PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF

FLEXO FILM WRAPS (INDIA) LIMITED

(Regd.Office: B-22, MIDC Industrial Area, Waluj, Aurangabad-431136)

This Public Announcement ("PA") is being issued by Ashika Capital Limited, Manager to the Offer, on behalf of Smt. Rajul S. Jhaveri pursuant to Regulation 10 & 12 and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as "Regulations").

1. THE OFFER:

a) The Offer is being made by Smt. Rajul S. Jhaveri, residing at Plot No-21, Nutan Laxmi Society, Crest Building, 6th Floor, JVPD Scheme, 9th (N-s) road, Vile Parle, Mumbai- 400 049 to the Equity Shareholders of Flexo Film Wraps (India) Limited (hereinafter referred to as "Target Company" or "FFWIL").

b) The Acquirer has entered into Share Purchase Agreements dated 15/06/2005 ("SPA or Agreement") to acquire in aggregate 2448229 fully paid-up equity shares of Rs.5/- each of FFWIL as detailed below:

Name of the Sellers	No. of Equity Shares	% of the present paid up equity & voting share capital	% of the expanded paid up equity & voting share capital
Promoters, their friends, relatives and associates of FFWIL (First Sellers)	1648429	37.83%	28.63%
Wellworth securities Limited (Second Seller)	649000	14.89%	11.27%
Rituraj Merchants Pvt. Ltd. (Third Seller)	150800	3.46%	2.62%

(hereinafter collectively referred to as "Sellers") at a fixed price of Rs.3/- per share payable in cash. The Acquirer is also acquiring 70, 0% optionally convertible redeemable preference shares (OCRPS) of FFWIL of the face value of Rs. 1,00,000/- each at par from the second seller. As per terms of the issue, 30 OCRPS are convertible into 600000 equity share at par of face value of Rs.5/- each on 01.04.2005 and balance 40 OCRPS are convertible into 800000 equity shares at par of face value of Rs.5/- each on 01.04.2006.The right to exercise the option will be available for a period upto 6 months from the date mentioned above against each stage. The equity shareholding of the second seller as stated above includes 600000 equity shares of Rs.5/- each acquired by the second seller pursuant to the exercise of conversion option in respect of 30 OCRPS into equity shares on 01.04.2004 which were approved by the Board of directors of FFWIL in their meeting held on 23.10.2004. As per the terms of issue of OCRPS, the preference shares or equity (when converted) will not be transferable till the expiry of 3 years from the date of issue i.e. 25.02.2003. The Acquirer has however given an undertaking to exercise the conversion option and keep the shares under lock in for the period upto which the second seller would have required to put them under lock in. As per the terms of the

Agreement between the Acquirer and the Second Seller, the Acquirer will have an option to purchase from the Second Seller only such number of fully paid up Equity shares (after taking into account the equity shares of the target company purchased by the Acquirer pursuant to the Offer) so as to enable the target company to maintain the level of minimum public shareholding required to be maintained by the target company as a condition for continued listing.

c) The Acquirer is now making this Open Offer ("Offer") to the shareholders of FFWIL (other than the parties to the Agreement) to acquire from them upto 1151528 fully paid-up Equity Shares of Rs.5/- each, representing 20% of its paid up equity and voting share capital (on expanded capital assuming full conversion of OCRPS into equity shares) at a price of Rs.10/- per share ("Offer Price") payable in cash subject to terms and conditions mentioned hereinafter. FFWIL does not have any partly paid up shares.

