



AVERY
ANNUAL REPORT 2008-09

BOARD OF DIRECTORS

MR. A. D. CAFFYN
Chairman

MR. JAIRAJ SINGH
Managing Director

MR. R P SINGH

MR. PRATIP SEN GUPTA

MR. VIJAY MATHUR

MR. AMIT LUTHRA

**V.P. (COMMERCIAL) &
COMPANY SECRETARY**

MR. A. MATHUR

AUDITORS

DELOITTE HASKINS & SELLS

Building 10, Tower B
7th Floor, DLF Cyber City
Gurgaon - 122 002
Phone : 0124-6792000
Fax : 0124-6792012

REGISTRARS

CB MANAGEMENT SERVICES (P) LTD.

P-22, Bondel Road, Kolkata - 700 019

Phone : 033-40116700

Fax : 033-22870263

Email: rta@cbmsl.com

REGISTERED OFFICE

'AVERY HOUSE'

28/2 Waterloo Street, Kolkata - 700 069

Phone : 033-22488121-3

Fax : 033-22485675

HEAD OFFICE AND WORKS

Plot Nos. 50-59, Sector - 25,

Ballabgarh - 121 004 (Haryana)

Phone : 0129-4094400

Fax : 0129-2234091

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REPORT OF THE DIRECTORS

The Directors of Avery India Limited present their Report together with the Audited Accounts of the Company for the year ended 31st March 2009.

FINANCIAL PERFORMANCE

	(Rs. million)	
	For the year ended	
	31st March 2009	31st March 2008
The Net Profit for the year is	106	93
Provision for Taxation,		
Current Tax	31	30
Deferred Tax Charge/(Credit), and	8	4
Provision for Fringe Benefit Tax is	2	2
Leaving a balance of Profit/(Loss) of	65	57

DIVIDEND

Your Directors do not recommend any dividend for the year ended 31st March 2009.

OPEN OFFER

The shareholders of A V Co 1 Limited, the parent promoter of Avery Weigh-Tronix International Limited and AV Co 3 Limited, the promoter companies of Avery India Limited, who were holding approximately 58.28 % of paid up capital of the Company, had entered into an agreement with 'ITW Global Investments Inc' and others ("Purchaser") relating to the sale of all the capital stock and other options and equity interests of any kind in A V Co 1 Limited. Pursuant to the above acquisition, there has been a change in control of A V Co 1 Limited, resulting into an indirect acquisition of the Company by the Purchaser. Accordingly, the Purchaser made an Offer to the eligible persons for the offer to acquire from them 19,66,461 shares (representing 20% of the fully paid up equity share capital and voting capital of Avery India Limited) at a price of Rs. 81/- (Rupees Eighty one only) per share, as per SEBI (Acquisition of Shares & Takeovers) Regulations, 1997. The said Offer opened on 9th January 2009 and closed on 28th January 2009. Consequent to acquisition of shares under open offer, the shareholding of AV Co 3 Limited has gone up from 4.84% to 24.84%.

VOLUNTARY DELISTING

M/s AV Co 3 Limited, UK, one of the promoters of the Company, presently holding along with the other promoters, 78.28% of the equity capital, have proposed to acquire balance 21.72% of equity shares of the Company in accordance with the provisions of the SEBI (Delisting of Securities) Guidelines, 2003 and the listing agreement. Based on the requisition of M/s. AV Co 3 Limited, UK, an Extra-ordinary General Meeting was held on 4th June 2009, wherein the proposal of M/s. AV Co 3 Limited, UK of Voluntary Delisting of Equity shares of the Company from the Stock Exchanges was passed as special resolution by requisite majority.

MANAGEMENT DISCUSSION AND ANALYSIS INDUSTRY STRUCTURE AND DEVELOPMENT

Weighing industry consists of Industrial Weighing and Retail segments. Weighbridges, process weighing and in-motion weighing constitute major part of Industrial weighing segment. In Industrial weighing segment, process weighing equipment, in-motion weighing systems, load cell

manufacturing and high end weighbridges etc. constitute high technology products area which require superior technical capabilities to manufacture, contribute better margins and have less number of players. Your company mainly deals in high technology products area of Industrial weighing segment.

