



**EVERLON
SYNTHETICS
LIMITED**

**11th ANNUAL REPORT
1999-2000**

EVERLON SYNTHETICS LIMITED

11th ANNUAL REPORT

CONTENTS

SR. No.	PARTICULARS	PAGE No.
1.	BOARD OF DIRECTORS	3
2.	NOTICE	4
3.	DIRECTORS' REPORT	6
4.	AUDITORS REPORT	8
5.	BALANCE SHEET	11
6.	PROFIT & LOSS ACCOUNT	12
7.	SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT AND LOSS ACCOUNT.	13

EVERLON SYNTHETICS LIMITED

11th ANNUAL REPORT

BOARD OF DIRECTORS

SHRI JITENDRA K.VAKHARIA	MANAGING DIRECTOR
SHRI KIRIT H.DOSHI	WHOLE-TIME DIRECTOR
SHRI N.RAMACHANDRAN	DIRECTOR
SMT. VARSHA J.VAKHARIA	DIRECTOR

AUDITORS

M/s.N.B SHAH & ASSOCAITES,
(Chartered Accountants)
305 Tulsiani Chambers,
Nariman Point,
Mumbai - 400 021.

BANKERS

THE BOMBAY MERCANTILE CO-OPERATIVE BANK LTD
INDIAN OVERSEAS BANK
DENA BANK

REGISTERED OFFICE

67, Regent Chambers,
208, Nariman Point,
Mumbai - 400 021.

FACTORIES

- 1) Survey No.775/1/C, Ozar Road,
Mota Pondha, Taluka : Dharampur,
Dist : Valsad, Gujarat.
- 2) Plot No.265/7/1,
Demni Road,
Dadra, Silvassa.
(Union Territory of Dadra & Nagar Haveli)

LISTED AT

The Bombay Stock Exchange, Mumbai
The Ahmedabad Stock Exchange, Ahmedabad.

EVERLON SYNTHETICS LIMITED

11th ANNUAL REPORT**NOTICE**

Notice is hereby given that the 11th Annual General Meeting of the Members of the Company will be held on Tuesday, the 26th September, 2000 at 11.30 A.M at the Registered office of the Company at 67, Regent Chambers, 6th Floor, 208 Nariman Point, Mumbai-400 021 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider & adopt Audited Accounts for the year ended 31st March, 2000, together with the Reports of the Directors & Auditors thereon.
2. To appoint a Director in place of Shri N.Ramachandran who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

- 4) To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution.

"RESOLVED that Smt. Varsha J. Vakharia who was appointed by the Board as an additional Director and who holds office up to the date of this Annual General Meeting and in respect of whom the company has received notice from a member proposing her candidature as a Director alongwith deposit of Rs.500/- be and is hereby appointed as Director of the Company liable to retire by rotation".

By order of Board of Directors

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Place: Mumbai
Dated: 28th July, 2000

Sd/-
JITENDRA K. VAKHARIA
(MANAGING DIRECTOR)

Registered Office :
67, Regent Chambers,
208 Nariman Point,
Mumbai - 400 021.

EVERLON SYNTHETICS LIMITED

11th ANNUAL REPORT

NOTES

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b) The Register of Members and Share transfer books of the Company will remain closed from Tuesday 19th September, 2000 to Tuesday, the 26th September, 2000 (both days inclusive) for the purpose of Annual General Meeting.
- c) Explanatory statement as required U/S 173 in respect of special business is annexed herewith.
- d) The Members are requested to:
 - I) Intimate immediately any change in their address to the Company at 67, Regent Chambers, 6th Floor, 208, Nariman Point, Mumbai - 400 021.
 - II) Quote their Folio No. in their correspondence with the Company.
 - III) To send their queries atleast 10 days in advance so that the required information can be made available at the meeting.
 - IV) Bring their copies of Annual Report and Attendance slip with them at the meeting.
 - V) Intimate the Company for consolidation of their folios, in case they are having more than one folio.
- e) Unpaid/Unclaimed Dividend:
 - I) Members who have not yet encashed their dividend warrants in respect of Financial Year 1994-95, 1995-96, 1996-97 and 1997-98 are requested to contact the company for revalidation at the earliest.
 - II) In terms of amended Section 205-A and newly introduced Section 205-C, now the Company is required to transfer unpaid/unclaimed dividend to the credit of Investors Education and Protection Fund on expiry of seven years from the date of transfer to unpaid dividend account.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956
ITEM NO.4****APPOINTMENT OF SMT. VARSHA J. VAKHARIA AS A DIRECTOR**

Smt. Varsha J. Vakharia ceased to be alternative Director of the Company on 28/09/1999 due to resignation of Shri Nilesh Dhirajlal Shah as a Director. Board of Directors at their meeting held on 29/10/1999 have appointed Smt. Varsha J. Vakharia as an Additional Director. Her appointment is valid upto this Annual General Meeting. The Company has received a notice from a member proposing candidature of Smt. Varsha J. Vakharia as a Director of the Company u/s 257 of Companies Act 1956 alongwith the necessary deposit. It would be in the interest of the Company to continue to avail the services of Smt. Varsha J. Vakharia as a Director.

The Directors recommend the resolution for members approval.

Shri Jitendra K. Vakharia and Smt. Varsha J. Vakharia Directors of the Company are concerned and interested in this resolution.

By order of Board of Directors

Place: Mumbai
Dated: 28th July, 2000

Sd/-
JITENDRA K. VAKHARIA
(MANAGING DIRECTOR)

Registered Office :
67, Regent Chambers,
208 Nariman Point,
Mumbai - 400 021.