d) The shares of FFWIL are listed on The Stock Exchange, Mumbai (BSE) and the Calcutta Stock Exchange Association Limited (CSE). The equity shares are frequently traded on BSE and infrequently traded on CSE within the meaning of explanation (i) to Regulation 20(5) of the Regulations. The offer price of Rs.10/- per share is justified in terms of Regulation 20(4) & 20(5) of the Regulations in view of the following:

a)	Negotiated price per equity share	Rs.3/- and Rs. 5/-* per share
b)	Highest Price paid by the Acquirer for any Acquisitions, including by way of allotment in a Public or right issue or preferential issue during the 26 weeks period prior to the date of PA	N.A.
c)	The average of the weekly high & low of the closing prices of the shares of the Target Company as quoted on BSE where the shares of the Company are most frequently traded during the 26 weeks or the average of the daily high and low prices of the shares on BSE during the 2 weeks preceding the date of PA whichever is higher.	Rs.9.97
d)	Other financial parameters of FFWIL with reference to audited accounts for the financial year ended 31/12/2004:	
	Return on Networth (%)	-ve
	Book Value per share (Rs.)	4.40
	Earnings per share (Rs.)	(2.47)
	Offer Price/Earnings Ratio	Infinite

*Being acquisition price of each equity share pursuant to conversion of OCRPS is Rs.5/- per share.

The Offer Price of Rs.10/- per equity share of FFWIL is therefore justified in terms of Regulation 20(11) of the Regulations.

e) As on the date of this PA, the Acquirer does not hold any equity shares of FFWIL. The Acquirer has not acquired any shares of the Target Company during the twelve months preceding this Public Announcement.

f) As on the date of PA the Merchant Banker to the offer does not hold any equity share in the target company.

g) For the purpose of this Offer, there are no persons acting in concert as per the provisions of Regulations 2(1)(e) of the Regulations.

h) The Offer is not subject to any minimum level of acceptances from shareholders and is not a conditional Offer.

i) This is not a competitive bid.

j) The Acquirer has undertaken to comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfilment or outcome of the Agreement with the Sellers.

2. INFORMATION ABOUT THE ACQUIRER:

Smt. Rajul S. Jhaveri, aged about 44 years is residing at Plot No-21, Nutan Laxmi Society, Crest Building, 6th Floor, JVPD Scheme, 9th (N-S) Road, Vile Parle, Mumbai-400 049. She has done her graduation from Poddar College, Mumbai and has also done diploma in textile design. She has more than 10 years of experience in finance and investment related activities. She is presently managing entire investment portfolio of the family and has also lots of experience in construction activity, having handled successfully 3 building construction projects. Her networth as on 31/03/2004 as certified by Mr. Daulal H. Bhatter, proprietor of Bhatter & Co. (Membership No.16937) Chartered Accountants, having office at 307, Tulsiani Chambers, Nariman Point, Mumbai- 400 021 Ph: (022) 22853039/30208868, Fax: (022) 56301318 vide their certificate dated 15/06/2005 is Rs.388.54 Lacs.

3. INFORMATION ABOUT THE TARGET COMPANY (FFWIL):

a) FFWIL having its registered office at B-22, MIDC Industrial Area, Waluj, Aurangabad-431136, was incorporated under the Companies Act, 1956 on 16/04/1985. The company received certificate of commencement of business pursuant to section 149(3) of the companies Act, 1956 on 21/05/1985.

b) As on the date of this PA the paid-up share capital of FFWIL is Rs.287.88 Lacs divided into 4357639 equity shares of Rs.5/- each and 70, 0% Optionally convertible redeemable preference shares of Rs 1,00,000/- each.

c) FFWIL is presently engaged in the business of manufacturing films in food and industrial grades, under the brand name ‘Klin wrap’ and ‘Trieflex’. The company has been a pioneer in the manufacturing of cling films and stretch cling films in India. The company has two manufacturing units at present located at B-22, MIDC Industrial Area, Waluj, Aurangabad and Gut No-74, Village Farola, Taluka Paithan, Dist Aurangabad. The present installed capacity of the company at Waluj and Farola units are 360Mt and 1800Mt respectively.

d) FFWIL was declared as sick company under the Sick Industrial Companies (Special Provision) Act, 1985 on 26.12.2000. As per the audited accounts of the company for the year-ended 31.12.2003, the entire accumulated losses of the company has been wiped out and net worth has turned positive. The company has already applied to BIFR for deregistration. However, the company is yet to receive the confirmation for the same.

e) The Equity Shares of FFWIL are listed at BSE and CSE.

f) As per the audited financial results for the year ended 31.12.2004, the total income and net loss of FFWIL was Rs.1484.68 lacs and Rs.92.70 lacs respectively. The networth and book value per share of FFWIL as on 31.12.2004 are Rs.191.84 Lacs and Rs.4.40 respectively. The Earning per share and return on networth are both negative.