Your company also deals in fuel dispensing pumps segment in which there are only a few manufacturers but there is intense competition due to small number of buyers.

SEGMENT-WISE PERFORMANCE

Weighing Machines and Fuel Dispensing Pumps are two main business segments in which your company operates. Your Company sold 1958 weighing machines for Rs. 432 million during the year under report. Steep rise in steel price during early part of the year and subsequent correction in the later part caused customer to defer, reschedule and renegotiate their orders severely impacting the order book of the Company.

Fuel prices shot up during the year forcing oil companies to defer their procurement plans therefore in Fuel Dispensing Pumps segment turnover of the Company was negligible.

FINANCIAL PERFORMANCE

Profit before tax during the financial year under review improved to Rs. 106 million from Rs. 93 million in the previous year. Out of Profit before tax of Rs. 106 million a sum of Rs. 39 million has been appropriated towards Provision for Taxation and Rs. 2 million towards provision for fringe benefit tax. Reserves & Surplus have increased from Rs. 386 million to Rs. 451 million and Shareholder funds have gone up from Rs. 484 million to Rs. 549 million.

OPERATIONAL PERFORMANCE

During the year Materials & Manufacturing expenses as well as Administrative & other expenses reduced as compared to previous year while Employees Remuneration and Benefits expenses remained almost the same as previous year. During the year Materials & Manufacturing expenses were Rs. 336 million as against Rs. 382 million and Administrative & other expenses were Rs. 119 million as against Rs. 137 million in the previous year. Employees Remuneration and Benefits expenses were Rs. 153 million as against Rs. 156 million in the previous year.

RISKS AND CONCERNS

Steep rise and wide fluctuations in fuel price as well as in steel price are major cause of concern for the Company. Main items manufactured by the Company i.e. Weighbridges and Fuel Dispensing Pumps are highly cost intensive therefore increase in raw material cost, particularly steel price is a major concern for the Company.

Fluctuation in price not only makes it difficult to pass on the cost to the customer; it also makes customers to defer their buying decision severely hampering order flow and production schedule of the Company.

OPPORTUNITIES, THREATS AND OUTLOOK

It is expected that revival of Indian economy and growth in industrial sector will boost demand for the Company's products also. Potential areas of growth for the company continue to be Load cell manufacturing and process weighing. Besides that growth of ERP packages and their implementation and software integration in more and more organizations will also open new opportunities for the Company.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has an adequate system of internal controls to ensure that transactions are properly recorded, authorized and reported apart from safeguarding Company's assets. Well-experienced Chartered Accountant firms appointed by the Company for internal audit, review operations at all the establishments of the Company at least twice a year. All significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee also reviews the adequacy and effectiveness of the internal control system.

HUMAN RESOURCE

Your Directors wish to place on record their appreciation for the commitment and dedication shown by the employees at all the areas of operation of the Company. Various HR initiatives are taken to align the HR policies to the growing requirements of the business. The Industrial Relations remained cordial during the year. As on 31st March 2009 your company had 562 employees.

PARTICULARS OF EMPLOYEES

The Particulars of Employees in accordance with Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, are annexed.

INSURANCE

All the assets of your Company including Plant & Machinery, Building, and Equipment etc. have been adequately insured.

RESEARCH & DEVELOPMENT

R&D activities of your Company remain focused on development of new Load Cell under the technology transfer from Avery Weigh-Tronix. Besides load cells, work on further development and improvement of various products in Weighing as well as Fuel Dispensing Pumps segment was also progressed during the year.

SUBSIDIARY COMPANY

Salter India Ltd. the wholly owned subsidiary of your Company, posted a higher turnover and profit during the year as compared to previous year. It manufactures tubular spring balances and suspended spring dials scales. During the year Salter India shifted its factory from Okhla in New Delhi to Ballabgarh in Haryana resulting in saving in rent and other costs. The net sales of Salter India for the year were Rs. 115 million as against Rs. 84 million in the previous year. The net pre-tax profit for the year was Rs.20 million as against Rs. 7 million for the previous year.

