



Indian Olive Association

ANNUAL REPORT

2008-09

Contents

	Page
1. Annual Report	1-4
2. Annexure A	5-10
3. Annexure B	11
4. Annexure C	12

Annual Report 2008-09

As the national apex Association of Olive Oil producers, growers, distributors, importers, users and consumers, the Indian Olive Association (IOA) strove to promote the consumption and expand the market for olive oil and table olives and effectively find solutions to major problems confronting this emerging sector in India during the period August 2008-September 2009.

It was an eventful year, with IOA registering its presence as the focal point of information and interaction regarding olives and olive oil industry in India through deliberations with the Government, embassies who are patron members of IOA, emerging and existing players in the industry, like-minded foreign associations, active participation in International Olive Council meetings, media interaction and the IOA website. The IOA disseminated information on important aspects such as price trends in olive oil, trade statistics, important government notifications, PFA parameters for olive oil and mandatory packaging and labeling laws amongst others.

For an organization in its nascent stage, the Association made a major break-through by having the import duty on olive oil reduced from 45% to 0% on Extra Virgin Olive Oil and from 40% to 7.5% on Olive Pomace and Pure Olive Oil.

The Executive Council of the IOA has pleasure in presenting the 2nd Annual Report for the period August 2008 to September 2009 in which the important activities organized during the period and the final Statement of Accounts for the year ending 31st March 2009 (**Annexure A**) are covered.

1st Annual General Meeting

At the first Annual General Meeting of the Indian Olive Association held on 2 August 2009 at New Delhi, Mr. V. N. Dalmia, Dalmia



Continental Pvt. Ltd. was re-elected as the President of the Association along with Mr R R Oomerbhoy, R. R. Oomerbhoy Pvt. Ltd. as the Vice President. The Annual Report and Audited Statement of Accounts for the year 2007-08 were adopted and the new Executive Council was constituted for the year 2008-09.

H.E. Mr. Larbi Moukharig, Ambassador of Morocco, was the Guest of Honour at the Public Session of the Annual General Meeting. Also present were the Heads of Mission of Italy, Greece, Tunisia, Syria and Jordan.



Welcoming the delegates, Mr. Dalmia stated that olive oil is considered the world's healthiest oil because it has the highest percentage of mono-unsaturated fats (80%) amongst all oils. Mono-unsaturated fat reduces bad cholesterol and triglycerides. Olive oil also



has the highest number of antioxidants, amongst all oils, which prevents cancer, especially breast cancer, and increases life expectancy.

Regarding domestic production of olive oil, Mr. Dalmia mentioned that Rajasthan has implemented a pilot project with Israel over 250 hectares. Punjab has announced a similar project with Israel over 300 hectares. Himachal Pradesh is planning a project over 300 hectares in collaboration with Spain.

Mr. Dalmia informed that, in its first year, the IOA successfully represented to the Government that duty rates on Olive Oil should be reduced. From April 1, 2008, duty rates were reduced from 45% to 7.5%. The IOA has also appealed to the Government that technical standards for olive oil in India under the Prevention of Food Adulteration Rules, 1955, do not match international standards. Indian laws should be updated and amended to become consistent with the regulations of the International Olive Council, Madrid

Executive Council

The list of Executive Council for the year 2008-09 is attached as **Annexure B**. Ambassadors in India of olive producing countries, which are members of the International Olive Council, are Patrons of IOA. (**Annexure C**)

Executive Council Meetings

During the year, the Executive Council met three times, two meetings were held at New Delhi and one at Mumbai.

At the first meeting of the Executive Council, it was decided that the Association would participate in exhibitions by taking up umbrella space and hiring it to members, organize awareness programmes on health benefits of olive oil and also consider endorsement of the IOA by medical associations to propagate use of olive oil as a healthy cooking medium for preventing major illnesses such as cardio-vascular disease, diabetes, cancer, hypertension, etc.