4. REASONS FOR THE OFFER AND FUTURE PLANS ABOUT TARGET COMPANY:

a) This offer has been made pursuant to Regulation 10 and 12 and other provisions of Chapter III and in compliance with the Regulations.

b) The acquisition is for substantial acquisition of shares and voting rights accompanied with change in control / management.

c) The acquirer visualizes that on acquiring substantial shares and taking over the control of FFWIL, she would be in a position to nourish the business of FFWIL through better managerial skills, technical and financial assistance. The Acquirer plans to revive FFWIL by infusing fresh funds into it.

d) The Acquirer does not have any plans to dispose off or otherwise encumber any assets of FFWIL in the next two years except in the ordinary course of business of FFWIL.

e) The Acquirer undertakes that she will not sell, dispose of or otherwise encumber any substantial assets of FFWIL except with the prior approval of the shareholders.

5. STATUTORY APPROVALS/ OTHER APPROVALS REQUIRED FOR THE OFFER:

a) The Offer is subject to receiving the necessary approval(s), if any, from Reserve Bank of India, under the Foreign Exchange Management Act, 1999 and subsequent amendments thereto, for acquiring shares tendered by non-resident shareholders, if any.

b) As on the date of this PA, to the best of the knowledge of the Acquirer, there are no other statutory approvals and / or consents required. However, the Offer would be subject to all statutory approvals as may be required and / or may subsequently become necessary to acquire at any later date.

c) In case of delay in receipt of statutory approvals beyond 03.09.2005, SEBI has power to grant extension of time to Acquirer for payment of consideration to shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the regulations will become applicable.

d) The Acquirer does not require any approval from its bankers / lending Institutions for the aforesaid Offer.

6. DELISTING OPTION TO THE ACQUIRER IN TERMS OF REGULATION 21(3):

The Acquirer would acquire upto such number of Equity shares through the Offer and Agreement so as not to breach the minimum public shareholding requirement as per the listing Agreement with the stock exchanges.

7. FINANCIAL ARRANGEMENTS:

a) The Acquirer has adequate financial resources and has made firm financial arrangement for the implementation of the Offer in full out of her own sources / networth and no borrowings from Banks/ FIs or Foreign sources is envisaged. Mr. Daulal H.Bhatter, proprietor of Bhatter & Co. (Membership No.16937) Chartered Accountants, having office at 307, Tulsiani Chambers, Nariman Point, Mumbai-400 021, Ph: (022) 22853039/30208868, Fax: (022) 56301318 vide certificate dated 15/06/2005 has certified that sufficient resources are available with the Acquirer for fulfilling the obligations under this “Offer” in full.

b) The total fund requirement for the Offer is Rs.1,15,15,280/- (Rupees One Crore Fifteen Lacs Fifteen Thousand Two Hundred & Eighty Only). In accordance with Regulation 28 of the Regulations, the Acquirer has opened an Escrow account in Tamilnad Mercantile Bank Limited, 58D, N. S. Road, Kolkata-700 001 in the form of a fixed deposit of Rs.33,00,000/- being more than 25% of the total consideration payable to shareholders under the Offer.

c) The Manager to the Offer, Ashika Capital Limited, Kolkata has been duly authorised by the Acquirer to operate & realize the value of Escrow Account in terms of the Regulations.

d) The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the offer obligations.

