	43.58	20.0	360
688.42	2093.02	4075.60	2928.93	1148.45	1780.48	67.77	20.0	404
1032.63	2212.54	2986.59	3148.37	1270.85	1877.52	65.04	16.0	314
1032.63	2794.22	4058.44	3528.65	1395.88	2132.77	80.87	20.00	371
1032.63	3764.58	2740.95	3842.88	1543.72	2299.16	124.23	25.00	465
1032.63	4259.95	3277.45	4256.44	1686.36	2570.08	78.03	25.00	513
1032.63	4315.55	3713.62	4385.27	1775.63	2609.64	23.60	15.00	518
1032.63	4070.19	1337.72	4426.17	1936.11	2490.06	35.90	18.00	494
1032.63	4446.71	1114.50	4494.09	2093.31	2400.78	62.90	22.00	530
1032.63	4899.52	2857.49	4551.76	2256.73	2295.03	64.10	22.00	574

**AUDITOR'S REPORT TO THE MEMBERS OF IVP LIMITED  
ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2004**

We have audited the attached balance sheet of IVP Limited as at 31st March, 2004 and also profit and loss account for the year ended on that date, annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
  - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of the books;
  - (c) the balance sheet and profit and loss account dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the balance sheet, profit and loss account and the cash flow statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - (e) on the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as at 31st March, 2004 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i. in the case of the balance sheet, of the state of affairs of the company as at 31st March, 2004;
    - ii. in the case of the profit and loss account, of the profit for the year ended on that date,  
and
    - iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

For A. F. FERGUSON & CO.,  
Chartered Accountants,

A. C. Khanna  
Partner

Mumbai: 3rd June, 2004

**ANNEXURE REFERRED TO IN PARAGRAPH 2 OF THE REPORT OF THE AUDITORS TO  
THE MEMBERS OF IVP LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2004**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The fixed assets disposed off during the year are not substantial and therefore the question of reporting on clause 4(i)(c) of the Companies (Auditor's Report) Order, 2003 (hereinafter referred to as the said Order) does not arise.
- (ii) (a) The inventory has been physically verified during the year by the management, except for stocks valued at Rs. 815,000 lying with the consignment agents and stocks valued at Rs. 220,263,286 lying with other third parties where the confirmations have been obtained by the company. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) According to the information and explanations given to us, the company has neither granted any loans to, nor taken any loans from, companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) In view of the foregoing, the question of reporting on clauses 4(iii)(b), 4(iii)(c) and 4(iii)(d) of the said Order does not arise.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) (a) According to the information and explanations given to us, there are no transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (b) In view of the foregoing, the question of reporting on clauses 4(v)(b) of the said Order does not arise.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the Company Law Board.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and the nature of its business.
- (viii) We have broadly reviewed, without carrying out a detailed examination, the books of account maintained by the company pursuant to the Order made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of Vanaspati and are of the opinion that prima facie the prescribed accounts and records have been maintained. We are informed that the cost statements as at the end of the financial year are under preparation.
- (ix) (a) According to the records of the company, the company has been *generally regular* in depositing with the appropriate authorities, undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth-tax, customs duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth-tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2004, for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us, there are no dues of income-tax, wealth-tax, sales tax, customs duty, excise duty and cess which have not been deposited on account of any dispute, except as stated below:

