

BOARD OF DIRECTORS

NON-EXECUTIVE DIRECTORS

RAJUL SANDEEP JHAVERI
M. K. SINHA
DINESH SHAH
YOGEN LATHIA
VIJAY D. AJGAONKAR
RANJAN P. GUPTA

CHAIRPERSON
DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR

EXECUTIVE DIRECTORS

SANDEEP JHAVERI
KRISHNA KUMAR SADANI
ABHISHEK JHAVERI
MRUNAL JHAVERI

MANAGING DIRECTOR
JT. MANAGING DIRECTOR
WHOLE TIME DIRECTOR
WHOLE TIME DIRECTOR

AUDITORS

M/S. BHATTER & COMPANY
ASHISH GUPTA

CHARTERED ACCOUNTANTS, MUMBAI.
COMPANY SECRETARY

BANKERS

THE SARASWAT CO-OPERATIVE BANK LIMITED

REGISTERED OFFICE

GUT NO. 74, FAROLA, PAITHAN ROAD,
AURANGABAD-431105
PHONE +91-2431-251663/4
FAX +91-2431-251661

WORKS

UNIT-I

GUT NO. 74, FAROLA, PAITHAN ROAD,
AURANGABAD-431105
MAHARASHTRA

UNIT-II

SURVEY NO. 135/2, VILLAGE DAPADA,
KHANVEL ROAD, SILVASSA-369 230
U.T. OF DADRA AND NAGAR HAVELI

UNIT-III

SURVEY NO. 188/2/1, VILLAGE LUHARI,
SILVASSA-369 230, U.T. OF DADRA AND NAGAR HAVELI

SHARE REGISTRAR AND TRANSFER AGENTS

M/S LINK INTIME INDIA PRIVATE LIMITED
C-13, PANNALAL SILK MILLS COMPOUND,
L.B.S. MARG, BHANDUP (W)
MUMBAI – 400 078

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CHAIRPERSON'S MESSAGE

Dear Stakeholders,

It gives me pleasure to inform you that your company is now 25 Years old and during these 25 years, for first time, JFL has crossed gross turnover of Rs. 200 crores. This has given all of us a reason to celebrate silver jubilee year. Your company was established in April 1985 with one unit one product and now after reconstruction of the business model, it has three units and a basket of products. In its 25 years of time your company has seen various ups and downs, revolutionary invention in the applications of plastic packaging, up gradation in technology. We have now acquired an experienced age and image to successfully confront any type of challenges.

Another celebrating concern for all of us is that there has been a good growth in all sectors of the Indian economy and recoveries across the globe post one of the worst financial crisis of 2008. The government of India has projected GDP growth rate of 8% plus for the year 2010-11.

Your company continues its focus to invent new and advance applications in packaging solutions and therefore we continue to add to our list new products which benefit our customers in terms of their requirements of low cost and effective packaging. Today with increased competition from organized/unorganized domestic and overseas players who are working at low margins, our focus has moved towards obtaining economies of scale by increasing production, efficiency and reducing wastage and downtime.

Maintaining its hold in the domestic market, the company is now focused to expand its overseas market resulting in an increased export turnover every year. Despite the recession in the countries where your company exports, the export turnover was Rs. 358.06 lakhs during the year 2009-10; registering growth of 153.30% compared to previous year.

We are expecting a much stronger year ahead in terms of both, revenue and margin growth. This is backed by successful execution and implementation of our business strategy and plan.

I would like to thank you for placing your faith in the company. I wish to thank all members of the Jhaveri Flexo team and all our business associates for their contribution to the success of Jhaveri Flexo in achieving 25 years confidently. I trust to get constant support from all the stakeholders, employees, workers and our business associates for the future times to come.

With Best Regards,

Rajul Sandeep Jhaveri

NOTICE

Notice is hereby given that the 24th Annual General Meeting of Jhaveri Flexo India Ltd. will be held on Thursday the 30th day of December 2010 at 10:30 A.M. at Gut No. 74, Farola, Paithan Road, Aurangabad-431105 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Balance Sheet of the company as on 31st March 2010, the audited Profit and Loss Account for the year ended on that date, the Auditors' Report thereon and the Report of the Board of Directors.
- 2) To consider and declare dividend on equity shares.
- 3) To appoint Director in place of Mr. Dinesh J Shah who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint Director in place of Mr. Ranjan P Gupta who retires by rotation and being eligible offers himself for re-appointment.
- 5) To appoint auditors and fix their remuneration.