DIRECTORS

Mr. Pratip Sen Gupta was appointed as an Additional Director in the Board meeting held on 12th June 2009. Mr. Sen Gupta is Managing Director of ITW India Limited and Country Controller India of Illinois Tool Works Inc. As Country Controller, he is responsible for implementing ITW Inc.'s India Strategy which is ITW's area of focus as an emerging market. He is also responsible for all corporate functions including legal, company secretarial, treasury, HR, acquisitions and integration for the Group in India. His specializations include Finance and Accounts, Mergers and Acquisitions, Restructuring, Change Management, Systems and Infotech, Company Start ups and Closures, Project Analysis. His rich experience will be of immense benefit to the Company and his presence on the Board will go a long way in strengthening the bond with ITW Group.

Mr. Rajiv K Luthra, Mr. Carl Cramer and Mr. G G Bowe resigned from the Board during the year under report. Your

Directors take this opportunity to place on record their deep appreciation for the valuable guidance and unstinted support given by them during their association with the Company.

Mr. Vijay Mathur retires from the Board of Directors by rotation in accordance with the provisions of the Articles of Association of the Company and is eligible for reappointment.

AUDITORS

M/s. BSR & Co., Chartered Accountants, resigned as Auditors during the year under report. M/s. Deloitte Haskins & Sells, Chartered Accountants, were appointed in casual vacancy created due to resignation of M/s. BSR & Co., pursuant to a resolution passed by the shareholders through postal ballot on 22 Dec 2008.

M/s. Deloitte Haskins & Sells, Chartered Accountants, retire at forthcoming Annual General Meeting and have indicated their willingness to be reappointed as Statutory Auditors. Observations made in the Auditors' Report read with Notes to the Financial Statements are self explanatory and therefore, do not call for any further comments under Sec. 217 (3) of the Companies Act, 1956.

DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards issued by the Institute of Chartered Accountants of India have been followed;
- (ii) accounting policies are applied consistently; judgments and estimates made 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 2009 and the profit of the Company for that year;
- (iii) sufficient care has been taken 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) annual accounts are prepared on going concern basis.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, the Report on Corporate Governance is given in the Annexure to the Directors' Report.

ENERGY & FOREIGN EXCHANGE

The particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required by the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are annexed.

APPRECIATION

Your Directors wish to place on record their appreciation for the continued cooperation and whole-hearted support given by the Company's Customers, Shareholders, Suppliers, Bankers, State & Central Government as well as ITW and Avery Weigh-Tronix groups, the Promoters of your Company.

By Order of the Board

Place : New Delhi
Date : 12th June, 2009

A D CAFFYN
Chairman

ANNEXURE TO THE BOARD OF DIRECTORS' REPORT TO THE SHAREHOLDERS

Information in accordance with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ended 31st March 2009.

A. CONSERVATION OF ENERGY :

- | | |
|---|---|
| <p>a) Measures taken to conserve energy.</p> <p>b) Additional investment and proposals, if any, being Implemented for reduction of consumption of energy.</p> <p>c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.</p> | <p>- Company has taken necessary steps for optimum energy consumption e.g. Efficient utilization of Central Air-conditioning Plant, Compressors, E.O.T. Cranes, Welding machines etc. Regular maintenance of Generator Sets, Sub Station equipment, Transformer, P.F. Capacitor Banks. Switching over to low consumption Fluorescent Tubes.</p> <p>- The company has spent Rs. 2 million for energy efficient welding sets replacing the old sets.</p> <p>- The steps enumerated above are expected to result in saving of energy and consequent reduction in manufacturing cost.</p> |
|---|---|

