

Chairman's Letter to Shareholders

“innovate and enhance quality”

Dear Shareholders,

On behalf of board of directors, I welcome all of you at the 15th Annual General Meeting. Please accept my greeting during the festive season.

It is my privilege to share the highlights of another milestone year which the company has completed with your support and good wishes. It is all the more creditable in the backdrop of slowing down of global economy, falling revenue and profitability for most business enterprises beset with innumerable hurdles.

Let me highlight some of the notable features of the Company's performance during the bygone years. Since inception, it is our belief that we can offer, what we have. This was the basic philosophy guiding us to continuously expand our production base to produce and supply a variety of products serving diverse customer needs. Just look at our sales graph and you will appreciate that the rise in sales from Rs.162.80 million in 1998-99 to Rs.4,212.60 million in 2008-09 is an annual growth rate of 38% over a decade on a year to year basis. During the same period net income rose from Rs.3.91 million to Rs.381.40 million at a growth rate of 58% on a year to year basis. Growth came not only in terms of sales and net income, but we also grew in assets and customer base, production capacity and variety of products offered. This coupled with ISO certifications, investment grade safety rating, steady rise in foreign exchange earnings, timely implementation of expansion project without cost overrun and a growing family of investors will confirm that we never sacrificed quality for quantity. However, it was never a cake walk to achieve such performance. When we started, aluminium foil containers & rolls industry was at nascent stage. People were cost conscious and nobody believed that hygienic eating system is worth a try. In fact we had to educate the people about benefits of using aluminium foil products in terms of convenience, hygienic benefits and recyclability.

I would also seize this opportunity to apprise you about the value we are creating for you. As a part of our normal ongoing growth, new presses and moulds have already been received and installed. This will enhance our product portfolio enabling us to offer more convenient packaging solution to our customers. An expansion project of Rs.2,400 million has been started which is progressing at full swing with a commitment to schedule it for production by March, 2010. Orders are already placed for necessary equipments/tools and we have tied up for utility and other requirements. It is being implemented through loan fund of Rs.1,500 million and internal accruals-cum-equity contribution of Rs.900 million. When completed it will earn decent increment for us to share and plough back.

Apart from physical production resources, we have established Good Manufacturing Practices (GMP) & HACCP in accordance with international standard which has been audited / certified by Intertek of Sweden. In addition we have secured ISO: 9001:2000 & ISO 22000:2005 certifications for our production system. One of the manufacturing units has been converted into 100% EOU from January 2009 to meet ever growing export demand. We participated in international trade fair at Dubai and Chicago as well as at Germany and Australia. CRISIL & CARE have rated our loan instrument as “A+” and Dun & Bradstreet has upped the company's rating to “5A2-GOOD”. CARE has rated Company's short term debt programme at highest rating of “PR1+”.

We are increasing our focus on brand building by entering into retail value added business. The production resources available to us provide good opportunity to enhance value addition for better returns. This is sought to be achieved through tie up with malls and retail marketing chains. This will enable us to deal directly with ultimate customer and provide innovative recyclable products. As you know, aluminium foil containers are recyclable and help us preserve green earth and protect our environment.

We understand that all these achievement need continued participation and support from employees, suppliers, customers and government agencies. We will continue to invest in our people to improve their capabilities and strength. We will treat our suppliers as our partners and give them fair treatment. Our customers are our mainstay and we shall continue to innovate and solve their packaging problems to their satisfaction. We will comply with all legal and social obligations by contributing to government at all levels.



Finally, we are thankful to you for your continued support by way of investment in the company. We are committed to wisely use the resources entrusted to us and will seek every opportunity to enhance value for you. Our vision is to create an innovative packaging solution company, daring to grow against all odds and fulfilling social and economic obligations for all its value chain partners.

Thanking you and with best wishes.

Amitabh Parekh

Chairman



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- Please bring along the copy of this Annual Report, as the same will not be distributed again at the 15th Annual General Meeting
- In deference to the Government policy, no gifts will be distributed at the A.G.M.