SPECIAL BUSINESS:

- 6) To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 255, 257 and other applicable provision, if any, of the Companies Act, 1956, Mr. Mrunal Jhaveri who was appointed as additional director by the Board of Directors of the company and holds office upto the date of this Annual General Meeting and in respect of whom the company has received a notice from a member in writing proposing his candidature to the office of Director, be and is hereby appointed as director of the Company liable to retire by rotation."

- 7) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or enactment(s) thereof) and all other statutory provisions, approvals including approval of Central Government, if required, the consent of the Company be and is hereby accorded for appointment of Mr. K K Sadani as Jt. Managing Director of the company for a period of 5 years from 28th May 2010 to 27 May 2015 at a remuneration as given below and the resolution passed by the members of the company in their Annual General Meeting held on 08th September 2008 for re-appointment of Mr. K. K. Sadani as an Executive Director with effect from 28th June 2008 for a period of 5 years be superseded by this resolution.

Basic Salary: Rs. 75,000/- per month.

Perquisites: In addition to salary, the Joint Managing Director shall also be eligible for perquisites as classified into two categories, A and B:

Category A:

Housing: The house rent allowance of Rs. 25,000/- per month.

Children Education Allowance: Rs.12,100/- per month.

Medical Reimbursement: Expenses incurred by him and his family subject to a ceiling of one month salary in one year or three months salary for a period of three years.

Leave Travel Expenses: LT expenses for him and his family once in a year incurred as per the rule specified by the company.

Club fees: Club fees subject to a maximum of two clubs excluding the admission and life membership.

Insurance: Personal accident insurance, medical insurance and other insurance as per the rules of the Company.

Category B:

Contribution to Provident Funds, Pension/Superannuation fund: The Company's contribution to provident

fund and superannuation fund as per the Rules of the Company.

Gratuity: As per rules of the Company.

Encashment of leave: As per rules of the Company.

Provision of car and telephone: Provision of car for use on the company's business and telephone at residence will not be considered as perquisites.

RESOLVED FURTHER THAT the remuneration specified above or altered and varied at any time hereafter shall not exceed the limits prescribed from time to time under section 198, 269, 309 and other applicable provisions of the companies Act, 1956 read with schedule XIII to the said Act and in case of the company has no profits or its profit are inadequate in any financial year, the Jt. Managing Director would be entitled to receive the remuneration upto the limit of minimum remuneration as prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as amended from time to time.

RESOLVED FURTHER THAT the Jt. Managing Director will also be entitled to reimbursement of all entertainment and other expenses actually and properly incurred for the business of the Company.

RESOLVED FURTHER THAT the Jt. Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof."

- 8) To consider, and if, thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED that pursuant to the provisions of sections 198, 269, 309 read with schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or enactment(s) thereof) and all other statutory provisions, approvals including approval of Central Government, if required the consent and approval of the shareholders of the company be and is hereby accorded for appointment of Mr. Mrunal Jhaveri as Whole Time Director of the company for a period of 5 years from 28th January 2010 to 27th January 2015, if re-appointed as director at the time of his retirement by rotation, at a remuneration as given below.

Basic Salary: Rs. 35000/- per month.

Perquisites: In addition to salary, the Whole Time Director shall also be eligible for perquisites as classified into two categories, A and B:

Category A:

Housing: The house rent allowance of Rs. 10,000 P.M.

Medical Reimbursement: Expenses incurred by him and his family subject to a ceiling of one month salary in one year.

Leave Travel Expenses: LT expenses for him and his family once in a year incurred as per the rule specified by the company.

Club fees: Club fees subject to a maximum of two clubs excluding the admission and life membership.

Insurance: Personal accident insurance, medical insurance and other insurance as per the rules of the Company.

Category B:

Contribution to Provident Funds, Pension/Superannuation fund: The Company's contribution to provident fund and superannuation fund as per the Rules of the Company.

Gratuity: As per rules of the Company.

