





BOARD OF DIRECTORS	Mr. Madhusudan S. Jhunjhunwala	Chairman
	Mr. Krishnakumar M. Jhunjhunwala	Managing Director
	Mr. Sanjay S. Karandikar	Whole-Time Director
	Mrs. Vrinda K. Jhunjhunwala	Director

AUDITORS	M/s. Sundarlal, Desai & Kanodia Chartered Accountants Mumbai
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BANKER	Oriental Bank of Commerce
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REGISTERED OFFICE & FACTORY	Survey No.: 59/1/4, Amli Piparia Industrial Estate Silvassa - 396 230 U.T. of Dadra & Nagar Haveli
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ADMN. OFFICE	304, Arcadia Nariman Point Mumbai-400 021
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SHARE TRANSFER AGENT	Shepan Consultants Limited 82/86, Perin Nariman Street Fort, Mumbai-400 001
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NOTICE

NOTICE is hereby given that the **SEVENTH ANNUAL GENERAL MEETING** of the Members of **SARLA POLYESTER LIMITED** will be held on **SATURDAY, THE 30th DAY OF SEPTEMBER, 2000** at the Registered Office of the Company at Survey No. : 59/1/4, Amlī Piparia Industrial Estate, Silvassa-396 230, U.T. of Dadra & Nagar Haveli, at 11.30 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2000 and the Profit and Loss Account for the year ended on that date together with schedules thereon and the Reports of the Directors and Auditors.
2. To appoint a Director in place of Mr. SANJAY KARANDIKAR, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

Mumbai.

Date : 30th June, 2000

For & on behalf of Board of Directors

MADHUSUDAN S. JHUNJHUNWALA

Chairman

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be deposited at the Registered Office of the Company not less than Forty-Eight hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2000 to 30th September, 2000 (both days inclusive).

7th Annual Report

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting their **Seventh Annual Report** on the business and operations of the Company together with Audited statement of Accounts for the year ended 31st March, 2000.

1. FINANCIAL RESULTS

(Rs. in Lacs)

	<u>1999-2000</u>	<u>1998-99</u>
Total Income	3938.89	3588.49
Profit before Financial Charges and Depreciation	372.35	351.02
Less: (1) Financial Charges 126.94		
(2) Depreciation 54.91	181.85	183.79
Profit before tax	190.50	167.23
Less : Provision for tax 0.20		---
Profit after tax	190.30	167.23
Balance Brought forward	261.58	394.35
Surplus available for appropriation	<u>451.88</u>	<u>561.58</u>

2. APPROPRIATIONS

Transfer to General Reserve	Nil	300.00
Balance carried forward to Balance Sheet	451.88	261.58
	<u>451.88</u>	<u>561.58</u>

3. OPERATING RESULTS AND PROSPECTS

"When the going gets tough, the tough get going". This summarised the Efforts put in by all our fellow workers during this past one year.

Reducing cost, increasing efficiency & value addition has been the aim which each one of us is striving to achieve.

Repeat orders from existing customers justifies the blind faith they have put in our Company's yarn quality. Instead of looking for new customers every day, all of us have sincerely made an effort to fulfil even the most stringent requirements of our existing customers & ensuring a level of continuity of orders & business.

Among the various new products introduced has been Lycra/Spandex covered Nylon & Polyester Yarns which have been very well received by the customers & could be a future growth area especially since more than 90% of the products have already been produced in house thereby achieving high value additions.



In this scenario your Company was able to earn a Net Profit of Rs.190.30 lakhs as against Rs.167.23 Lakhs earned during the previous year with the total Exports sales during the year Rs.1833.86 lakhs, as compared to Rs.1940.15 lakhs during the previous year.

4. DIVIDEND

Your Directors do not recommend dividend for the year ended 31st March 2000, to ploughback the profits for normal capital expenditure and working capital.

5. DIRECTORS

Mr. Sanjay S. Karandikar, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

6. FIXED DEPOSIT

The Company has not accepted any deposit within the meaning of Section 58-A of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975.

7. PERSONNEL

Particulars of employees within the meaning of Section 217 (2 A) of the Companies Act, 1956, read with the Companies (Particular of Employees) Rules, 1975, as amended by the Companies Amendment Act, 1988, are not applicable since there were no employees who were in receipt of remuneration prescribed under the Rules.

8. AUDITORS

M/s. Sunderlal, Desai & Kanodia, the Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment.

9. ENVIRONMENT SAFETY & ENERGY CONSERVATION

a) Environment Safety

The Company's activities at Silvassa are only texturising and twisting hence there is no pollution created while carrying out the said manufacturing activities of the Company.

At the Dyeing Units, effluent treatment plant has been installed in accordance with the requirement of Pollution Control Laws.

The Company's management has provided enough consideration for a healthy working environment and in minimising happenings of accidents and health hazards.

b) Energy Conservation & Additional Investments

In the area of energy conservation, the work has been carried out with optimum levels of consumption of captive power and fuel thereof, for which the Company installed New D. G. Sets for better efficiency and maximum outputs. The Company has proposed to install New IBR Boiler which would further optimise the consumption of LDO/Furnace oil for producing steam.

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FORM A

Form for Disclosure of Particulars with respect to Conservation of Energy.

A) I. Electricity	Current year	Previous year
(a) Purchased		
Unit	624049	232422
Total amount [Rs.]	2864953.29	795268.59
Rate/Unit [Rs.]	4.59	3.39
(b) Own Generation		
(i) Through diesel generator		
Unit	6568480	6354498
Units per ltr. of diesel oil	3.395	3.52
Cost/Unit (Rs.)	Rs.3.26	Rs. 2.18
(ii) Through steam turbine generator	---	---
2. Coal (Specify quality & where used)	---	---
3. Furnace Oil	---	---
4. Others/internal generation	---	---
5. Consumption per unit of production		

	Standards (if any)	Current year	Previous year
Products (with details) Unit			
Electricity	---	4.40 (mtr)	3.39 (mtr)
Furnace Oil	---	---	---
Coal (specify quality)	---	---	---
Others (specify) DIESEL	---	0.32 (ltrs)	0.28 (ltrs)

FORM 'B'

Form for disclosure of particulars with respect to Technology Absorption, Research and Development (R&D)

1. Specific areas in which R & D is carried out by the Company	New Product Development, Process Development and Optimising process parameters.
2. Benefits derived as a result of the above R & D	Introduction of several new types of Polyester and Nylon Yarns.
3. Future Plan of Action	To meet the changing requirement of customers around the world and development of new products.