



JHAVERI WELDFLUX LIMITED

19 TH ANNUAL REPORT
2009-2010

**BOARD OF DIRECTORS**

Pankaj Jhaveri
(Chairman/Mg. Director)

Jayesh Jhaveri

Kavita Jhaveri

Hemant J Jhaveri

Gaurav Sheth

CONTENTS

Notice	2
Directors' Report	3
Corporate Governance.....	4
Auditors' Report	7
BalanceSheet	8
Profit and Loss Account	9
Schedules	9
Notes on the Balance Sheet & Profit and Loss Account	12
Cash Flow.....	14

BANKERS

Union Bank of India

AUDITORS

Hiteshkumar P Shah
(Chartered Accountants, Mumbai)

REGISTERED OFFICE

Panchsheel Industrial Estate, Plot
No.27/28, Village Kharsundi, Taluka
Khalapur, Dist. Raigad, Maharashtra.

ADMINISTRATIVE OFFICE

728, The Commodity Exchange Building,
Plot Nos. 2, 3 & 4,
Sector-19, Vashi, Navi Mumbai - 400 705.

Registrar & Share Transfer Agents:

Intime Spectrum Registry Ltd.,
c-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai-400 078

ANNUAL GENERAL MEETING

On Saturday, the 25th September,
2010, at Panchayat Samiti Hall,
Opposite Tahsildar Office, Khalapur,
District Raigad, Maharashtra, at
11.00 a.m.

Members are requested to kindly
bring their copies to the meeting.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting of the Company will be held at Panchayat Samiti Hall, Opposite Tahsildar Office, Khalapur, District Raigad, Maharashtra on Saturday, the 25th September, 2010 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2010 and the Profit & Loss Account for the period ended on that date together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a director in place of Mr. Pankaj Jhaveri who retires by rotation and being eligible, offers himself for reappointment and authorise the Board to fix his remuneration.

3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT Pursuant to Section 146(2)(b) of the Companies Act 1956, the Registered office of the company be Shifted from "Panchsheel Industrial Estate, Plot No. 27/28, Village Kharsundi, Taluka Khalapur District Raigad"-410206 To "14/B-318, Sector-19, Vashi, Navi Mumbai-400705."

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to complete all the necessary formalities to give effect to the above Resolution."

By Order of the Board

Jayesh Jayesh Jhaveri
(Director)

Vashi, Navi Mumbai, 28th June, 2010

Registered Office: Panchsheel Industrial Estate, Plot No.27/28, Village Kharsundi, Taluka Khalapur, District Raigad.

NOTES:

1.A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. THE REGISTER OF MEMBERS AND THE SHARE TRANSFER BOOKS OF THE COMPANY SHALL REMAIN CLOSED FROM SATURDAY, 18TH SEPTEMBER 2010 TO SATURDAY, 25th SEPTEMBER 2010 (BOTH DAYS INCLUSIVE).

3.MEMBERS ARE REQUESTED TO NOTIFY ANY CHANGE IN THE ADDRESS TO THE SHARE DEPARTMENT OF THE COMPANY.

4.THE EQUITY SHARES OF YOUR COMPANY HAVE ALREADY BEEN ADMITTED FOR DEMATERIALISATION WITH CDSL & NSDL. ALL SHAREHOLDERS ARE REQUESTED TO DEMAT THEIR SHARES THROUGH THEIR DEPOSITORY PARTICIPANTS.

5.THE EQUITY SHARES OF THE COMPANY ARE LISTED AT THE FOLLOWING STOCK EXCHANGES & PRESENTLY SUSPENDED

1.THE STOCK EXCHANGE, MUMBAI PHIROJ JEEJEEBHOY TOWERS, DALAL STREET, MUMBA-4000 021.

2.THE STOCK EXCHANGE, AHMEDABAD KAMADHENU COMPLEX, OPP. SAHAJAN COLLEGE, PANJARA POLE AMBAVADI, AHMEDABAD-380015.

6. THE SHARE DEPARTMENT OF THE COMPANY IS HANDLED BY M/S. INTIME SPECTRUM PVT. LTD & IS LOCATED AT: C-13, PANNALAL SILK MILLS COMPOUND, L.B.S. MARG, BHANDUP (WEST), MUMBAI-400078.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956:

Item No. 7:

In view of sale of Factory Premises, Board proposes shifting of registered office from "Panchsheel Industrial Estate, Plot No. 27/28, Village Kharsundi, Taluka Khalapur, District Raigad - 410206" to "14/B - 318, Sector - 19, Vashi, Navi Mumbai -400705."