Encashment of leave: As per rules of the Company.

Provision of car and telephone: Provision of car for use on the company's business and telephone at residence will not be considered as perquisites.

RESOLVED FURTHER THAT the remuneration specified above or alter and vary at any time hereafter shall not exceed the limits prescribed from time to time under section 198, 269, 309, 314 and other applicable provisions of the companies Act, 1956 read with schedule XIII to the said Act and in case of the company has no profits or its profit are inadequate in any financial year, the Whole Time Director would be entitled to receive the remuneration upto the limit of minimum remuneration as prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as amended from time to time.

RESOLVED FURTHER THAT the Whole Time Director will also be entitled to reimbursement of all entertainment and other expenses actually and properly incurred for the business of the Company.

RESOLVED FURTHER THAT the Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.”

- 9) To consider, and if, thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED** that pursuant to the provisions of sections 198, 269, 309 read with schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or enactment(s) thereof) and all other statutory provisions, approvals including approval of Central Government, if required the consent and approval of the shareholders of the company be and is hereby accorded for appointment of Mr. Abhishek Jhaveri as Whole Time Director of the company for a period of 5 years from 28th January 2010 to 27th January 2015, if re-appointed as director at the time of his retirement by rotation, at a remuneration as given below.

Basic Salary: Rs. 35000/- per month.

Perquisites: In addition to salary, the Whole Time Director shall also be eligible for perquisites as classified into two categories, A and B:

Category A:

Housing: The house rent allowance of Rs. 10,000 P.M.

Medical Reimbursement: Expenses incurred by him and his family subject to a ceiling of one month salary in one year.

Leave Travel Expenses: LT expenses for him and his family once in a year incurred as per the rule specified by the company.

Club fees: Club fees subject to a maximum of two clubs excluding the admission and life membership.

Insurance: Personal accident insurance, medical insurance and other insurance as per the rules of the Company.

Category B:

Contribution to Provident Funds, Pension/Superannuation fund: The Company's contribution to provident fund and superannuation fund as per the Rules of the Company.

Gratuity: As per rules of the Company.

Encashment of leave: As per rules of the Company.

Provision of car and telephone: Provision of car for use on the company's business and telephone at residence will not be considered as perquisites.

RESOLVED FURTHER THAT the remuneration specified above or alter and vary at any time hereafter shall not exceed the limits prescribed from time to time under section 198, 269, 309, 314 and other applicable provisions of the companies Act, 1956 read with schedule XIII to the said Act and in case of the company has no profits or its profit are inadequate in any financial year, the Whole Time Director would be entitled to receive the remuneration upto the limit of minimum remuneration as prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956 as existing or as amended from time to time.

RESOLVED FURTHER THAT the Whole Time Director will also be entitled to reimbursement of all entertainment and other expenses actually and properly incurred for the business of the Company.

RESOLVED FURTHER THAT the Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.”

By Order of the Board of Directors

Place: Mumbai

Date: 12.11.2010

Rajul Sandeep Jhaveri
Chairperson

NOTES

1. MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (hereinafter referred as AGM or Meeting) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF & A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxy forms, duly stamped should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
2. Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of business under item nos. 6 to 9 set out above, is annexed hereto and forms part of this notice.
3. The Register of Members and Share Transfer Books of the Company will be closed from 25th December 2010 to 30th December 2010 (both days inclusive). If dividend as recommended by the Board of Director is approved at the meeting, payment of such dividend will be made within 30 days from the date of AGM:
 - i) To all beneficial owners of equity shares held in electronic form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (I) Limited for this purpose as of the close of business hours on 24th December 2010.
 - ii) To all shareholders in respect of whose names appear on the register of members of the company after giving effect to valid transfers in respect of transfer requests lodged with the company on or before the close of business hours on 24th December 2010.
4. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the company for payment of the dividend. The company or its registrars cannot act on any request received directly from the shareholders holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository participant of the shareholders.
5. In order to avail the facility of Electronic Clearing System for receiving direct credit of dividend to his/their respective account with banks, the member holding shares in physical form are requested to provide their bank account details in the ECS form attached to the Annual Report, to the company's Registrar & Transfer Agent-Link Intime India Private Limited.
6. Brief Details of Directors seeking re-appointment: The directors Mr. Dinesh Shah and Mr. Ranjan Gupta retire by rotation at the twenty fourth annual general meeting of the company and being eligible, offer themselves for reappointment.