The Council also decided to approach the Government of India to align standards laid down under Prevention of Food Adulteration Rules 1955 with those of the International Olive Council relating to olive oil and during the year this matter was actively pursued by IOA with the Government of India.

The Council also decided that the IOA should be made a Signatory to the International Olive Council's Quality Control Agreement.

Important Activities

1. Participation by IOA at the India International Food & Wine Show



The IOA took up an umbrella space at the India International Food & Wine Show held during 15-17 January 2009 at Hotel Lalit, New Delhi. The objective was to promote the Association and also provide an opportunity for business networking to its members. 7 members participated in the exhibition, where over 4000 business visitors participated over a period of 3 days and a large number of professionals representing Indian food and beverages industry, top importers, distributors and hoteliers attended the event.

2. Presentation on Australian Olive Oil Industry and Interaction with Australian Trade Commissioner

The IOA organized an interaction on Australian Olive Oil Industry, on 9 March 2009 at New Delhi, whereat Mr. Michael Carter, Australian Trade Commissioner, was the Chief Guest.



A detailed presentation on growth of olive oil industry in Australia was made by Mr. Pablo Canamasas, Boundry Bend Olive Oil, Australia. The Australian Trade Commissioner highlighted opportunities for Indo-Australian trade in olive oil industry and assured full support for strengthening the bilateral relationship through trade and commerce activities. Mr. V N Dalmia, President also spoke on the occasion.



Mr. Pablo Canamasas while making the presentation on olive oil industry in Australia, highlighted on how the industry has modernized, especially with regard to grove management, high yields, mechanization and mechanical harvesting of olives. He also explained the structure of Australian Olive Oil Association and gave statistics regarding number of olive groves in Australia. The presentation also highlighted the growth of Australian olive oil market in terms of oil production, consumption and exports.

3. Interaction with International Olive Council

33rd Meeting of the IOC Advisory Committee

Mr. V N Dalmia, President attended the 32nd and 33rd meetings of the IOC Advisory Committee at Madrid.

At the 33rd meeting on June 28, 2009 Mr. V N Dalmia, on behalf of the IOA, highlighted the following:

- Most important development during the year in India was that custom duty on Extra Virgin has been reduced from 45% to 0% by the Government of India.
- During the calendar year 2008, the Indian market grew by 30%, with Olive Pomace Oil registering 36% growth; Olive Oil 23% and Virgin Oil 19%. It is expected that the consumption in India will reach 4000 tonnes during the year 2009 and the same growth rate, as last year, of 30% would be maintained. Without the effect of the economic slow-down, growth of olive oil consumption would have been much higher in 2008 and 2009.
- Mr. V N Dalmia also raised the matter regarding flooding the Indian market with olive oil by Spanish producers with a short term perspective. He advised that only those brands should enter India who are interested in long term relationship and are willing to invest in brand development.
- Further, he highlighted that of the total exports from Spain and Italy, who were the leading exporters to India during 2008, Spain held 55% share, while Italy held 45%.
- On the Indian market for table olives, Mr. V N Dalmia highlighted that Spain is the largest exporter of table olives to India a growth of 55% during 2008 and projected growth of 60% in 2009. Growth in olives to be consumed alone is higher than growth in olives for pizza toppings.

Affiliation with International Olive Council

The Executive Council decided to affiliate the Indian Olive Association with International



Olive Council by making IOA a signatory to the quality control agreement of the IOC to join the programme for the quality control of olive oils and olive pomace oils sold in import markets. This will lend recognition to IOA as the official Association for olives and olive oil in India. Further, IOC shall be able to monitor and guarantee the olive oil being sold in India. Thus IOA will collaborate in guaranteeing the quality of olive oils and olive pomace oils in India by participating in programme monitoring designed to ensure regular market development and secure compliance with IOC standards by the participant associations.

