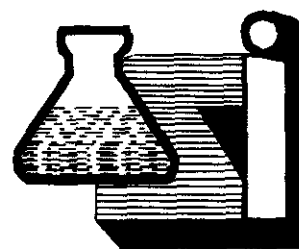


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SHREYAS
INTERMEDIATES
LTD.



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BOARD OF DIRECTORS

Shri Navinchandra N. Parekh	Director
Shri Amitabh Hirawat	Director
Shri S. L. Sharma	Director
Shri D. Kumar I. A. S. (Retd.)	Director
Shri M. D. Thakur	Director (Sicom Nominee)
Shri Rajesh Sharma	Director
Shri Dinesh Sharma	Managing Director

REGISTERED OFFICE

122- 125 Solaris - II Opp. L & T Gate No. 6,
Sakivihar Road, Powai, Andheri (E), *
Mumbai - 400 072.

FACTORY

D - 22, M. I. D. C.
Lote Parshuram, Taluka Khed,
Dist. - Ratnagiri,
Maharashtra.

BANKERS

Bank of Baroda

STATUTORY AUDITORS

M/s J. B. Sharma & Co.
Chartered Accountants

REGISTRARS & SHARE TRANSFER AGENTS

M/s. System Support Service,
209, Shivai Indl. Estate,
Near to Parke Devis,
89, Andheri Kurla Road,
Sakinaka, Mumbai - 400 072.

10th ANNUAL GENERAL MEETING

Date : 31st March, 2000

Day : Friday

Time : 10.30 a.m.

Place: 122- 125 Solaris-II Opp. L& T
Gate No. 6, Sakivihar Road Powai,
Andheri (E), Mumbai - 400 072.

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SHREYAS INTERMEDIATES LTD.**NOTICE**

Notice is hereby given that the Tenth Annual General Meeting of the Share Holders of SHREYAS INTERMEDIATES LIMITED will be held at Solaris II, Flat No. 122, Universal Industrial Estate, Saki Vihar Road (Opp. L & T Gate No. 6) Andheri (East), Mumbai - 400 072. on 31st March, 2000 at 10.30 a.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, Consider and adopt the DIRECTOR'S Report, the Auditor's Report and the audited Balance Sheet as at 30.09.99 and the Profit and Loss Account for the year ended on that date.
2. To appoint Directors in place of Shri S. L. Sharma who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint Directors in place of Shri Rajesh Sharma who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

By order of the Board
for **SHREYAS INTERMEDIATES LTD.**

Place : Mumbai
Date : 1st March, 2000

Dinesh Sharma
Managing Director

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.
- (b) The Register of Members and the Share Transfer Books in respect of the Equity Shares of the Company will remain closed from Saturday, the 25th March, 2000 to Friday, the 31st March, 2000.
- (c) Members are requested to intimate the change of address, if any, immediately to the Company's Registrar and Transfer Agents, M/S System Support Service, 209 Shivani Industrial Estate, Near Parke Davis, 89 Andheri Kurla Road, Saki Naka, Mumbai-400 072.



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DIRECTORS' REPORT

To,
The Shareholders,

Your Directors are pleased to present the Tenth Annual Report together with the Accounts of the Company for the Year ended on 30th September, 1999.

FINANCIAL RESULTS:

	Year Ended 30.9.99 (Rs.in lacs)	Year ended 30.9.98 (Rs.in lacs)
Gross Income	1321.68	1372.49
Profit before Interest and Depreciation	112.33	91.80
Less : Interest	77.70	78.99
Profit before Depreciation	34.63	12.81
Less : Depreciation	33.04	53.56
Profit for the Year	1.59	(40.75)
Balance brought forward	312.78	353.52
Profit available for appropriation	314.37	312.77

DIVIDEND

The Company has also been hit by a severe recession. The prices of H- Acid during the period beginning from January 1998 tumbled down by as much as 50%. This severely eroded the performance of the Company. Due to general recession, the Company's Pigment plant also suffered, there being a severe competition for prices. The Directors express their inability to declare any dividend.

PRODUCTION AND PERFORMANCE:

Due to absolute fall in the profitability of H-Acid, the production of H-Acid was suspended. The plant was lying idle was most of the year under review. However the Company put all its efforts in the production of pigments and the production there picked up substantially. The quality of the pigments of the Company was very well accepted in the market.

The Company now plans to use the intermediate plant also for the manufacture of pigments.

MARKETS

The markets for H-Acid was a sea change during the year under review. The market bottomed out and due to an organised market strategy by China, the Indian H- Acid was pushed out of the international markets in term of prices. The Company is thus forced to look out for other manufacturing products to be produced in the intermediates plant.

The markets for pigments however picked up. The prices which dipped due to heavy recessionary tendencies in the markets were more than compensated by the enhanced production and better quality of offering from the Company. The Company sees a good future in the pigments and the Company sees enhanced profitability in the coming years.

EXPORTS

The total exports of the Company were to the tune of Rs. 371.23 lacs. The exports during the year were down because of the discountinuation of H-Acid. The pigment however were targeted mainly for the export markets and the of the export sales have come from the sales of pigments.

RESEARCH AND DEVELOPMENT

The Company had developed three new products during last year. However only one product was accepted in sustained way in the market. However, the quality of pigments took a quantum leap and was translated in terms of higher export growth in the pigment filed.

The Company has now come up with varying quality of pigments to cater to the specific needs of the user industries.

FUTURE OUTLOOK

The Directors are of the perception that H-Acid as a product has shifted out of India and China has taken over the production and worldwide for some time to come. The efforts here in India are individual and non directed. The efforts made by China as a country is uni directional and conserted.

The Pigment business however, will look up during the financial year. The Company sees a good future in the line which currently the Company is engaged in and is very hopeful of carving out a decent market share in the Indian markets as well as the export market segment which emanates from India.

SHREYAS INTERMEDIATES LTD.**YEAR 2000 (Y2K) COMPLIANCE :**

The Company did not face any problem since adequate precautionary measures were taken for Y2K compliance.

LISTING :

The Company's Equity Capital continued to be listed on the Mumbai Stock Exchanges. The Company has paid annual listing fees.

DIRECTORS

Shri S. L. Sharma and Shri Rajesh Sharma retire by rotation at the Annual General Meeting and being eligible offer themselves for reappointment.

EMPLOYEES

Since none of the employee was in receipt of remuneration exceeding Rs.50,000/- per month or Rs.6,00,000/- per annum during the year under review, there are no particulars to report as required under Section 217 (2A) of the Companies Act, 1956 read with the relevant rules.

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per Section 217(i) (c) read with Company's (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure "A" to this report.

AUDITORS' REPORT

The observations made by the auditors in their report do not require any comments as the same are either self explanatory or have been fully explained in the notes attached to the accounts.

APPOINTMENT OF AUDITORS

Shareholders are requested to appoint the statutory Auditors of the Company for the Current year and fix their remuneration. The retiring Auditors M/s. J.B. Sharma & Co., Chartered Accountants, Mumbai are eligible for appointment.

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep sense of appreciation for the hard and dedicated services of all the employees and unstinted support of the Bankers. Your Directors also acknowledge the cooperation received from their esteemed customers.

On behalf of the Board of Directors
FOR SHREYAS INTERMEDIATES LTD.

Mumbai
1st March, 2000

Dinesh Sharma
Chairman & Managing Director

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