Mr. Dinesh Shah, aged 53 years, is a Non-Executive and Independent Director of the Company. He is a Commerce graduate by qualification and a share broker by profession. He has been instrumental in leading Share Brokerage firm; D. J. Shah Securities Limited in Mumbai. He has knowledge on the securities market and SEBI's rules and regulation. His understanding on financial instruments helps our Company in critical financial Issues.

He holds directorship in D.J.Shah Securities Pvt. Ltd. and Wellworth Industries Ltd. He is also chairman of two Board committees in other companies where he holds directorship.

As on 31st March 2010, Mr.Dinesh Shah holds (4,95,000) equity shares of the company.

Mr. Ranjan Gupta, aged 57 years, is a Non- Executive and Independent Director of our Company. He is a Bachelor of Arts and a Bachelor of Law by qualification. Currently a legal consultant by profession he has worked for 24 years with SICOM Limited in its legal department. He guides us in all our legal matters.

Apart from being an independent director of Jhaveri Flexo India Ltd., he holds directorship in Wellworth Industries Ltd. as well. He is also member of one of the Board committees in other company where he holds directorship.

Jhaveri Flexo India Limited

None of the shares of the company are held by him as on 31st March 2010.

7. All the documents referred to in the accompanying notice are open for inspection at the registered office of the company on all working days except Sunday and Holidays between 11:00 a.m. to 5:00 p.m. upto the date of Annual General meeting.
8. Members holding shares in physical form are requested to consider dematerializing the same.
9. Members who have not appointed nominees are requested to appoint nominees. The prescribed form for the appointment of nominee will be made available on request.
10. Members desirous of obtaining any information concerning the accounts and operations of the company for the financial year ended on 31st March, 2010 are requested to address their questions to the company secretary at the registered office of the company at least 10 days before the date of meeting so that the requested information is made available at the meeting, to the best extent possible.
11. The members are requested to send all communication relating to shares to Share Transfer Agents of the Company including changes, if any, in their registered address at an early date and bring the copy of the Annual Report and Attendance Slip with them to the Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 6 & 8

Mr. Mrunal Jhaveri was appointed as Additional Director by the Board of Directors of the Company in their meeting held on 29th October 2009 on existing salary. Seeing his active working and whole time employment in the company the board of directors in their meeting held on 28th January 2010 appointed him as whole time director.

Mr. Mrunal Jhaveri was working as a Vice President- Klin Wrap Marketing in the company. He has completed Marketing and Management from Middlesex University, London. He has got rich experience in the company. Currently he is looking after marketing strategy of the company specifically company's consumer pack Klin Wrap. His appointment as mentioned in resolution nos. 6 and 8 shall give a modern outlook to the marketing tactics of the company.

He holds directorship in none other company and accordingly is not a member of any Board committee. As on 31st March 2010 he holds 56,000 equity shares of the company.

The resolution as mentioned in point no. 6 & 8 of this notice and this explanatory statement are and should be treated as an abstract under section 302 of the Companies Act 1956.

The Board recommends these resolutions for your approval.

None of Directors except Mr. Mrunal Jhaveri as appointee, Mr. Sandeep Jhaveri and Mrs. Rajul Jhaveri directors of the company being relatives, are concerned or interested in the said resolutions.

ITEM NO. 7

Mr. K. K. Sadani aged 47 years is working in the whole time employment of the company since 1995 and as Executive Director of the company form 1998.

He has done his bachelor of Commerce from the University of Kolkata. He has more than 15 years of experience in the plastic packaging industry. He is actively involved in designing corporate strategies, future growth plans for the company. The company had reappointed him as an executive director with effect from 28th June 2008 for 5 years.

Mr. K. K. Sadani has immensely contributed for the growth of the company through his skills, talent and

commitment. The company has embarked upon the expansion and diversification activities to achieve a much higher growth rate under his guidance and supervision. Looking at above the board of directors of the company has promoted him from the post of Executive Director and appointment as Jt. Managing Director for a period of 5 years on 28th May 2010.