4. Meetings with Central Board of Excise & Customs

In early 2009, the IOA actively took up the matter regarding import duty chargeable on Extra Virgin Olive Oil and the undue harassment meted out to the olive oil importers by Department of Revenue Intelligence on the matter of duty rates.

The IOA had meetings with Mr. Vivek Johri, Joint Secretary, TRUI; Ms. Kameshwari Sinha, Additional Secretary, Customs and Mr. Parthiban, Director, Customs and highlighted the matter relating to customs duty on olive oil being levied at 45%, despite the Government of India reducing the import duties in April 2008. The Ministry of Finance and CBEC accepted the

IOA reasoning after detailed investigation and issued a clarification that virgin oil would be classified as edible and raw which qualifies for nil duty.

5. Interaction with Dr. P I Suvrathan, Chairperson, Food Safety & Standards Authority

Mr. V N Dalmia, President met Dr. P I Suvrathan, Chairperson, Food, Safety & Standards Authority on 15 July 2009 at New Delhi to discuss various issues relating to PFA Standards on Olive Oil and alignment of Indian standards with the standards applicable under International Olive Council.

Mr. Dalmia pointed out that there were major deviations in the specifications laid down by the Central Government for olive oil under Sec.17.07 of the Prevention of Food Adulteration Rules 1955 as amended upto date (10th Amendment) Rules, 2006 in comparison to the IOC standards.

He also apprised him of the response received from the Directorate General of Health Services. Dr. Suvrathan informed that the Food Safety and Standards Authority of India would soon come out with the terms of reference and subsequently the Association could send a consolidated representation on various issues relating to the olive oil sector.



FORM NO.10B

**Audit Report under section 12A (b) of the Income-tax Act, 1961 in the case of
Charitable or religious trusts or institutions**

We have examined the Balance Sheet of **M/s Indian Olive Association** as at 31 March 2009 and also the Income and Expenditure Account for the year ended on that date which is in agreement with the books of accounts maintained by the said Association.

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit. In our opinion, Association has kept proper books of accounts so far as appears from our examination of the books.

In our opinion and to the best of our information, and according to information given to us the said accounts give a true and fair view:-

- (i) In the case of the Balance Sheet, of the state of affairs of the above named Association as at 31 March 2009 and
- (ii) The Income and Expenditure Account, of the Deficit of its accounting year ended on 31 March 2009.

**For G.S. Mathur & Co.
(Chartered Accountants)**

Place: New Delhi

Sd/-

Date: 14 May 2009

**(K K Gangopadhyay)
Partner
Membership No.013442**



INDIAN OLIVE ASSOCIATION
BALANCE SHEET AS ON 31 MARCH 2009

	Schedule		2009 Rs.		2008 Rs.
SOURCES OF FUNDS					
Corpus Fund	1		800,000.00		400,000.00
Reserve Fund	2		(183,291.45)		(77,434.00)
	Total		<u>616,708.55</u>		<u>322,566.00</u>
APPLICATION OF FUNDS					
Current assets, loans and advances					
Cash and Bank balances	4		175,005.20		119,390.00
Other Current assets	5		4,878.35		-
Loans and Advances	6		5,646.00		1,133.00
Term Deposit	7		450,000.00		-
Sundry Debtors	8		5,000.00		505,000.00
Pre-registration Expenses		50,000.00		62,500.00	
Less:-Written Off		<u>12,500.00</u>		<u>12,500.00</u>	
			<u>37,500.00</u>		<u>50,000.00</u>
			<u>678,029.55</u>		<u>675,523.00</u>
Less :					
Current liabilities					
Sundry Liabilities	3		<u>61,321.00</u>		<u>352,957.00</u>
Net current assets			<u>616,708.55</u>		<u>322,566.00</u>
	Total		<u>616,708.55</u>		<u>322,566.00</u>

Significant accounting policies and notes to the financial statements 10

The schedules referred to above form an integral part of the financial statements.

