

**KABRA**  
**EXTRUSIONTECHNIK**



***KABRA EXTRUSIONTECHNIK LIMITED***

17th Annual Report

1999-2000

## **Company Profile**

Kabra Extrusionstechnik Ltd.(KET), a part of Kolsite Group located in the Union territory of Daman, manufactures Extrusion machinery for the Plastics Industry. These machine are used for manufacture of HDPE / PVC pipes, Profiles, Compounds, Films and Sheets.

The company has already manufactured, sold and installed more than 500 Twin Screw Extrusion lines for pipes, profiles and compounds in collaboration with M/s. Battenfeld. The company has been successful to hold 70% share of the PVC Pipe market in India.

The company is constantly endeavouring for export promotion & performance in economic interest of the nation by contributing to foreign exchange earnings. The company has already exported its machinery worth of Rs. 43 Crores since financial year 1992-93 and such exports was made to many countries in Middle East, Africa, Iran, Bangladesh, Srilanka, Ghana, Nigeria, Tanzania etc.

The export performance during the financial year 1999-2000 is highest amongst all preceding years. The Export Promotion Council has awarded a Certificate of export excellence to the Company for its exports achievements in the financial year 1995-96 and 1997-98.

The Company manufactures a wide range of Twin Screw Extrusion lines adhering to stringent quality standards which offers advantage of higher & better output at reduced cost of energy. TUV Bayern, Germany has accordingly accredited the Company with ISO 9001 Certification.

## **New Collaboration Agreement**

In April, 2000, the company signed a new collaboration agreement M/s. Battenfeld Extrusionstechnik GmbH., Germany which is valid for seven years upto 2007 for manufacture of wide range of Extrusion Machinery.



*W. Studener, MD, Battenfeld Extrusionstechnik, Germany & S.V.Kabra, CMD, Kabra Extrusionstechnik, India signs new agreement*

M/s. Battenfeld recently acquired the extrusion division of M/s. Cincinnati Extrusion, Austria and Japan and are today, the largest manufacturers of extrusion machinery in the world. The signing of the new agreement consolidates successful partnership and paves the way for a more close and long-term cooperation in the future.

The new agreement includes a marked expansion of the product range, covering the programme of American Maplan and Schwarz Extrusionswerkzeuge's technology, which are owned by Battenfeld. Accordingly, the Company will also manufacture Single Screw Extruders for HDPE pipes, foam core pipes, multilayer pipes and aluminium composite pipe systems as well as dies and toolings for window profiles.

**BOARD OF DIRECTORS**

Shreevallabh G. Kabra	<i>Chairman &amp; Managing Director</i>
Satyanarayan G. Kabra	<i>Director</i>
Punamchand C. Parmar	<i>Director</i>
Haridas S. Sanwal	<i>Director</i>
Mahavir Prasad Taparia	<i>Director</i>

**COMPANY SECRETARY**

Y. D. Sanghavi

**AUDITORS**

A. G. Ogale & Co. *Chartered Accountants*  
Pune.

**BANKERS**

State Bank of India

**REGISTERED OFFICE**

Kolsite House, Off Veera Desai Road,  
Andheri (W), Mumbai - 400 053.  
Tel : 6367551 (8 lines) Fax : 6367512

**WORKS**

Plot No. 14, 15, & 16 Kabra Industrial Estate,  
Kachigam, Daman - 396 210.

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**17th ANNUAL GENERAL MEETING**

**Date** : 15th September, 2000  
**Day** : Friday  
**Time** : 2.30 p.m.  
**Place** : Hotel Park View, 38, Lallubhai Park Road,  
Next to Lallubhai Park, Andheri (West),  
Mumbai-400 058.