B. TECHNOLOGY ABSORPTION :

Research & Development

- | | |
|---|--|
| <p>1. Specific areas in which R&D carried out by the Company.</p> <p>2. Benefits derived as a result of the above R&D.</p> <p>3. Future plan of Action</p> <p>4. Expenditure on R&D</p> <p>a) Capital</p> <p>b) Recurring</p> <p>c) Total</p> <p>d) Total R&D Expenditure as a percentage of total turnover</p> <p>5. Technology Absorption, Adaptation & Innovation :</p> <p>1) Efforts in brief made towards Technology absorption, adaptation and innovation.</p> <p>2) Benefits derived as a result of the above efforts.</p> <p>3) Imported Technology</p> <p>a) Technology Imported</p> <p>b) Year of Import</p> <p>c) Has Technology been Fully absorbed.</p> <p>d) If not fully absorbed, areas where this has not taken place and reasons thereof and future plan of Action.</p> | <p>- Development of new products in weighing and fuel dispensing pumps segment. Improvement in existing products.</p> <p>- R & D benefit the company by keeping abreast with the changing market needs with technology enhancement as well as helps in Import substitution. R & D helps in reduction in cost and enables more effective utilization of manpower.</p> <p>- Consolidation of Digital load cell technology. Improvements in weighbridge design and Augmenting existing range of Fuel Dispensing Pumps are planned for future action.</p> <p>- Rs. 1 million</p> <p>- Rs. 7 million</p> <p>- Rs. 8 million</p> <p>- 1%</p> <p>- Technical information regarding new developments in weighing and sensor technology is regularly exchanged between our collaborator's Technical Department and us.</p> <p>- Improved productivity and quality improvement.</p> <p>- Consolidation of technology previously imported from Avery Berkel.</p> <p>- 2000-2008</p> <p>- Technology has been fully absorbed as per Technology Transfer Agreement.</p> <p>- Not Applicable</p> |
|---|--|

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

- | | |
|--|--|
| <p>1. Activities relating to Exports</p> <p>2. Total Foreign Exchange used</p> | <p>: Main export activity of the Company is to supply Load Cells to Avery Weigh-Tronix U. K. During 2008-09, the Company exported 921 Load Cells. Apart from this, the Company also exported 91 Platform scales & 1 Road Weighbridge to Africa during the year 2008-09.</p> <p>earned : Rs. 51.41 million</p> <p>: Rs. 15.72 million</p> |
|--|--|

Place : New Delhi
Date : 12th June, 2009

By Order of the Board

A D CAFFYN
Chairman

ANNEXURE TO THE BOARD OF DIRECTORS' REPORT TO THE SHAREHOLDERS

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2009

Name	Designation of the Employee	Remuneration Received ** Rs.	Qualification and Experience of the Employee	Date of Commencement of Employment	Age	Details of Previous Employment	Period of Previous Employment
Mr. Jairaj Singh	Managing Director	5,545,396	B.A. (Hon's) Economics 37 Years	1st January, 2001	59	Vice President, Indian Aluminum Company Ltd.	1972 to Dec., 2000

- Notes:
- Appointment is contractual.
 - Mr. Jairaj Singh is not related to any other Director.
 - ** Remuneration received includes value of perquisites.

Place : New Delhi
Date : 12th June, 2009

By Order of the Board

A D CAFFYN
Chairman

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, the Report on Corporate Governance is given below:

1. Company's philosophy on Code of Governance

Avery's philosophy is to implement Corporate Governance practices to achieve excellence in chosen field and to conduct its business in a way which safeguards and adds value in the long term for the interest of shareholders, creditors, customers, employees and other stakeholders. Corporate Governance practices are aimed at assisting the top management of the Company to operate in regulatory framework and in compliance of applicable statutes.

2. Board of Directors

Six Board Meetings were held in the financial year 2008-2009 on 30/4/2008, 12/5/2008, 31/7/2008, 30/9/2008, 24/10/2008 and 30/1/2009. The Composition of the Board, attendance at the Board Meetings held and at last Annual General Meeting, number of Directorships and memberships/chairmanships in Indian Public Companies (including Avery India Ltd) are given below:-

Name of Director	Category of Directorship	FY 2008-2009 Attendance at		No. of Directorships	No. of Board Committees	
		Board Meetings	Last AGM		Chairman	Member
Mr. Andrew David Caffyn*#	Promoter Non-Executive Chairman	4	Yes	1	0	2
Mr. Jairaj Singh	Managing Director	6	Yes	1	0	1
Mr. R P Singh	Independent Non-Executive	6	Yes	1	2	1
Mr. Vijay Mathur	Independent Non-Executive	6	Yes	2	2	3
Mr. Amit Luthra	Independent Non-Executive	5	Yes	2	0	2

* Represent Avery Weigh-Tronix group.

Joined Board on 30/4/2008

Mr. C Cramer, Mr. G G Bowe and Mr. Rajiv K Luthra resigned during the year.

Mr. Pratip Sen Gupta has been appointed on 12th June 2009.