<b>Sr. No.</b>	<b>Name of Statute (Nature of the dues)</b>	<b>Amount (Rupees)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
<b>1.</b>	<b>The Bihar Sales Tax Act, 1944</b>			
	Sales Tax	12,688	F.Y. 1992-93	Deputy Commissioner (Appeals)
	Sales Tax	68,580	F.Y. 1997-98	Joint Commissioner (Appeals)
	Sales Tax	2,179,132	F.Y. 2000-01	Joint Commissioner (Appeals)
<b>2.</b>	<b>The Central Sales Tax Act, 1956</b>			
	Sales Tax	91,700	F.Y. 1992-93	Deputy Commissioner (Appeals)
	Sales Tax	77,876	F.Y. 1996-97	Deputy Commissioner (Appeals)
	Sales Tax	83,199	F.Y. 1997-98	Joint Commissioner (Appeals)
	Sales Tax	274,564	F.Y. 1997-98	Tribunal
	Sales Tax	298,268	F.Y. 1998-99	Deputy Commissioner (Appeals)
	Sales Tax	192,478	F.Y. 1998-99	Tribunal
	Sales Tax	265,722	F.Y. 1999-00	Deputy Commissioner (Appeals)
	Sales Tax	198,169	F.Y. 1999-00	Tribunal
	Sales Tax	2,168,883	F.Y. 2000-01	Joint Commissioner (Appeals)
	Sales Tax	195,871	F.Y. 2000-01	Deputy Commissioner (Appeals)
	Sales Tax	345,533	F.Y. 2001-02	Deputy Commissioner (Appeals)
	Sales Tax	602,557	F.Y. 2002-03	Deputy Commissioner (Appeals)
<b>3.</b>	<b>The Delhi Sales Tax Act, 1975</b>			
	Sales Tax	61,211	F.Y. 1996-97	Deputy Commissioner (Appeals)
	Sales Tax	4,485	F.Y. 1998-99	Deputy Commissioner (Appeals)
	Sales Tax	9,401	F.Y. 1999-00	Deputy Commissioner (Appeals)
	Sales Tax	75,096	F.Y. 2000-01	Deputy Commissioner (Appeals)
	Sales Tax	538,635	F.Y. 2001-02	Deputy Commissioner (Appeals)
	Sales Tax	1,125,112	F.Y. 2002-03	Deputy Commissioner (Appeals)
<b>4.</b>	<b>The Karnataka Sales Tax Act, 1957</b>			
	Sales Tax	28,605	F.Y. 1996-97	Tribunal
	Sales Tax	396,934	F.Y. 1997-98	Tribunal
	Sales Tax	94,540	F.Y. 1999-00	Tribunal
<b>5.</b>	<b>The Tamilnadu General Sales Tax Act, 1959</b>			
	Sales Tax	100,648	F.Y. 2000-01	Tribunal
<b>6.</b>	<b>The West Bengal Sales Tax Act, 1994</b>			
	Sales Tax	24,373	F.Y. 1998-99	Tribunal
<b>7.</b>	<b>The Central Excise Act, 1944</b>			
	Excise Duty	1,192,477	F.Y. 1994-95	Commissioner (Appeals)
	Excise Duty	370,877	F.Y. 1996-97	CEGAT
	Excise Duty	362,767	F.Y. 1996-97	Commissioner (Appeals)
<b>8.</b>	<b>The Electricity Act, 1910</b>			
	Electricity Duty	195,829	F.Y. 1981-82 to F.Y. 1992-93	Hon'ble High Court of Ranchi

- (x) The company does not have any accumulated losses at the end of the financial year. Also, the company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks. The company has not taken any loans from financial institutions nor has it issued any debentures.
- (xii) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the said Order are not applicable to the company.
- (xiv) The company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the said Order are not applicable to the company.
- (xv) The company has not given any guarantees for loans taken by others from banks or financial institutions, hence the question of reporting under the provisions of clause 4(xv) of the said Order does not arise.
- (xvi) The company has not obtained any term loans. Accordingly, the question of reporting on its application does not arise.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. Long-term funds aggregating Rs. 622,616,655 have been placed in short-term investments of Rs. 6,818,545 and current assets and permanent working capital of Rs. 615,798,110.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the question of reporting on whether the price at which such shares have been issued is prejudicial to the interest of the company does not arise.
- (xix) The company has not issued any debentures. Accordingly, the question of creating a security for debentures does not arise.
- (xx) The company has not raised any money by public issues during the year. Accordingly, the question of disclosure of end use of such monies does not arise.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For A. F. FERGUSON & CO.**  
Chartered Accountants

A. C. Khanna  
Partner

Mumbai : 3rd June, 2004