

(1998-99)



OVERSEAS SYNTHETICS LIMITED

SEVENTH ANNUAL GENERAL MEETING

On Thursday, the 30th day of September, 1999
at the Conference Hall, Bombay Market, Umarwada, Surat - 395 010 at 10.30 a.m.

BOARD OF DIRECTORS

Shri Haribhai R. Patel	Chairman
Shri Rohit H. Patel	Managing Director
Shri Narendra H. Patel	Whole time Director
Shri Mehul H. Patel	Executive Director (Finance)
Shri Dahyabhai J. Patel	
Shri Dinkar H. Patel	
Shri M M Khatri	Nominee Director (GILC)

AUDITORS

Natvarlal Vepari & Co;
Chartered Accountants
405, River Palace II
Nanpura, SURAT - 395 001

BANKERS

State Bank of Saurashtra
Begumpura, SURAT - 395 003

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Shareholders are requested to bring their copy of the Annual Report alongwith them at the meeting as copies of the Report will not be distributed at the meeting.

OVERSEAS SYNTHETICS LIMITED

NOTICE

NOTICE is hereby given that 7th Annual General Meeting of members of the Company will be held as scheduled below.

Date : 30th September, 1999
 Day : Thursday
 Time : 10.30 A.M.
 Venue : Conference Hall, Bombay Market, Umarwada, SURAT - 395 010

to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1999, the audited Profit and Loss account for the year ended on 31st March, 1999 together with the Directors' and the Auditors' Report thereon.
2. To appoint a director in place of Shri Haribhai R. Patel who retires by rotation but being eligible offers himself for reappointment.
3. To appoint a director in place of Shri Mehul H Patel who retires by rotation but being eligible offers himself for reappointment.
4. To appoint auditors and fix their remuneration.

Regd. Office:

Nutan Estate, Vasta Devdi Road, Katargam,
 SURAT - 395 004.

By Order of the Board

for OVERSEAS SYNTHETICS LIMITED

Place : Surat

Date : 20/08/1999

Rohit H Patel
 Managing Director

NOTE

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE. A PROXY NEED NOT BE A MEMBER. A PROXY FORM TO BE EFFECTIVE MUST BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS PRIOR TO MEETING.
2. The Register of Members and Share Transfer Books of the company will remain closed from Saturday the 25th September, 1999 to Thursday, the 30th September, 1999 (both days inclusive).
3. The shareholders who have yet not paid Allotment money are requested to pay the same with interest @ 18% p.a. in accordance with Allotment Notice / Advice dated 22nd February, 1994 and subsequent reminders. Members are requested to write to the company in case of any difficulty.
4. The Shareholders are requested to notify change in their address immediately to the company.
5. The Shareholders desiring any information on accounts are requested to write to the attention of Managing Director so as to reach the Company on or before 25/09/1999.



DIRECTORS' REPORT

Your directors are pleased to present 7th Annual Report and Audited Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS

Particulars	(Rs. in lakhs)	
	1998-99	1997-98
Sale and Other Income	1870.01	1833.74
Profit before depreciation and tax	62.01	51.62
Provision for depreciation	48.48	46.15
Provision for tax	1.42	0.57
Profit after Depreciation and tax	12.13	4.90
Add: Balance brought forward from previous year.	33.30	28.40
Balance carried to Balance Sheet	45.43	33.30

OPERATIONS

During the year under review, your company has achieved gross turnover of Rs.1870.01 lakhs as against Rs. 1833.74 lakhs in the corresponding previous year. The level of other income remained almost at the same as in previous year. Your directors have continued the R & D operations and development of new techniques/ products which could get an edge over competition.

The political uncertainty at the Centre and subsequent developments did not offer favourable business climate and coupled with the over capacities in this particular industry, the growth of the business is not felt. Your directors are taking steps to liquidate the debt burden by funding them from the available internal cash accruals and lower reliance on borrowed capital would result in lower outgo on interest expenses and thus would raise the prospects of better profits in the years to come.

FIXED DEPOSITS

Since your company has not accepted any fixed deposits from public attracting provisions of Section 58A of the Companies Act, 1956, the company has no particulars to offer.

DIRECTORS

Shri Haribhai R. Patel and Shri Mehul H. Patel, Directors of the company would retire and being eligible offer themselves for reappointment.

PARTICULARS OF EMPLOYEES

Information pursuant to provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended is NOT APPLICABLE as no employee of the company was in receipt of remuneration at the prescribed rate during the year under review.