3. Audit Committee

- Terms of Reference & Composition, Name of members and Chairman

The Audit Committee comprises Mr. Vijay Mathur, Chairman of the Committee, Mr. R P Singh, Mr. Andrew David Caffyn, and Mr. Amit Luthra members of the Committee. Except Mr. Andrew David Caffyn all other member Directors are Independent. Mr. P S Rao, V P (Finance) who is in-charge of finance function and Mr. Vijay Agarwal, Partner M/s.Deloitte Haskins & Sells, Chartered Accountants, Statutory Auditors of the Company are invitees to the Meeting. The Company Secretary acts as the Secretary of the Audit Committee. The Terms of Reference of this Committee are wide enough covering the matters specified for Audit Committees under the Listing Agreements.

- Meeting and the attendance during the year.

There were four meetings of the Audit Committee during the year 2008-2009 on 30/4/2008, 31/7/2008, 24/10/2008 and 30/1/2009. The attendance of Members of the Committee is given below:

Name of Director	No. of Meetings Attended
Mr. R P Singh	4
Mr. Andrew David Caffyn @	2
Mr. Vijay Mathur	4
Mr. Amit Luthra	4

@ member of the committee w.e.f. 24-10-2008

Mr. Rajiv K Luthra and Mr. C Cramer resigned during the year.

4. Remuneration Policy

A. Remuneration Committee

Remuneration Committee consists of four members, three Non-Executive Directors namely Mr. R P Singh, Chairman, Mr. Vijay Mathur and Mr. Amit Luthra and one promoter Non-Executive Director Mr. Andrew David Caffyn. There was only one meeting held on 31/7/2008, which was attended by Mr. R P Singh, Mr. Vijay Mathur, Mr. Amit Luthra and Mr. C Cramer (since resigned).

B. Remuneration to Non-Executive Directors

The Non - Executive Independent Directors are paid sitting fees of Rs. 10,000/- for every meeting of Board, Remuneration and Audit Committee. No sitting fee is paid to the members of Committee of Directors (Investors/Shareholders Grievance Committee). The details of the remuneration paid to the Non-Executive Directors for the year 2008-2009 are given below:

C. Remuneration to Managing Director

The Remuneration of the Managing Director is reviewed and recommended by the Remuneration Committee to the Board and approved by shareholders in General Meeting. The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

The Company does not have stock option plan for its Directors or employees.

The details of the remuneration paid to the Directors for the year 2008-2009 are given below:

Name of Director	Salary (in Rs.)	Perquisites, Allowances, Benefits (in Rs.)	Commission (in Rs.)	Sitting Fees# (in Rs.)	Total (in Rs.)	Service Contract / Notice Period
Mr. Andrew David Caffyn @ #	Nil	Nil	Nil	Nil	Nil	Retirement by Rotation
Mr. Jairaj Singh	4,320,000/-*	1,225,396/-**	Nil	Nil	5,545,396/-	Contractual***
Mr. R P Singh	Nil	Nil	Nil	110,000/-	110,000/-	Retirement by Rotation
Mr. Vijay Mathur	Nil	Nil	Nil	110,000/-	110,000/-	Retirement by Rotation
Mr. Amit Luthra	Nil	Nil	Nil	100,000/-	100,000/-	Retirement by Rotation

* Includes Rs. 720,000/- paid towards Bonus

** Includes Rs. 432,000/- towards Contribution to provident and pension funds.

*** The contract is for three years, which has been approved by the Remuneration Committee and the Board on 26th October 2006 and by Shareholders in EGM on 1st December 2006. Contract may be determined by a notice period of six months on either side.

No sitting fee was paid to Non-Executive Directors who are senior executives of the Avery Weigh-Tronix group

@ Joined during the year

Mr. Rajiv K Luthra, Mr. C Cramer and Mr. G G Bowe resigned during the year.

5. Shareholders' Committee

The Company has a Committee of Directors (Investors/Shareholders Grievance Committee) to look into Investors/Shareholders Grievance relating to the transfer and transmission of shares, issue of duplicate share certificates and allied matters. Mr. Jairaj Singh, Managing Director and Mr. R P Singh, Non-Executive Director are the members of the Committee. Mr. R P Singh is Chairman of the Committee. Mr. A Mathur, Company Secretary is the Compliance Officer of the Company. During the year Company received 22 complaints and 22 were resolved to the satisfaction of shareholders.