8. OTHER TERMS OF THE OFFER:

a) The Letter of Offer ("LO") together with Form of Acceptance cum Acknowledgement shall be mailed to those equity shareholders of FFWIL (other than the shareholders who are parties to the agreement) whose names appear on the Register of Members of FFWIL and to those beneficial owners of the Equity shares of FFWIL, whose names appear as beneficiaries on the records of the respective Depository Participant ("DP"), at the close of business hours on 17.06.2005 (“Specified Date”). The LO along with Form of Acceptance (“FoA”) and Form of Withdrawal (“FoW”) would also be available at SEBI’s website: www.sebi.gov.in from the date on which Offer opens. Eligible persons to the offer may download these forms for their use.

b) Beneficial owners (holders of shares in dematerialised form) who wish to tender their shares will be required to send their Form of Acceptance cum Acknowledgement along with a photocopy of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant in favour of the special Depository Account, to the Registrar to the Offer, in accordance with the instructions to be specified in the LO.

c) Shareholders holding equity shares in physical form who wish to accept the Offer and tender their shares, will be required to send their (i) duly signed Form of Acceptance, (ii) original share certificate(s), (iii) duly signed and executed transfer deed(s) and other documents to the Registrar to the Offer, in accordance with the instructions specified in the LO.

d) All owners (registered or unregistered) of the shares of FFWIL (except parties to the Agreement) are eligible to participate in the Offer. Unregistered shareholders / Owner of shares who have sent shares for transfer can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of shares held, No. of shares offered, Distinctive Nos., Folio No., together with Original share certificate(s), valid share transfer deeds and the a copy of contract notes issued by the broker through whom they have acquired their shares. No indemnity is required from unregistered shareholders.

e) In case of non-receipt of Letter of Offer, the eligible persons may send their consent, to the Registrar to the Offer, on a plain paper stating the Name & address of the first holder, Name(s) & address(s) of joint holders(s) if any, Regd. Folio No., Share Certificate No., Distinctive Nos., No of Shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the closure of the Offer i.e. 22.08.2005 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer on a plain paper stating the Name, Address, No. of shares held, No. of Shares offered, DP Name, DP ID No., Beneficiary account number and a photocopy of the delivery instruction in “Off Market” mode, duly acknowledged by the DP, in favour of special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer i.e. 22.08.2005.

f) The Acquirer has appointed Intime Spectrum Registry Limited as the Registrar to the Open Offer ("Registrar"). The Registrar has opened a special depository account with HDFC Bank Ltd. in National Securities Depository Limited ("NSDL") styled "ISRL-FFWIL Open Offer Escrow A/c”. The DP ID is IN301549 and Beneficiary Client ID is 18893148. Shareholders having their beneficiary account in Central Depository Services India Limited ("CDSL") have to use inter depository delivery instruction for the purpose of crediting their equity shares in favour of Special Depository Escrow Account with NSDL.

g) Shareholders who have sent their shares for dematerialisation need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Escrow Account should be received on or before the closure of the Offer, else the application would be rejected.

h) In case the shares tendered in the Offer by the shareholders of FFWIL are more than the shares to be acquired under the Offer, the acquisition of the shares from each shareholder will be as per the provision of Regulation 21(6) of the Regulations on a proportionate basis. The marketable lot for both physical and demat shares is 1(One).

i) The Registrar will hold in trust the share certificates, shares lying to the credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of FFWIL who have accepted the Offer, till the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.

j) The consideration for the shares accepted by the Acquirer will be paid by crossed account payee cheques/ demand drafts. Such payments and documents in case of unaccepted shares will be returned by registered post/ speed post at the shareholders / unregistered owners' sole risk. Shares held in dematerialised form to the extent not accepted will be credited back to the account of beneficial owner specified in the acceptance form. Communication of acceptance / rejection and the payment of consideration for the accepted shares will be made by the Acquirer in cash through cheque/ demand draft to the shareholders of accepted shares within 15 days from the date of the closure of the Offer.