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## FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

	1999-2000	1998-99	1997-98	1996-97	1995-96
<b>Operating Results</b>					
Sales & Other Income	3854.42	3014.58	3089.21	2641.90	3478.18
Profit before depreciation but after interest	434.64	288.60	247.37	391.81	684.75
Profit before Tax (PBT)	363.09	224.05	183.85	331.78	627.89
Taxation	60.00	35.00	20.00	73.00	120.00
Profit after Tax (PAT)	303.09	189.05	163.85	258.78	507.89
Retained earnings	220.78	120.46	95.26	155.90	370.75
Earning per share (EPS) (Rs.)	8.84	5.50	4.78	7.55	14.81
Dividend %	24	20	20	30	40
<b>Financial Summary</b>					
Assets Employed					
Fixed Assets (Net)	1262.05	1110.24	1124.80	1162.66	1193.81
Working Capital (Net)	1312.80	1359.53	1238.95	1384.48	877.57
Capital Employed	3030.71	2675.61	2590.86	2757.40	2310.16
<b>Financed by</b>					
Share Capital	342.95	342.95	342.95	342.95	342.95
Reserves	2465.81	2254.07	2141.16	2069.19	1923.59
Total Shareholders Funds	2808.76	2597.02	2484.11	2412.14	2266.54
Borrowings	221.95	78.58	106.75	345.25	43.62
Debt: Equity	0.08 : 1	0.03 : 1	0.04 : 1	0.14:1	0.02:1
<b>Others</b>					
Book Value Per Share (Rs.)	81.90	75.73	72.43	70.33	66.09
Gross fixed Assets	1667.17	1447.36	1399.42	1376.20	1374.66
Employees Cost	242.42	186.08	156.98	148.77	126.14

## NOTICE

**NOTICE** is hereby given that the Seventeenth Annual General Meeting of the Members of **KABRA EXTRUSIONTECHNIK LIMITED** will be held on Friday, the 15th day of September, 2000 at 2.30 p. m. at Hotel Park View, 38, Lallubhai Park Road, Andheri (West), Mumbai - 400 058 to transact the following business :

**ORDINARY BUSINESS :**

1. To receive and adopt the audited Balance Sheet as at 31st March, 2000 and the Profit & Loss Account for the year ended on that date together with Directors' and Auditors' Reports thereon.
2. To sanction interim dividend paid as total dividend for the financial year 1999-2000.
3. To appoint a Director in place of Shri. S. N. Kabra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri. P. C. Parmar, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Messrs. A. G. Ogale & Co., Chartered Accountants, as Auditors of the Company to hold such office from the conclusion of this meeting, until the conclusion of the next Annual General Meeting, and on such remuneration plus out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the Auditors.

**SPECIAL BUSINESS :**

6. To consider and if thought fit, to pass, with or without modification the following resolution as a **Special Resolution**:  
**"RESOLVED** that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification or re-enactment thereof, the Articles of Association of the Company be and are hereby altered to the extent and in the manner set out hereunder :

Article 8-A be inserted after the existing Article - 8 to provide for dematerialisation of securities.

**Dematerialisation of Securities & Depository :****(i) Definitions**

- **"Depositories Act"** shall mean the Depositories Act, 1996 and includes any statutory modification there to from time to time.
- **"Depository"** mean a Company formed and registered under the Companies Act, 1956 and which has been granted a Certificate of Registration to act as a Depository under the Securities and Exchange Board of India Act, 1992 and as defined in the Depositories Act, 1996;
- **"Beneficial Owner"** means a person or persons whose name is recorded as such with a depository and/or shall have the meaning assigned thereto in Section 2 of the Depositories Act, 1996;
- **"SEBI"** means the Securities and Exchange Board of India;
- **"Member"** means a duly registered holder from time to time of the shares of the Company and also one, whose name is entered as beneficial owner in the records of a Depository in the case of shares held in Depository.
- **"Register"** means the Register of Members to be kept pursuant to Section 150 of the Act and unless it be repugnant to the context or otherwise, the Register of Beneficial Owners in case of shares held in Depository.

**(ii) "Authority to dematerialise securities"**

Notwithstanding anything to the contrary contained in these Articles, the Board may at any time decide to permit holding of and dealings in any or all the shares or debentures or other securities of the Company (hereinafter referred to as "securities") in dematerialised form under the provisions of the Depositories Act and may offer the securities of the Company for subscription/ allotment in dematerialised form in the manner provided by the said Act.

**(iii) When any securities of the Company are held or dealt in dematerialised form -****"Option to hold securities in certificates or with Depository"**

Every person holding any securities of the Company through allotment or otherwise shall have the option to receive and hold the same in the form of certificates or to hold the same with a depository.