Shareholding Movement, Summary of all transfer (in physical mode) during the period 1st April, 2008 to 31st March, 2009

- | | |
|---|--|
| A) i) No. of request for transfer received | - 360 for 27195 shares |
| ii) No. of Transfer registered | - 344 for 25687 shares |
| iii) No. of transfer rejected | - 15 for 1438 shares. |
| iv) No. of Seller Notice to stop transfer | - 1 for 70 shares |
| v) Remarks | - Share certificates after necessary endorsement were dispatched to the lodger within the stipulated time. |
| B) i) No. of request received and registered for transmission / deletion of name. | - 37 for 8949 shares |
| ii) Remarks | - Share certificates after necessary endorsement were dispatched to the lodger within the stipulated time. |
| C) i) No. of request received for Subdivision/ Consolidation/ Replacement/Duplicate Share Certificates. | - 257 for 33858 shares |
| ii) Remarks | - New share certificates dispatched within the stipulated time |

D) i) No.of request received for Dematerialisation	- 245 for 26605 shares
ii) No.of Demat request resolved	- 223 for 24849 shares
iii) No.of Demat request rejected	- 22 for 1756 shares
iv) Remarks	- Dematerialization were done and necessary Electronic message for the same were given both to NSDL & CDSIL within the stipulated time. The relevant D'mat Registers in soft copy were sent to the respective Stock Exchanges and Certificates were issued to the depositories within the stipulated time.
E) i) No.of request received for Rematerialisation	- 1 for 1 share
ii) No.of Remat request resolved	- 1 for 1 share
iii) No.of Remat request rejected	- -
iv) Remarks	- Rematerialisation have been done, necessary Electronic message for the same been given to NSDL within the stipulated time.

6. General Body Meetings

The Annual General Meeting for the years 2005-06, 2006-07 and 2007-08 were held at "Gyan Manch", 11, Pretoria Street, Kolkata - 700 071. All the Meetings commenced at 11.00 a.m. The Shareholders passed all the resolutions set out in the respective Notices. An Extraordinary General Meeting was held at FIA Houses Bata Chowk, Faridabad at 11 am on 1/12/2006 in which special resolution was passed for appointment of Mr. Jairaj Singh as Managing Director for a period of three years w.e.f. 1st January 2007 to 31st December 2009. The resolution was passed by requisite majority.

No special resolution was put through the Postal Ballot in the previous year. However pursuant to Section 192 A of the Companies Act, 1956 read with Companies (passing of the resolution by Postal ballot) Rules, 2001, an ordinary resolution was passed through postal ballot on 22nd December 2008 for appointment of M/s. Deloitte Haskins & Sells as Statutory Auditors of the Company consequent upon vacancy caused by resignation of M/s. BSR & Co. the then existing Statutory Auditors of the Company. Ms. Mamta Binani, Practicing Company Secretary was appointed Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. The resolution was passed by requisite majority and the result of the Postal Ballot based on the report submitted by the Scrutinizer was displayed at the Registered Office of the Company.

There is no item in the Notice for the forthcoming Annual General Meeting that is proposed to be passed through Postal Ballot.

7. Management

A. Management Discussion and Analysis Report forms part of Directors' Report on the Annual Accounts, more specifically under Industry Structure and Developments, Segment-Wise Performance, Financial Performance, Operational Performance, Risks & Concerns, Opportunities, Threats & Outlook, Internal Control Systems & Adequacy and Human Resource.

B. Disclosures

Related Party Transactions

During the year under review, besides the transactions reported elsewhere in the Annual Report, the Company has not entered into any transaction of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

Compliance by the Company

During the last three years there were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority for non-compliance of any matter related to capital markets.

The Company does not have Whistle Blower Policy.

The Company has complied with all mandatory requirements and has not complied non-mandatory requirements regarding maintenance of Chairman Office at Company's expenses, remuneration committee, sending of half yearly financial performance to each household of shareholders, unqualified financial statement, training of Board members, mechanism for evaluating non-executive Board members and Whistle Blower Policy.

Accounting Treatment in preparation of Financial Statements

The guidelines/accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) have been followed in preparation of the financial statements of the Company.