He is on the Board of Directors of the following companies: 1. Wellworth Industries Ltd. 2. Vaishali (India) Ltd. 3. Vaishali Pigments Pvt. Ltd. He is a member of three Board committees and is a chairman of one committee in other companies where he holds directorship.

As on 31st March 2010, Mr. Krishna Kumar Sadani holds 40,000 equity shares of the company.

The resolution as mentioned in point no. 7 of this notice and this explanatory statement is and should be treated as an abstract under section 302 of the Companies Act 1956.

Your directors recommend the resolution for your approval. None of the directors except Shri Krishna Kumar Sadani is concerned or interested in this resolution.

ITEM NO. 9

Mr. Abhishek Jhaveri was appointed as Director in the Annual General Meeting of the Company held on 08th September 2008. Seeing his active and whole time working in the company the Board of Directors in their meeting held on 28th January 2010 appointed him as whole time Director.

He has completed his bachelor's in Science and in Industrial and Manufacturing Management from Purdue University, USA and Masters in managing business excellence from Warwick University UK. Currently he is looking after Production and Manufacturing activities of Dapada Unit at Silvassa of the company. His up to date knowledge of production techniques and methods will help to enhance the manufacturing capacity and his higher studies and knowledge of latest international communication skills will help the company in general and its staffs and workers in particular in furthering the cause of innovate communication skills.

He holds directorship in none other company and accordingly is not a member of any Board committee. As on 31st March 2010 he holds 14,75,500 equity shares of the company.

The resolution as mentioned in point no. 9 of this notice and this explanatory statement are and should be treated as an abstract under section 302 of the Companies Act 1956.

Your directors recommend the resolution for your approval. None of directors except Mr. Abhishek Jhaveri is concerned or interested in this resolution.

By Order of the Board of Directors

Place: Mumbai
Date: 12.11.2010

Rajul Sandeep Jhaveri
Chairperson

DIRECTORS' REPORT

Your Directors are pleased to present the 24th Annual Report together with the audited Balance Sheet and Profit & Loss Account for the year ended 31st March 2010.

1. FINANCIAL RESULTS:**Rs. in lakhs**

Particulars	Current Year 31 st March 2010	Previous Year 31st March 2009
Gross Sales	20010.95	19173.12
Less excise duty	1582.56	2250.62
Net Sales	18428.40	16922.50
Raw Material Consumption	13717.88	12740.70
Profit before Interest, Depreciation and Tax	1482.06	1284.06
Less: Interest	425.13	434.59
Profit before Depreciation and Tax	1056.93	849.47
Less: Depreciation & Amortization	843.37	664.73
Profit before Tax	213.56	184.74
Less: Provision for Taxation	108.44	84.53
Profit after tax	104.92	100.21
Appropriation:		
Dividend (proposed for the current FY)	62.90	62.90
Dividend Distribution Tax	10.69	10.69
Balance carried to balance sheet	1171.78	1140.45

- 2. PERFORMANCE:** Turnover net of excise during the year ended on 31st March 2010 was Rs. 18428.40 lakhs as against Rs. 16922.50 lakhs in previous year and net profit was Rs. 104.92 lakhs as against Rs. 100.21 lakhs in previous year registering an increase of approximately 9% in turnover and an increase of approximately 5% in net profit.

During the year under review export turnover increased by Rs. 216.70 lakhs registering growth of 153.30% compared to previous year. It shows satisfactory progress towards tapping export market. However during the year under review growth in top line and bottom line is not as much as expected mainly due to not fully operational of couple of new plants, non-supply of power in Luhari unit and challenges in pricing & input cost. Your directors are confident that during the year of 2010-11 all plants will be fully operational and new & existing developed products will come in main stream and shall increase our ability to cater to the domestic as well as overseas volumes in consumption to help more than mitigate these challenges.

- 3. DIVIDEND:** Your directors have recommended a dividend of Rs. 0.25 per equity share having face value of Rs. 5/-each i.e. 5% keeping same rate as previous year. The proposed dividend including dividend distribution tax will absorb Rs. 73.59 lakhs for the financial year ended on 31st March 2010. During the year the company has not transferred any amount to reserve account.
- 5. FIXED DEPOSIT:** Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 from the public.