k) In terms of Regulation 22(5A), shareholders shall have the option to withdraw acceptance tendered upto three working days prior to the date of closure of the Offer by submitting the documents as specified below, so as to reach the Registrar to the Offer. The withdrawal can be exercised by submitting Form of Withdrawal enclosed with Letter of Offer. In case of non-receipt of form of withdrawal, the withdrawal can be exercised by making plain paper application along with the following details:

- In case of physical shares: Name, address, distinctive numbers, folio nos., number of shares tendered / withdrawn.
- In case of dematerialised shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary account no. and a photocopy of delivery instruction in "off market" mode or counterfoil of the delivery instruction in "off market" mode, duly acknowledged by the DP in favour of the Depository Escrow Account.

l) The shares withdrawn by the shareholders, if any would be returned by registered post, in case of physical shares.

m) The Acquirer undertakes to pay interest pursuant to Regulation 22(12) to the shareholders for the delay, if any, in payment of consideration.

n) A schedule of some of the major activities in respect of the Offer is given below:

Activity	Date	Day
Specified date (for the purpose of determining the names of shareholders to whom the Letter of Offer will be sent)	17/06/2005	Friday
Date by which the Letter of Offer will be despatched to shareholders	27/07/2005	Wednesday
Date of Opening of the Offer	03/08/2005	Wednesday
Date of Closing of the Offer	22/08/2005	Monday
Last Date for a Competitive Bid	07/07/2005	Thursday
Last date for revising the Offer Price / No. of Shares	10/08/2005	Wednesday
Last Date for withdrawal of acceptance by shareholders who have accepted the Offer	17/08/2005	Wednesday
Date of communicating rejection / acceptance and payment of consideration for applications accepted.	03/09/2005	Saturday

9. GENERAL:

a) Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto 17.08.2005 i.e. three working days prior to the date of Closure of the Offer.

b) If there is any upward revision in the Offer Price upto seven working days prior to the closure of the Offer i.e. 22.08.2005 or withdrawal of the Offer, the same would be informed by way of PA in the same newspapers where this PA appears and the revised Price would be payable to all the shareholders who have tendered their shares any time during the Offer.

c) The Acquirer, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of the direction issued u/s 11B of the SEBI Act or under any other regulations made under the SEBI Act.

d) If there is a competitive bid:

- **The Open Offers under all the subsisting bids shall close on the same day.**

- **As the Offer price can not be revised during 7 working days prior to the closing date of the Offers / bids, it would therefore be in the interest of shareholders to wait till the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly.**

e) There is no non-compete agreement.

f) Pursuant to Regulation 13 of the Regulations, the Acquirer has appointed Ashika Capital Limited, Kolkata, as the Manager to the Offer.

g) Intime Spectrum Registry Ltd. of C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai- 400 078 Ph:(022) 55555454 Fax: (033) 55555353, is the Registrar to the Offer. The contact person is Mr. Sharad Patker.

h) The Acquirer accepts full responsibility for the information contained in this Public Announcement and also for her obligations as laid down in the Regulations.

i) This PA will be available on SEBI's website at www.sebi.gov.in. Eligible persons to the Offer may also download a copy of the LO along with Form of Acceptance and Form of Withdrawal which will also be available on the SEBI's website from the Offer opening date i.e 03.08.2005 and apply in the same.

j) For further details, please refer to the LO & Acceptance Form.

Issued by Manager to the Offer on behalf of the Acquirer:

Manager to the offer:
ASHIKA CAPITAL LIMITED
(Contact Person: Ms. Astha Singhania)
'Trinity', 7th Floor, 226/1, A. J. C. Bose Road,
Kolkata – 700 020
Phone No: (033) 22839952, Fax: (033) 2289-1555
E-mail: astha@ashikagroup.com

Your trust is our strength

Place: Kolkata
Date: 16/06/2005