**CORPORATE INFORMATION****Board of Directors**

Mr. Amitabh Parekh	: Chairman & Managing Director
Mr. Rajendra Gothi	: Director
Mr. Kiran C. Parikh	: Director
Mr. Devanshu Desai	: Director
Mr. Ketan Chokshi	: Director

Audit Committee

Mr. Ketan Chokshi	: Chairman
Mr. Devanshu Desai	: Member
Mr. Kiran C. Parikh	: Member

Shareholders' / Investors' Grievance Committee

Mr. Rajendra Gothi	: Chairman
Mr. Kiran C. Parikh	: Member
Mr. Amitabh Parekh	: Member

Registered Office

601, Auto Commerce House,
Kennedy Bridge, Nana Chowk,
Mumbai-400 007, INDIA

Administrative Office

G-11, Everest Building, 8th floor,
Tardeo, Mumbai Central,
Mumbai-400 034, INDIA
Tel. # 0091-22-40844777
Fax # 0091-22-23523777 / 23524777
E-mail: contact@parekhaluminex.com
Website: www.parekhaluminex.com

Bankers

Indian Overseas Bank .	Punjab National Bank	Union Bank of India
State Bank of India	Export-Import Bank of India	

Auditors

M/s. C.V. Pabari & Co.
Chartered Accountants
A-206, Winsway Complex, Old Police Lane, Andheri (E), Mumbai-400 069, INDIA

Manufacturing Unit

Survey No.204/1, Plot No.2, Near Dadra Check Post, Village Dadra-396 191,
U.T. of D. & N.H., INDIA

Registrar & Share Transfer Agent :

M/s. TSR Darashaw Ltd.
6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi,
Mumbai-400011
Tel. No. 00 91-22-66568484
Fax No. 00 91-22-66568494
www.tsrdarashaw.com



NOTICE

NOTICE is hereby given that the **15th Annual General Meeting** of the members of **Parekh Aluminex Limited** will be held at Malabar Hill Club Ltd., B. G. Kher Marg, Mumbai - 400 006 on **Wednesday, 30th September, 2009 at 11.00 AM** to transact, inter-alia, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the financial year ended 31st March, 2009 and the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a director in place of Mr. Kiran Parikh, who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Ketan Chokshi, who retires by rotation, but being eligible, offers himself for re-appointment.
5. To appoint M/s. C. V. Pabari & Co., Chartered Accountants, retiring Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to 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 section 293 (1) (d) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) and the provisions of the Memorandum of Association and Articles of Association of the Company and in suppression of earlier resolutions passed by the members at the annual general meeting of the Company held on 9th August, 2008, the consent of the Company be and is hereby accorded to the Board of Directors (herein after referred to as the ‘Board’ which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board of Directors by this resolution) of the Company to continue to borrow such sum or sums of money in any manner from time to time, as may be required for the purpose of the business of the Company, with or without security and upon such terms and conditions as the Board may think fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained / to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however that the total amount so borrowed (apart from temporary loans obtained / to be obtained from the Company’s bankers in the ordinary course of business) shall not at any time, exceed the limit of Rs.12,000 million (Rupees Twelve Thousand Million)

FURTHER RESOLVED THAT the Board of Directors of the Company be and hereby authorised to approve, finalise, modify, settle and execute such documents / deeds / writings / papers / agreements as may be required or considered necessary by the Board and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question or difficulty



that may arise in respect of the borrowing(s) aforesaid; and further, to execute all deeds, documents and writings and take all such other steps as may be necessary or desirable to give effect to this resolution.”

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 Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”), the consent of the Company be and is hereby accorded to the Board of Directors of the Company to mortgage and / or charge, in addition to the mortgages and / or charges created / to be created by the Company, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, all or any part of the immovable and/or movable properties/assets of the Company wherever situated, both present and future, to or in favour of any Bank(s), Financial Institution(s), Company(ies) or other Organization(s) or Institution(s) or Trustee(s) (hereinafter referred to as the ‘Lending Agencies’) in order to secure the loans (excluding temporary loans obtained from the Company’s Bankers in the ordinary course of business) advanced / to be advanced by such lending agencies to the Company together with interest at the respective agreed rates, compound / additional interest, commitment charges, premium on pre-payment on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said borrowings.

FURTHER RESOLVED THAT the Board of Directors of the Company be and hereby authorised to do all such acts, deeds, documents or writings as are necessary or expedient, on behalf of the Company for creating the aforesaid mortgages and / or charges as it may in its absolute discretion deem necessary or expedient for such purpose and for giving effect to above resolution.”

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval to the reappointment of Mr. Amitabh Parekh, as Managing Director of the Company for a period of 5 years with effect from 28th August, 2009 and to the payment of remuneration with minimum salary of 5% of the Net Profit of the Company prescribed under schedule XIII of the Companies Act, 1956 or Rs.6,00,00,000/- per annum subject to maximum of 10% of the Net Profit of the Company and approval of the Central Government, particularly set out in the Explanatory Statement attached to the Notice convening this Annual General Meeting, with a liberty to the Board of Directors to alter and vary such terms and conditions including remuneration so as not to exceed the limits specified in part I i.e. maximum 10% of net profit subject to approval of the Central Government and any other applicable laws and part II i.e. in case of inadequacy of profit of Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be agreed to by the Board of Directors and Mr. Amitabh Parekh during the aforesaid period.”