EVERLON SYNTHETICS LIMITED

11th ANNUAL REPORT

DIRECTORS' REPORT

To,
The Members'

The Board of Directors present the Eleventh Annual Report together with the Audited Statements of Accounts for the year ended 31st March, 2000, alongwith the cashflow statements:

1. OPERATION AND FINANCIAL RESULTS

	Year Ended 31/03/2000 (Rs.in Lacs)	Year Ended 31/03/1999 (Rs.in Lacs)
Sales (inclusive of Excise Duty)	1779.39	1957.62
Other Income	15.68	6.63
Profit for the year before Depreciation	(80.56)	0.92
Less: Depreciation	(41.14)	40.69
Profit/(loss) before Tax	(121.70)	(39.77)
Less: Provision for Taxation	—	—
Profit/(Loss) for the year	(121.70)	(39.77)
Balance Brought forward from previous year	50.90	90.67
Loss Carried to Balance Sheet	(70.80)	50.90
	=====	=====

2. PERFORMANCE

The slack market conditions and recession in the textile industry have resulted in reduced prices for the company's product. As such the company could not recover its cost which resulted in a loss for the year under review.

3. CURRENT YEARS WORKING

For the first three months of current years, the sale (including Central Excise Duty) were Rs.285.30 lacs.

4. DIVIDEND

Directors do not recommend any Dividend due to the losses suffered by the Company.

5. DIRECTORS

Shri Kantilal V. Vakharia, Shri Nilesh Dhirajlal Shah, Shri Mujeebur Rahman Habeeb and Shri Mahesh Dayaram have resigned from the Board of Director's w.e.f. 28/09/1999. Shri Kantilal V. Vakharia was a promoter, Director and Chairman of the Company. The Company has benefited a lot from his experience and his association with the Company. Board puts on record sincere

appreciation of the services rendered by Shri Kantilal V. Vakharia, during his association with the Company. Board would also like to appreciate the services rendered by Shri Nilesh Dhirajlal Shah, Shri Mujeebur Rahman Habeeb and Shri Mahesh Dayaram.

6. AUDITORS

M/s. N.B Shah & Associates, Chartered Accountants have been given their consent for reappointment for the F.Y 2000-2001. Members are requested to reappoint them.

7. PARTICULARS OF EMPLOYEES

There is no employee in respect of whom information u/s. 217 (2A) of the Companies Act, 1956 is required to be given.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO

The Statement giving particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo is Annexed hereto.

9. FIXED DEPOSITS

The Company has not accepted any Fixed Deposits from the Public.

10. ACKNOWLEDGEMENT

The Directors are thankful to the Company's Bankers for their support and assistance. The Directors also wish to place on record appreciation for the efforts put in by all the employees.

For and on Behalf of the Board of Directors

Sd/-

JITENDRA K. VAKHARIA
MANAGING DIRECTOR

Sd/-

KIRIT H. DOSHI
WHOLE-TIME DIRECTOR

Place : Mumbai

Dated : 28th July, 2000

EVERLON SYNTHETICS LIMITED

11th ANNUAL REPORT

ANNEXURE 1 TO DIRECTORS' REPORT 2000-2001

Information as per Section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the year 1999-2000.

CONSERVATION OF ENERGY:

a. Conservation Measures taken :

The Company is regularly making efforts for enhancement in capacity utilisation, cost competitiveness and quality improvement of product. Utilities are being combined for effective energy conservation.

b. Additional Investments and Proposals, if any, being implemented for reduction in consumption of energy: Studies to reduce energy consumption of existing units are going on.

c. Impact of the measures (a) & (b) above for reduction of Energy Consumption and consequential impact on the cost of Production of goods:

The Company is making efforts to save the cost of power. The Company is constantly investigating avenues for cost saving as an on-going process.

TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER FORM A OF THE RULES IN RESPECT OF INDUSTRIES SPECIFIED IN THE SCHEDULE THEREOF:

	1999-2000	1998-99
A. POWER AND FUEL CONSUMPTION :		
1. Electricity		
(a) Purchases Units (Lacs)	3.47	10.01
Total Amounts (Rs.in lacs)	14.62	40.70
Rate per Unit (Rs.)	4.21	4.06
(b) Own Generation :		
Through Diesel Generator		
Units (in lacs)	43.21	47.26
Units per Ltr. of Diesel oil	3.69	3.39
Cost per Units (Rs.)	3.28	2.70
2. Coal	Nil	Nil
3. Furnace Oil	Nil	Nil
4. Other / Internal Generation Steam	Nil	Nil
B. CONSUMPTION PER UNIT OF PRODUCTION :		
(Product : Polyester Texturised Yarn & Polyester Twisted Yarn)		
1. Electricity (Unit per M.T.)	2630	2670
2. Coal (Kg)	Nil	Nil
3. Furnace Oil Liter	Nil	Nil
4. Steam (Tons)	Nil	Nil

II. TECHNOLOGY ABSORPTION :

EFFORTS MADE IN TECHNOLOGY ABSORPTION AS PER FORM B OF THE ANNEXURE TO THE RULES.

- | | |
|---|----------------|
| 1. Research & Development (R & D) | NIL AT PRESENT |
| 2. Technology Absorption, adaptation and Innovation | NIL AT PRESENT |

III. FOREIGN EXCHANGE EARNING AND OUT GO :

- | | | |
|--|---|----------------|
| a. Activities relating to exports initiative taken to increase export markets for products and services and export plan. |) | NOT APPLICABLE |
| |) | |
| |) | |
| b. Total Foreign exchange used and earned: | | |
| 1. Expenditure in Foreign Currency | | NIL |
| 2. Value of Import on CIF basis | | NIL |