For and on behalf of the Executive Council

Sd/-
Geeta Poduval
Secretary

Sd/-
Riyad Oomerbhoy
Vice President

Sd/-
V.N.Dalmia
President

In terms of our separate report of even date
For G.S.Mathur & Co.
Chartered Accountants

Sd/-
(K. K. Gangopadhyay)
Partner
Membership No.013442

Place : New Delhi
Date : 14 May 2009



INDIAN OLIVE ASSOCIATION

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2009

	Schedule	2009 Rs.	2008 Rs.
INCOME			
Membership Subscription		200,000.00	100,000.00
Interest Earned		25,897.55	-
	Total	<u>225,897.55</u>	<u>100,000.00</u>
EXPENDITURE			
Administration and Other Expenses	9	371,755.00	104,638.00
Launch expenses of Indian Olive Association		-	112,796.00
	Total	<u>371,755.00</u>	<u>217,434.00</u>
Deficit for the year transferred to reserve fund		<u>(145,857.45)</u>	<u>(117,434.00)</u>

Significant accounting policies and notes to the financial statements 10

The schedules referred to above form an integral part of the financial statements.

For and on behalf of the Executive Council

Sd/-
Geeta Poduval
Secretary

Sd/-
Riyad Oomerbhoy
Vice President

Sd/-
V.N.Dalmia
President

In terms of our separate report of even date
For G.S.Mathur & Co.
Chartered Accountants

Sd/-
(K. K. Gangopadhyay)
Partner
Membership No.013442

Place : New Delhi
Date : 14 May 2009



INDIAN OLIVE ASSOCIATION

Schedules forming part of the Financial Statement for the year ended 31 March 2009

	2009 Rs.	2008 Rs.
SCHEDULE- 1		
Corpus Fund		
Balance as per last Balance Sheet	400,000.00	-
Receipts during the year :	400,000.00	400,000.00
Total	800,000.00	400,000.00
SCHEDULE- 2		
Reserve Fund		
Balance as per last Balance Sheet	(77,434.00)	-
Add:		
Receipts during the year :Admission Fee	40,000.00	40,000.00
	(37,434.00)	40,000.00
Deficit as per Income and Expenditure account	(145,857.45)	(117,434.00)
Total	(183,291.45)	(77,434.00)
SCHEDULE- 3		
Sundry Liabilities		
Sundry Creditors	61,321.00	179,696.00
Subscription & other charges received in advance	-	170,000.00
TDS Payable	-	3,261.00
Total	61,321.00	352,957.00
SCHEDULE- 4		
Cash and bank balances		
Cash in Hand	9,594.00	6,011.00
Balances with scheduled banks in :		
Savings Bank account	19,411.20	113,379.00
Autosweep account (BOI Saving Plus)	146,000.00	-
Total	175,005.20	119,390.00
SCHEDULE- 5		
Other current assets		
Interest accrued	4,878.35	-
Total	4,878.35	-
SCHEDULE- 6		
Loans and advances		
TDS recoverable	5,646.00	1,133.00
Total	5,646.00	1,133.00

**INDIAN OLIVE ASSOCIATION****Schedules forming part of the Financial Statement for the year ended 31 March 2009**

	2009 Rs.	2008 Rs.
SCHEDULE- 7		
Term Deposit		
Deposit with bank of India	450,000.00	-
Total	450,000.00	-
SCHEDULE- 8		
Sundry Debtors		
Amount receivable	5,000.00	505,000.00
Total	5,000.00	505,000.00
SCHEDULE- 9		
Administration and Other Expenses		
Secretarial Fee paid to PHDCCI	202,248.00	70,833.00
Printing and Stationery	8,276.00	7,848.00
Communication	19,956.00	1,500.00
Travelling and Conveyance	17,484.00	934.00
Payment to Auditors :		
Audit Fee	9,927.00	10,112.00
Tax Matters	2,809.00	-
Pre-registration Expenses Written Off	12,500.00	12,500.00
Postage & Courier	950.00	-
Meeting Expenses	10,215.00	-
AGM Expenses	87,091.00	-
Other Expenses	299.00	911.00
Total	371,755.00	104,638.00