By Order of the Board
For **PAREKH ALUMINEX LIMITED**

Amitabh Parekh
Chairman & Managing Director

Registered Office:
601, Auto Commerce House,
Kennedy Bridge, Nana Chowk,
Mumbai-400 007, INDIA

Mumbai, 29th June, 2009

**NOTES:**

- a) The relative Explanatory Statement as required by Section 173 of the Companies Act, 1956, in regard to the Special Business entered under items 6 to 8 is annexed hereto.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THEN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- c) The Register of members and the Share Transfer Books of the Company will remain closed from 23rd September, 2009 to 30th September, 2009 (both days inclusive).
- d) Payment of dividend on equity shares, as declared at the meeting, will be made to those members whose names appear on the Company' Register of Members as on 22nd September, 2009. Members are requested to notify immediately any change in their address.
- e) Pursuant to the provisions of Section 205A (5) read with Section 205C of the Companies Act, 1956 the amount of dividends for the Financial Year ended 31st March, 2009 and thereafter which remain unpaid and unclaimed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund established by the Central Government and no claim shall lie against the said Fund or the Company for the amounts of dividend so transferred to the said Fund. Shareholders, who have not yet encashed their dividend warrants are therefore requested to make their claim to the Company without delay.
- f) Consequent to introduction of Section 109A of the Companies Act, 1956, members are entitled to make Nomination in respect of equity shares held by them in physical form. Members desirous of making nomination are requested to submit the Nomination Form (2B) enclosed with this Notice as per instructions mentioned therein.
- g) Company's shares have compulsorily gone in for dematerialisation since March, 2001. Hence, those members who want to opt for dematerialisation are requested to follow the procedure prescribed in this respect.
- h) Members holding shares in electronic form may please note that their bank account details as furnished by the respective Depositories to the Company will be printed on dividend warrant / cheque / DD as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for deletion of / change in such bank account details.
- i) Members who desire to get dividend being directly credited to their bank account are requested to submit Mandate Form (please use form enclosed herewith for this purpose) duly filled-in together with supporting documents to the Registrar & Share Transfer Agents.
- j) Members are requested to bring their Admission slips along with copy of the Report and Accounts to the Annual General Meeting.



- k) Members, who wish to obtain any information on the Company or view the accounts for the Financial year ended 31st March, 2009 send their queries at least 10 days before the Annual General Meeting to the Secretarial Department at the Registered Office of the Company.
- l) The information as required to be provided under the Listing Agreement with the Stock Exchanges, regarding the Directors who are proposed to be appointed/re-appointed is given hereunder:
1. Re-appointment of Directors

At the ensuing Annual General Meeting, Mr. Kiran Parikh and Mr. Ketan Chokshi retire by rotation and being eligible, offer themselves for re-appointment. Pursuant to Clause 49 of the Listing Agreement, the particulars of the aforesaid directors are given below.

Particulars of Director seeking re-election:

a)	Name of the Director	:	Mr. Kiran Parikh
	Date of Birth	:	16.12.1940
	Ed. Qualification	:	B.A., D.P.Ed.
	Other Directorship	:	None
	Member of the Committee	:	Member of: 1. Audit Committee 2. Grievance Committee

Mr. Kiran Parikh is an Ex-principal and active social worker. He has strong background of administration and strategic planning. His rich experience of organizational matters and harmonizing inter-personal relationship to achieve best out of human resources is valuable to the company. His guidance on these matters helps the company to achieve targets and improve productivity. It is, therefore, in the interest of the Company to avail his services as a member of the board.

None of the directors of the Company except Mr. Kiran Parikh may be considered to be concerned or interested in the said resolution.

b)	Name of the Director	:	Mr. Ketan Chokshi
	Date of Birth	:	02.11.1966
	Ed. Qualification	:	LLB, F.C.A.
	Other Directorship	:	1. Spanco Telesystems & Solutions Ltd. 2. New Delhi Televentures Ltd. 3. Hathway Bhawani Cablenet & Datacom Ltd.
	Member of the Committee	:	1. Audit Committee – Chairman 2. Share Transfer Committee - Member

Mr. Ketan Chokshi is Fellow Chartered Accountant (FCA) as well as Law graduate (LLB). He is a member of the Institute of Chartered Accountants of India. He has professional experience of more than 15 years in financial advisory services and consulting. He has done private equity deals, is active and engaged in mergers and amalgamation activities. He has also been advising in drafting and vetting of business agreements. Company is benefited by his professional knowledge and experience, which helps it to reach on higher scale of performance. His induction in the board has enabled the Company to take sound financial and business decisions. It is, therefore, in the interest of the Company to avail his services as a member of the board.