**"Beneficial owner may opt out of a Depository"**

Every person holding securities of the Company with depository, being the beneficial owner thereof, may at any time opt out of the depository in the manner provided under the provisions of the Depositories Act and on exercise of such option and on fulfillment of the conditions and payment of the fees prescribed under the said Act, the Company shall rematerialise the relevant securities and issue to the beneficial owner thereof the requisite certificates of such securities.

**(iv) "Securities with Depository to be dematerialised"**

All securities held with a depository shall be dematerialised and the depository shall hold the same for the beneficial owners thereof in a fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.

**(v) "Beneficial owner is member"**

Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities held by him in a depository.

**(vi) In respect of shares or other securities of the Company held in dematerialised form, the provisions relating to joint holders shall mutatis-mutandis apply to the joint beneficial owners.****(vii) A Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of shares, debentures or other securities on behalf of beneficial owners and shall not have any voting rights or any other rights in respect of shares, debentures and other securities held by it. The beneficial owner as per the Register of Beneficial Owners maintained by a Depository shall be entitled to all rights including voting rights and benefits in respect of the securities held by him with the Depository.****(viii) "Intimation to Depository"**

The Company shall make available to the depository, copies of the relevant records in respect of securities held by such depository for the beneficial owners thereof.

When a holder or an allottee of securities opts to hold the same with a depository, the Company shall intimate such depository the details of such holdings or allotment of securities and thereupon the depository shall enter in its record the names of the holders/allottees as the beneficial owners of such securities.



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- (ix) **"Register and Index of Beneficial Owners"**  
The Register and Index of Beneficial Owners of securities maintained by a depository under Section 11 of the Depositories Act shall be deemed to be and forming part of the Register and Index of Members or of holders of securities of the Company.
- (x) **"Transfer of securities held in a Depository"**  
Transfers of securities held in a depository will be governed by the provisions of the Depositories Act.  
Every depository shall furnish to the Company information about the transfer of securities, the name of Beneficial Owners at such intervals and in such manner as may be specified under the provisions of the Depositories Act.  
Section 108 of the Act shall not apply to transfer of securities effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a depository.
- (xi) **"Service of Documents"**  
Notwithstanding anything contrary contained in these Articles to the contrary, where securities are held in Depository, the records of the beneficial ownership may be served by such Depositories on the Company by means of electronic mode or by delivery of floppies or discs.
- (xii) **"Allotment of Securities dealt with in a Depository"**  
Notwithstanding anything contrary contained these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
- (xiii) **"Distinctive numbers of Securities held in a Depository"** not withstanding anything contrary contained in these Articles regarding the necessity of having distinctive numbers for securities issued by the Company, shall apply to securities held with a Depository.
- Article - 8-B be inserted regarding nomination.**  
Notwithstanding anything stated in these Articles, a holder or joint holders of Shares or Debentures may nominate, in accordance with the provisions of Section 109A of the Act and in the manner prescribed thereunder, a person to whom all the rights in the Shares or Debentures of the Company shall vest in the event of death of such holder(s). Any nomination so made shall be dealt with by the Company in accordance with the provisions of Section 109A and 109B of the companies Act.  
Existing Article 22 be substituted by the Article as set out below :  
**"Unpaid or Unclaimed Dividend etc."**  
The Company shall comply with the provisions of Section 205A and 205B read with Section 205C of the Act in respect of any dividend remaining unpaid or unclaimed with the Company.  
The Company shall comply with the provisions of Section 205C of the Act in respect of any money remaining unpaid with the Company in the nature of (i) application moneys received by the Company for allotment of any securities and due for refund; (ii) deposits received by the Company and due for repayment; (iii) debentures issued by the Company and matured for redemption; and (iv) the interest, if any, accrued on the amounts referred at items (i), (ii) and (iii) respectively.  
**"RESOLVED FURTHER** that the Directors of the Company and the Company Secretary be and are hereby severally authorised to take necessary decisions, actions and steps, as may be considered proper, expedient or necessary for giving effect to the foregoing."
7. To consider and if thought fit, to pass, with or without modification the following as an **ORDINARY RESOLUTION** :  
**"RESOLVED** that the Company do hereby accord its consent under Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors of the Company for creating such mortgage/charges as the Board may deem fit, on the assets of the Company both present and future, for securing the sums of moneys not exceeding Rs. 30 Crores (Rupees Thirty Crores Only) borrowed or to be borrowed by the Company from Banks, Financial Institutions and others."  
**"RESOLVED FURTHER** that the Board of Directors of the Company, be and is hereby authorised to finalise and execute the documents for creating the aforesaid mortgage/charges, and to do all such acts and things as may be necessary for giving effects to the above resolution."