Since the Company proposes to shift the registered office from one city to another which requires approval from the members of the Company. Therefore the above resolution is put for the approval of the members of the Company.

None of the Directors of the Company are deemed to be interested or concerned in the said resolution

By Order Of the BoardBy Order Of the Board

Jayesh Jhaveri
(Director)

Date:28TH JUNE,2010

Place: Vashi, Navi Mumbai

Registered Office: Panchsheel Industrial Estate, Plot No.27/28, Village Kharsundi, Taluka Khalapur, District Raigad.Regd. Office :

DIRECTORS REPORT

Your Directors present herewith the 19th Annual Report and the Audited Statement of the Company for the financial year ended 31st March, 2010.

FINANCIAL RESULTS

(Rs. In Lacs)

	March 2009	March 2010
Turnover	03.45	2.08
Profit/(Loss) before Interest and Depreciation	(13.76)	(1.21)
Interest	-	-
Profit/(Loss) after interest but before depreciation	(13.76)	(1.21)
Depreciation	03.13	-
Profit/(Loss) after interest and Depreciation	(16.89)	(1.21)
Profit/(Loss) before Tax	(16.89)	(1.21)
Taxation	-	-
Loss after Tax	(16.89)	(1.21)
Balance Carried to balance sheet	(16.89)	(1.21)

PERFORMANCE OF THE COMPANY:

The company has cleared off all its secured liabilities except deferred sales tax liabilities amounting to Rs.11,89,707/-. The total debts of the company are Rs.34,92,082 out of which nearly 97.76% amounting to Rs.34,13,721 are more than six months old out of which court cases for nearly 78.14% for Rs. 26,67,613 have been filed.

The trading of the company's shares have been suspended on the stock exchanges due to non compliance of the listing agreement. The Listing fees of the Bombay stock Exchange & The Ahmedabad Stock Exchanges are pending from the year 2006-2007

DIVIDEND

In view of the losses being suffered by the company and the capital & reserves of the company being wiped out by nearly 92.64% the directors are not in a position to declare any dividends and so dividend is not recommended for the year.

DIRECTORS

Mr. Pankaj Jhaveri retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors, based on the representations received from the Operating Management, and after due enquiry, confirm that:-

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- They have, in the selection of the accounting policies, consulted the statutory Auditors and these have been applied consistently and reasonably and so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the losses incurred by the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting record with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis.

PARTICULARS OF EMPLOYEES:

There are no employees drawing salaries whose particulars are required to be annexed in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 as amended till date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNED AND OUTGO.**A. CONSERVATION OF ENERGY :**

Since the company has shut down its manufacturing operations no efforts were made towards conservation of energy.

B. TECHNOLOGY ABSORPTION :**1. RESEARCH & DEVELOPMENT :**

- Specific Area in which Research & Development carried out by the company:

Research & development work was not undertaken as there were no production activities.

- Benefit derived as a result of above Research & Development.

No benefits

- Future plan of action.

At present the company is making all efforts to recover its dues from its debtors and clear all its liabilities.

- Expenditure on Research & Development.

	2009	2010
a.) Capital	Nil	Nil
b.) Recurring	Nil	Nil
c.) Total	Nil	Nil
d.) Total Research & Development as a percentage of total turnover	Nil	Nil

II . TECHNOLOGY ABSORPTION & INOVATION:

- Effort made towards technology absorption :

Technology used in production process was only indigenous and largely due to inhouse Research & Development

- Benefit derived :

Company was self sufficient in technology which helped in product and process improvement and cost reduction.

- Information regarding imported technology during the last five years: Not Applicable.

III.FOREIGN EXCHANGE EARNED AND OUT-GO: Nil**FIXED DEPOSITS :**

The Company has not accepted any Fixed Deposits during the year under review within the meaning of the Companies Act, 1956 and the rules made thereunder.

AUDITORS :

Mr. Hiteshkumar Shah, Chartered Accountants, retire as Auditors of the Company at the end of the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment. Your Directors request you to reappoint them as the Statutory Auditors for the current financial year.

ACKNOWLEDGEMENTS:

Your Directors express their gratitude to the Financial Institution and Banks for their valuable support, continued co-operation and encouragement to the company. Your Directors wish to place on record their appreciation of the efforts, assistance and support of the employees at various levels of the Company.

Your Directors thank you and look forward to your continuing support.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR JHAVERI WELDFLUX LIMITED****Pankaj Jhaveri****Chairman/Managing Director.**

Place: Vashi, Navi Mumbai

Date: 28th June, 2010

Regd Office: 27/28 Panchsheel Indl. Est., Kharsundi, Khalapur, Raigad, Maharashtra.