None of the directors of the Company except Mr. Ketan Chokshi may be considered to be concerned or interested in the said resolution.

c)	Name of the Director	:	Mr. Amitabh Parekh
	Date of Birth	:	08.03.1973
	Ed. Qualification	:	B. Com.
	Other Directorship	:	1. Deepen Holding Ltd. 2. Arsenal Bulls Securities Ltd. 3. Arsenal Bulls Racing And Stud Farms Limited 4. Arsenal Bulls Entertainment Limited 5. Arsenal Bulls Realtors & Infrastructure Limited 6. Arsenal Bulls Hotel And Hospitality Limited 7. Arms Retails (India) Limited
	Member of the Committee	:	1. Grievance Committee - Member 2. Share Transfer Committee - Member

* Other Directorship does not include Private Company.

Mr. Amitabh Parekh is a B.Com graduate from Sydnehm college. He has been associated as Promoter and Executive Director of the Company since its inception. He has become the Chairman and Managing Director w.e.f. 1st November, 2000.

He is at the helm of affairs heading day-to-day operations of the Company along with all the departmental heads. With practical specialization in the production and marketing areas arising out of ten years of shop floor and market experience he has developed special niche products tailored to the client's specific requirements.

Under his leadership the Company's sales have grown to Rs.4,212.60 million in F.Y.2008-09 from Rs.2,986.16 million in 2007-08 and Net Profit has also shot up to Rs. 381.40 million in the current financial year. Under his leadership the Company started exports in the year 2000-01 and now the Company has set up 100% EOU unit from current year.

Being professionally managed, the Company acquired ISO Certifications, GMP & HACCP Certifications, 'A' rating from the bankers, Credit rating from Dun & Bradstreet, "SME-1" Highest rating from CRISIL, STAR Export House status, "PR1+" rating for Short Term Debts programme from CARE, listing on the BSE & NSE and many such laurels under his able & robust leadership. The Company's magnificent growth and its year on year expansion can be attributed to his dynamism and vision. It is, therefore, in the interest of the Company to avail his services as a member of the board.

None of the directors of the Company except Mr. Amitabh Parekh may be considered to be concerned or interested in the said resolution.

**ANNEXURE TO NOTICE**

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

ITEM NO. 6 & 7**INCREASE IN BORROWING LIMITS AND POWER TO CREATE CHARGE**

Under Section 293(1)(d) of the Companies Act, 1956 (the 'Act'), the Board of Directors of the Company cannot, except with the consent of the Company in general meeting, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital and free reserves of the Company, that is to say reserves not set apart for any specific purpose. At the Annual General Meeting of the Company held on 9th August, 2008, the Members had accorded consent to the Board of Directors for borrowings upto Rs.5,000 million.

The present limit Rs.5,000 million will not be sufficient to meet the growing demand of borrowed funds in view of the future plans of the Company and for the purpose of raising funds through loan and debt instruments such as FCCB's / ECB'S and debentures etc.

Considering the financial requirements of borrowed funds in view of the proposed expansion and new projects of the Company and rapidly growing business needs, the Company will require additional funds from time to time, and hence, the borrowing limit previously sanctioned by the members is proposed to be increased from Rs.5,000 million to Rs.12,000 million. The purpose of this resolution is to seek members consent for increase in the borrowing powers as set out in the resolution at Item no. 6 & 7

The ordinary resolution at Item no. 6 & 7 is therefore submitted to the meeting for consideration and approval of members.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

ITEM NO. 8

The Board of Directors of the Company, at its meeting held on 2nd September, 2009 re-appointed Mr. Amitabh Parekh, as the Managing Director of the Company for the period of five years from 28th August, 2009 to 27th August, 2014 on minimum salary of 5% of net profit of the Company or Rs.6,00,00,000/- per annum subject to maximum of 10% of the net profit of the Company and approval of the Central Government and other perquisites as per the provisions of the Income Tax Act, as applicable from time to time.

During his tenure as a Managing Director, Company has made growth in assets, profitability, increase in sales, he has been successfully steering the Company ahead since his appointment. Currently the Company is in process of Expansion project which is going to be completed in time in 2010 under his guidance and observation.

Company has also successfully raised equity fund through QIP & Preferential issue at a sizeable premium which will be used to fund the mega expansion project to be completed in the coming year.

Considering his knowledge, experience and leadership quality, it will be beneficial for the Company to retain him as the Managing Director on the revised terms and conditions to look after and manage the