Place : Mumbai  
Dated : 25th July, 2000

By order of the Board  
For **Kabra Extrusiontechnik Limited**

**Registered Office :**  
Kolsite House,  
Off. Veera Desai Road,  
Andheri (West),  
Mumbai - 400 053

**Y. D. Sanghavi**  
Company Secretary

**NOTES :**

- 1) 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.  
The instrument appointing a proxy should however be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- 2) The relative Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, in respect of Special Business under Item No. 6 & 7 of the Notice is annexed hereto.
- 3) The Board of Directors recommended that the Interim dividend paid at Rs. 2.40 per share be treated as total dividend in respect of financial year 1999-2000.
- 4) In terms of Notification Issued by Securities and Exchange Board of India (SEBI). Equity shares of the company are under compulsory demat trading by all investors with effect from 26th December, 2000. Shareholders are therefore advised to dematerialise their shareholding to avoid in convenience in future.

- 5) Pursuant to the provisions of Section 205A of the Companies Act, 1956, dividend for the financial year ended 31st March, 1995 and thereafter, which remain unpaid or unclaimed for a period of 7 years have to be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far in respect of the financial year ended 31st March, 1995 or any subsequent financial years are requested to make their claim to the Registered Office (Secretarial Department) of the Company. It may also be noted that once the unclaimed dividend is transferred to the Central Government, as above, no claim shall lie in respect thereof.
- 6) Shareholders seeking any information with regard to accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.
- 7) Members are requested to notify changes if any in their registered addresses, bank account details, mandate details residential status etc. to the company at its Registered office by quoting their folio numbers.
- 8) Members holding shares under multiple folios in the identical names are requested to consolidate their holdings into one folio.
- 9) Individual shareholders can now avail of the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. The facility of nomination is not available to non-individual shareholders such as societies, trusts, bodies corporate, partnership firms, Kartas of Hindu Undivided Families and holders of Powers of Attorney.

## ANNEXURE TO NOTICE EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

### Item No. 6

Securities and Exchange Board of India (SEBI) by its notification made compulsory demat trading by all investors in share of the Company.

The Articles of Association of the company framed on the basis of the then applicable provisions of the companies Act, 1956 and Table-A appended to it needs to be amended so as to facilitate the functioning of Depository system in terms of The Depository Act, 1956 and amended provisions of the companies Act and therefore amendment by way of insertion of new clauses to existing articles is necessary to permit, holding and dealings in securities of the Company in dematerialised form.

The amended Companies Act, 1956 has provided to every holder of securities an option to nominate a person to whom the rights of the holders of any securities shall vest in the event of the death of the holder of such securities and accordingly it is proposed to insert new Article to provide for the nomination facility to the holders of the securities of the Company in terms of section 109 A and 109 B of the Companies Act, 1956.

Consequent to amendment to the Companies Act relating to Unpaid/Unclaimed dividend, refund/repayment etc. as provided under section 205 A, 205 B & 205 C of the Companies Act, the provisions of the Article No. 22 requires to be amended accordingly.

The resolution at Item No. 6 are accordingly, commended for approval of the Members by means of Special Resolution.

None of the Directors is/are be deemed to be interested or concerned in the said resolution.

### Item No. 7

Presently the Company is enjoying credit facilities with State Bank of India, Industrial Finance Branch, Mumbai - 400 005 to meet its working capital requirements. The Company in future may require to raise further funds either from the said bank or financial institutions and others. As per general terms of lending advances the Company requires to create a charge by way of hypothecation and/or mortgage on both present and future immovable and movable properties of the Company.