OVERSEAS SYNTHETICS LIMITED

PARTICULARS OF ENERGY CONSERVATION ETC.

As required by Section 217(1)(e) read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, the particulars are set out in the Annexure A and forms part of this report.

Y2K STATUS

The computer systems of the company are of new generation and already Y2K compliant. Your directors do not anticipate any difficulties in the manufacturing activities due to nature of machinery. The accounting and other softwares are already Y2K compliant. Your company has, however, identified a senior computer personnel to watch the effects of Y2K problem and set them right, if affecting at all.

AUDITORS

M/s. Natvarlal Vepari & Co; Chartered Accountants retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

INDUSTRIAL RELATIONS

The Industrial relations at Ankleshwar Factory and Administrative Office at Surat remained cordial and peaceful. Your directors duly recognize and appreciate this valuable resource and place on record their appreciation of the industrial peace.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the contribution made by employees at all level. Your directors also convey their grateful thanks to GILC, State Bank of Saurashtra, Government Authorities, Shareholders, Distributors and Dealers for their continued patronage and support.

On behalf of the Board

DATE : 20/08/1999
PLACE : SURAT

DAHABHAI. J. PATEL DIRECTOR
ROHIT H. PATEL MG. DIRECTOR
NARENDRA H. PATEL WHOLE-TIME- DIRECTOR



ANNEXURE - A

Information pursuant to the Companies (Disclosure of particulars in the report of Directors) Rules, 1988.

1. CONSERVATION OF ENERGY

A. Energy conservation measures taken:

- (1) Reducing the maximum demand by evenly distributing the loads throughout the day and increasing efficiency of plant and equipments.
- (2) Improving power factor by optimum choice of power factor improvement capacitors and replacement of worn out capacitors.

B. Additional Investments and proposals, if any being implemented for reduction of consumption of energy: Plans are under consideration.

C. Impact of measures at (A) and (B) above will result in reduction of energy consumption and consequent impact on the cost of production of goods: Not Applicable

D. Total energy consumption and energy consumption per unit of production as per Form- A attached.

2. TECHNOLOGY ABSORPTION :

E. Efforts made in technology absorption:

----- Not Applicable -----

3. FOREIGN EXCHANGE EARNING AND OUTGO :

F. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and service and export plan.

----- Not Applicable -----

G. Total Foreign Exchange used and earned.

	1998-99	1997-98
	(Rs.in lakhs)	(Rs.in lakhs)
Foreign Exchange earned through exports.(on accrual basis)	--	--
Foreign exchange used CIF value of Imports (Capital Goods & Spares)	--	35.24
Foreign Traveling	0.73	--

OVERSEAS SYNTHETICS LIMITED_____

FORM-A

Form of disclosure of particulars with respect to consumption of energy.

		CURRENT YEAR	PREVIOUS YEAR
A.	Power & Fuel Consumption		
	1. Electricity		
	a) Purchased units	17,94,472	16,74,267
	Total amount (Rs.)	69,47,525	54,90,687
	Rate (Unit Rs.)	3.87	3.28
	b) Own Consumption		
	i) Through Diesel Generator		
	Units (Ltr.)	1,72,200	23,000
	Average rate	10.81	11.65
	ii) Through Steam turbine /generator	Nil	Nil
	2. Coal		
	Quantity (Tonnes)	Nil	Nil
	Total Cost	Nil	Nil
	Average rate	Nil	Nil
	3. Furnace Oil		
	Quantity (in Ltrs.)	Nil	Nil
	Total amount	Nil	Nil
	Average rate	Nil	Nil
	4. Gas Consumption		
	Quantity (Unit.)	3,90,630	4,61,683
	Total amount	23,33,525	27,49,722
	Average rate	5.97	5.96
	5. Others (Internal Generation)	Nil	Nil
B.	Consumption per unit of production :		
	STANDARD	CURRENT YEAR	PREVIOUS YEAR
	1. Electricity		
	Yarn (Per Kg)	3.74	4.31
	Cloth (Per Mtr.)	1.70	1.71
	Draw-Twisting(Per Kg)	1.39	1.48
	Crimping(per Kg)	5.93	6.14
	Sizing (per Kg)	0.66	0.60
	Texturising	1.25	1.55
	2. Coal	Nil	Nil
	3. Furnace Oil	Nil	Nil
	4. Others	Nil	Nil