INDIAN OLIVE ASSOCIATION

Schedules forming a part of the Financial Statements for the year ended 31 March 2009

SCHEDULE - 10

Significant accounting policies and notes to the financial statements

1. Significant accounting policies

a) Basis of preparation

The accounts are prepared on accrual basis under historical cost convention in accordance with the generally accepted accounting principles applicable in India.

b) Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of the financial statements. Actual results if they differ from those estimates are recognized in the current and future periods.

c) Income

Membership subscription is recorded on accrual basis.

d) Admission fee is directly credited to the reserve fund.

e) Pre-registration expenses:

Expenses before registration are accounted for as Pre-Registration expenses, which are to be written off in five years.

2. Indian Olive Association has been registered under the Societies Registration Act of XXI, 1860 vide Registration No.S/59107/2007 dated 6th July 2007.

For and on behalf of the Executive Council

Sd/-
Geeta Poduval
Secretary

Sd/-
Riyad Oomerbhoy
Vice President

Sd/-
V.N.Dalmia
President

For G. S. Mathur & Co
Chartered Accountants

Sd/-
(K. K. Gangopadhyay)
Partner
Membership No.013442

Place : New Delhi
Dated : 14 May 2009



INDIAN OLIVE ASSOCIATION

Executive Council Members - 2008-09

1. Mr. V N Dalmia : President

Dalmia Continental Pvt Ltd
10 Daryaganj
New Delhi 110 002
Phone: 23246198/23246199
Fax: 23277875
E-mail: vndalmia@dalmiaglobal.com
Brand: Leonardo®

2. Mr. Riyad Oomerbhoy : Vice President

R R Oomerbhoy Pvt Ltd
5 Sona Mahal, 143 Marine Drive
Veer Nariman Road
Mumbai 400 020
Phone: 022-66399000
Fax: 022-22026929
Mobile: 9820077477
E-mail: riyad@rropl.com
Brand: Filippo Berio

3. Ms. Geeta Poduval : Secretary

PHD Chamber of Commerce and Industry
PHD House,
4/2 Siri Institutional Area
August Kranti Marg
New Delhi 110 006
Ph: 26863801-04/26851207 (Direct)
Fax: 26855450
Email: secretary@indolive.org

4. Mr. Varunn Mody

Director
J.L.Morison(India) Ltd.,
Crystal, 79, Dr Annie Besant Road,
Worli, Mumbai 400018
Phone: 022-24975031-5
Fax: 24950317/24965878
E-mail: varunn@rasoigroup.in
Brand: Carbonell

5. Mr. Rahul Aggarwal

Manisha International Pvt Ltd
J2/16 Khirki Extn., Malviya Nagar
New Delhi 110 017
Phone: 29545677/29541129
Fax: 26691796 91
Mobile: 9810313277
E-mail: sales@mipl.biz
Brand: Colavita/Fragatta

6. Mr. Suku Shah

Olivetree Trading Private Limited
2406, East Street, Pune - 411 001
Phone No: +91 20 6601 1771
Fax No: +91 20 6602 1902
Toll Free No: 1800 233 1771
Mobile No.9822022333
E-mail: sec.cmdoffice@olivetreetrading.org;
sukushah@olivetreetrading.org
Brand: Olitalia / Verdenso



PATRON MEMBERS

Ambassadors representing countries which are members of International Olive Council.

1. Algeria
2. European Community
3. Croatia
4. Egypt
5. Iran
6. Israel
7. Jordan
8. Lebanon
9. Libya
10. Morocco
11. Serbia & Montenegro
12. Syria
13. Tunisia
14. Belgium
15. France
16. Greece
17. Italy
18. Portugal
19. Spain