As the above mortgage/charge created/to be created may be regarded as disposal of the Company's properties, it is considered advisable that the creation of above mortgage/charge be approved by the Members of the Company by an ordinary resolution pursuant to section 293 (1) (a) of the companies Act, 1956 and hence resolution set out at item No. 7 is commended for members approval.

None of the Directors may be deemed to be interested or concerned in the resolution.

Place : Mumbai

Dated : 25th July, 2000

By order of the Board  
For Kabra Extrusiontechnik Limited

### Registered Office :

Kolsite House,  
Off. Veera Desai Road,  
Andheri (West),  
Mumbai - 400 053

Y. D. Sanghavi  
Company Secretary

## DIRECTORS' REPORT

To,  
The Members,  
Kabra Extrusionstechnik Limited,  
Mumbai.

Your Directors are pleased to present the SEVENTEENTH ANNUAL REPORT, together with the AUDITED STATEMENT OF ACCOUNTS of the Company for the year ended 31st March, 2000.

### FINANCIAL RESULTS :

	Year ended 31-3-2000 (Rs.in lacs)	Year ended 31-3-99 (Rs.in lacs)
Sales turnover & Other income	3854.42	3014.59
Profit before interest and depreciation	449.13	306.74
Less : Interest	14.50	18.14
Depreciation	71.54	64.55
Gross Profit before Tax	363.09	224.05
Provision for Taxation	60.00	35.00
Net Profit after tax	303.09	189.05
Add : Balance b/f from previous year	477.29	384.37
Balance available for appropriation	780.38	573.42

### APPROPRIATIONS :

Transferred to General Reserves	35.00	20.00
Provision for Interim Dividend	82.31	-
Provision for Tax on Interim Dividend	9.05	-
Proposed Dividend	-	68.59
Corporate Dividend Tax	-	7.54
Surplus balance c/f to balance sheet	654.02	477.29
	780.38	573.42

### DIVIDEND :

Your Directors at their meeting held on 24th March, 2000 had announced an interim dividend of Rs. 2.40 per share of Rs. 10/- each for the financial year 1999-2000 (Rs. 2/- per share for the previous year) on a capital base of Rs. 342.95 lakhs. The dividend outgo, including dividend tax, was Rs. 91.36 lakhs. The dividend payment has been effected. The Directors have recommended that this be treated as the total dividend for the financial year 1999-2000.

### OPERATIONS :

The Company could achieve the Operational and Other Income for the year under review at Rs. 3854.42 lacs as against the previous year's operations income of Rs. 3014.59 lacs. The profit after tax is Rs. 303.09 lacs as against the previous year's profits after tax of Rs. 189.05 lacs. This rise in profit of Rs. 114.04 lakhs over last year's profits has been achieved by your Company on account of business promotional efforts and cost control at all levels of operations. The economic scenario and market response during the year under review also started looking-up.

### EXPORTS :

Exports during the year has increased to Rs. 1283.70 lacs as against Rs. 673.24 lacs of exports in the previous financial year which represent rise of about 90% over previous year's exports.

### COLLABORATION :

Your Company has entered into new collaboration agreement with Battenfeld Extrusionstechnik GmbH, Germany on 19th April, 2000 which is valid till seven years for manufacturing Twin Screw Plastic Extrusion Machinery BEX - 2 series along with post extrusion equipments, including die-heads, die-sets, vacuum calibrating units, spray cooling bathes, haul-off units, cutting devices etc. for the manufacturing of PVC pipes, profiles, granules, films and sheets.



The comprehensive collaboration agreement also includes technology transfer for manufacturing the following :

- (a) Extruders for Siding and foam core pipes.
- (b) Single Screw Extruder BEX - 1 series including single layer and multilayer pipe systems as well as the extrusion components of BEX for the aluminium composite pipe system.
- (c) Toolings - Tooling technology from Schwarz Extrusionswerkzeuge GmbH.

This collaboration agreement has been approved by Reserve Bank of India.

**SUBSIDIARY COMPANY :**

The audited statement of Accounts alongwith the Report of "KABRA WINDERS LIMITED", a subsidiary of your Company and the Auditors' Report thereon for the year ended 31st March, 2000 are annexed.