Insider Trading

In compliance with the SEBI regulation on prevention of insider trading, the Company has instituted a comprehensive code of conduct for its management. The code lays down guidelines, which advises them on



procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on consequences of non-compliances.

Code of Conduct

The Company has laid down a code of conduct for all Board members and senior management of the Company. The code of conduct is available on the website of the Company www.averyindia.co.in. The code has been circulated to all the members of the Board and senior management and they have affirmed compliance with the code of conduct. A declaration signed by the Chief Executive Officer (CEO) to this effect is attached to the Annual Report.

Risk Management

The Company has established an effective risk assessment and minimization procedures, which are reviewed by the Board periodically. There is a structure in place to identify and mitigate various risks faced by the Company from time to time.

Subsidiary companies

The Company does not have a material non-listed Indian subsidiary.

8. Means of Communication

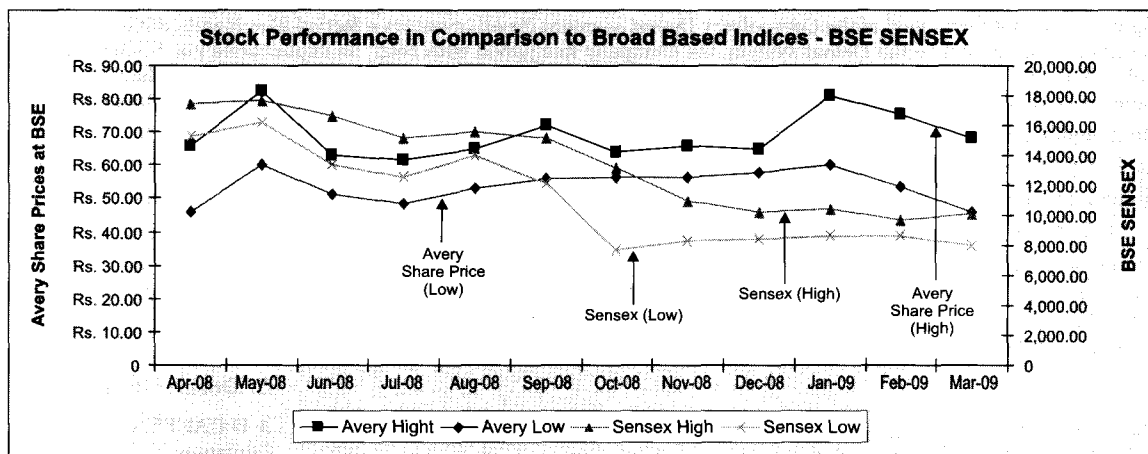
The quarterly and half yearly results of the Company are forthwith communicated to the Stock Exchanges with whom the Company has listing agreements as soon as the results are approved and taken on record by the Board of Directors of the Company. Further the results are generally published in Financial Express - (English) and Aajkal - (Bengali). The results are also made available to the media, analysts, fund managers, investors etc. as demanded from time to time ensuring wider publicity. No presentation was made to institutional investors or analysts during the year.

Management Discussion and Analysis forms part of the Directors' Report on the Annual Accounts, which is sent to each shareholder.