A statement pursuant to Section 212 of the Companies Act, 1956 is also attached herewith.

**DIRECTORS :**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Shri. S. N. Kabra and Shri. P. C. Parmar, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

**AUDITORS :**

Messrs. A. G. Ogale & Co., Chartered Accountants, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have furnished a certificate for re-appointment u/s 224(1-B) of the Companies Act, 1956 and have indicated their eligibility and willingness to continue.

**LISTING FEES :**

The Company declares that its Securities are listed on the Stock Exchanges at Mumbai and Ahmedabad and also on the National Stock Exchange. The Company confirms that it has paid annual listing fees due to all the above Stock Exchanges for the year 2000-2001.

**DEMATERIALISATION OF SHARES :**

Securities and Exchange Board of India (SEBI) vide its recent circular has made compulsory trading in your Company's equity shares in dematerialised form by all investors w.e.f. 26th December, 2000 and accordingly your Company will enter into agreements with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to facilitate the investors to trade in Company's equity shares in dematerialised form. The Company also propose to amend Articles of Association of the Company for this purpose.

**Y2K COMPLIANCE :**

The changeover to the new millenium was successful, without a single incident or complaint of Y2K non-compliance in the Company.

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION :**

The particulars required under Section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 form part of this report as Annexure A.

**EMPLOYEES RELATIONS :**

Employees relations continued to be cordial. The energy, skills and dedication of all employees continues to be the driving force in achieving the goals. The directors appreciate the efforts put in by the employees at all levels.

A Statement of Particulars of employees remuneration as required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, form part of this report as per Annexure B.

**ACKNOWLEDGEMENT :**

The Board of directors of your Company place on record their gratitude and would like to thank Shareholders, Bankers, Financial Institutions, Foreign Collaborators, Customers and Suppliers for their support and co-operation.

For and on behalf of the Board

**S. V. KABRA**  
Chairman

Mumbai, 25th July, 2000

## ANNEXURE - I TO THE DIRECTORS' REPORT

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

### A. Conservation of Energy :

#### a) Energy Conservation Measures taken :

Continuous efforts are being made by the production team for conservation of energy. Heating time for trials, testing etc. is strictly monitored and certain savings are expected, but total impact of this cannot be measured.

#### b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy : None

#### c) Impact of measures at (a) & (b) above, for reduction of energy consumption and consequent impact on the cost of production of goods: With the implementation of the measures indicated in (a) above, it is expected that there would be a corresponding favourable impact on the energy cost per unit of production.

### B. Technology Absorption :

Efforts made in technology absorption :

#### 1. Specific areas in which R & D carried out by the company :

A new range of twin-screw compounding plants have been developed and marketed.

#### 2. Benefits derived as a result of the above R & D :

Products range of the Company has been widened.

#### 3. Future plan of action : -

#### 4. Expenditure on R & D :

During the year, the company spent recurring amount of expenditure on R&D which have been included in the respective expenses heads. No separate account head for expenditure on R&D has been maintained.

#### 5. Technology Imported during the last 5 years :

Technology for	Imported from	Year of import	Status
i) Manufacture of Twin Screw Plastic Extrusion Machinery BEX-2 series.	M/s. Battenfeld Extrusionstechnik GmbH, Germany	2000	Technology absorption is in progress.

### C. Foreign Exchange Earnings and outgo :

	(Rs. in lacs)	
	1999-2000	1998-99
Foreign Exchange earned	1283.70	673.24
Foreign Exchange used	144.76	105.49

## ANNEXURE - II TO THE DIRECTORS' REPORT

STATEMENT PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975

Name/Age (Years)	Designation	Qualification	Experience (Years)	Gross Remuneration (Rs.)	Date of Commencement of employment	Particulars of last employment
R.K.Mundra (46)	President	B.E.	26	8,98,921	01-04-89	Partner Kolsite Engineering Corporation

### NOTES:

- Gross Remuneration include Salary, Allowances, Medical re-imbursement, Company's contribution to Provident Fund, Family Pension Fund, Superannuation Fund.
- The nature of employment is Contractual.

For and on behalf of the Board

Mumbai, 25th July, 2000

**S.V. KABRA**  
Chairman