9. General Shareholder Information

Registered Office	28/2, Waterloo Street, Kolkata - 700 069																																										
AGM: Date & Time	24th September 2009 at 11:00 a.m.																																										
Venue	at Kala Mandir, Kala Kunj, 48, Shakespeare Sarani, Kolkata 700 017																																										
Financial Calendar	April to March i) First Quarter Results - End July 2009 ii) Half-yearly Results - End October 2009 iii) Third Quarter Results - End January 2010 iv) Results for the year ending 31st March 2010 in April 2010 v) Date of Book Closure: 17th September 2009 to 24th September 2009 (both days inclusive)																																										
Dividend Payment date(s)	Dividend is not recommended.																																										
Listing on Stock Exchange	Equity shares of the Company are listed on Stock Exchanges at Mumbai and Kolkata. The Company has paid the listing fees to both the Stock Exchanges for the year 2008- 2009.																																										
Stock Code	The Kolkata Stock Exchange Association Limited: 11045 BSE, Mumbai: 526556																																										
ISIN Number	ISIN Number for NSDL and CDSL: INE 906A01010																																										
Market Price Data	High, Low during each month in last financial year																																										
MARKET PRICE DATA																																											
High/Low market price of the Company's shares traded on the BSE, Mumbai during the period 01.04.2008 to 31.03.2009	<table border="1"> <thead> <tr> <th rowspan="2">MONTH</th><th colspan="2">BSE</th></tr> <tr> <th>HIGH</th><th>LOW</th></tr> </thead> <tbody> <tr><td>April, 2008</td><td>65.95</td><td>46.10</td></tr> <tr><td>May, 2008</td><td>82.50</td><td>60.00</td></tr> <tr><td>June, 2008</td><td>62.90</td><td>51.05</td></tr> <tr><td>July, 2008</td><td>61.45</td><td>48.25</td></tr> <tr><td>August, 2008</td><td>65.00</td><td>53.10</td></tr> <tr><td>September, 2008</td><td>72.00</td><td>56.00</td></tr> <tr><td>October, 2008</td><td>63.95</td><td>56.15</td></tr> <tr><td>November, 2008</td><td>66.00</td><td>56.20</td></tr> <tr><td>December, 2008</td><td>65.00</td><td>58.00</td></tr> <tr><td>January, 2009</td><td>80.90</td><td>60.25</td></tr> <tr><td>February, 2009</td><td>75.45</td><td>53.50</td></tr> <tr><td>March, 2009</td><td>68.00</td><td>45.90</td></tr> </tbody> </table>		MONTH	BSE		HIGH	LOW	April, 2008	65.95	46.10	May, 2008	82.50	60.00	June, 2008	62.90	51.05	July, 2008	61.45	48.25	August, 2008	65.00	53.10	September, 2008	72.00	56.00	October, 2008	63.95	56.15	November, 2008	66.00	56.20	December, 2008	65.00	58.00	January, 2009	80.90	60.25	February, 2009	75.45	53.50	March, 2009	68.00	45.90
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STOCK PERFORMANCE IN COMPARISON TO BROAD BASED INDICES - BSE SENSEX



Registrar & Share Transfer Agents : C B Management Services (P) Ltd.
P-22, Bondel Road, Kolkata-700 019
Telephone : 91 33 40116700
E-mail : rta@cbmsl.com

Share Transfer System : Managing Director has been authorized to approve the transfer and transmission of shares, issue of duplicate share certificates and allied matters. The Company's Registrars C B Management Services (P) Ltd. have adequate infrastructure to process the share transfers. A well planned process cycle at 15 to 17 days interval ensures dispatch of transferred share certificates within 25 to 30 days of their Lodgment, if the relevant documents are complete in all respects. In compliance with the Listing guidelines, every six months, the system is audited by a practicing Company Secretary and a Certificate to that effect is issued, Company scrip forms part of the SEBI's Compulsory Demat segment.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2009

Range		No. of Shareholders	%	No. of Shares	%
From	To				
1	500	11338	96.57	922211	9.38
501	1000	220	1.87	176097	1.79
1001	2000	78	0.66	112743	1.15
2001	3000	29	0.25	71310	0.72
3001	4000	10	0.08	35333	0.36
4001	5000	22	0.19	104099	1.06
5001	10000	23	0.20	155609	1.58
10001	and above	21	0.18	8254900	83.96
TOTAL		11741	100.00	9832302	100.00

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2009

Category	No. of Shares held	% of Share Capital
A. PROMOTER'S HOLDING		
1. Promoters		
- Indian Promoters	—	—
- Foreign Promoters	7,696,837	78.28
2. Persons acting in concert	—	—
Sub-Total	7,696,837	78.28
B. NON-PROMOTER'S HOLDING		
3. Institutional Investors		
(a) Mutual Funds and UTI	4045	0.04
(b) Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions/ Non-Government Institutions)	86,128	0.88
(c) FIIs	—	—
Sub - Total	90,173	0.92
4. Others		
(a) Private Corporate Bodies	180573	1.83
(b) Indian Public	1816804	18.48
(c) NRIs/OCBs	15356	0.16
(d) Others (Clearing Members)	32559	0.33
Sub-Total	2045292	20.80
GRAND TOTAL	9832302	100.00