



**ANNUAL REPORT
1999-2000**

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SINTEX INDUSTRIES LIMITED

Kalol - 382 721, Gujarat, India

SHAREHOLDING AS ON 31ST MARCH, 2000

Number of Shares held	Number of Shareholders	Total Number of Shares
1 to 50	27557	551803
51 to 100	5258	408113
101 to 500	2426	477723
501 to 1000	333	263839
1001 to 5000	127	263827
5001 to 10000	22	147712
10001 and above	48	12448647
TOTAL	35771	14561664


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SINTEX INDUSTRIES LIMITED
KALOL (N.G.)

BOARD OF DIRECTORS :

SHRI DINESH B. PATEL—*Chairman & Managing Director*
 SHRI BIPINCHANDRA P. PATEL
 SHRI ANIL AHUJA
 SHRI ANURAG MATHUR
 SHRI RAMNIKBHAI AMBANI
 SHRI KIRTIKANT S. NANAVATI
 SHRI SUKUMAR M. PARIKH
 SHRI H.C. BHAMBHANI (*Nominee Director*)
 SHRI ARUN P. PATEL, *Managing Director*
 SHRI RAHUL A. PATEL, *Whole Time Director*
 SHRI AMIT D. PATEL, *Whole Time Director*
 SHRI S.B. DANGAYACH, *Whole Time Director*

MANAGEMENT TEAM :

SHRI DINESH B. PATEL, *Chairman & Managing Director*
 SHRI ARUN P. PATEL, *Managing Director*
 SHRI RAHUL A. PATEL, *Whole Time Director*
 SHRI AMIT D. PATEL, *Whole Time Director*
 SHRI S.B. DANGAYACH, *Whole Time Director*
 SHRI KIRIT C. SHAH, *Executive President (Textile Division)*
 SHRI ASHOKE MAITRA, *Executive President – Tech. (Textile Division)*

VICE PRESIDENT (FINANCE) & COMPANY SECRETARY :

SHRI L. M. RATHOD

BANKERS :

STATE BANK OF INDIA

AUDITORS :

C.C. CHOKSHI & CO.
Chartered Accountants
 AHMEDABAD

LEGAL ADVISOR :

SHRI ASHWIN LALBHAI SHAH, *Advocate*
 AHMEDABAD

REGISTERED OFFICE :

NEAR SEVEN GARNALA
 KALOL (N.G.) 382 721
 TEL (91-2764) 23731 (6 Lines), 20246 & 20793
 FAX : (91-2764) 20436
 E-Mail : bvm@sintex.co.in

69TH ANNUAL GENERAL MEETING

DATE : 29TH SEPTEMBER, 2000
 DAY : FRIDAY
 TIME : 10.30 A.M.
 PLACE : REGISTERED OFFICE:
 NEAR SEVEN GARNALA
 KALOL (N.G.) 382 721

Notice of the 69th Annual General Meeting of the Company to be held on Friday, the 29th September, 2000 at 10.30 a.m. (S.T.) at the Registered Office of the Company situated at Kalol (N.G.) to transact the business mentioned therein is enclosed herewith.

Shareholders are requested to bring their copy of the Annual Report while attending the Meeting.

SINTEX INDUSTRIES LIMITED

FINANCIAL STATISTICS:
TEN YEARS AT A GLANCE

(Rupees in lacs)

	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000
Fixed Assets(Net)	2514.21	2674.77	3008.58	3519.67	4505.52	5023.26	5917.19	9431.32	8931.27	14973.62
New Project Expenses	25.65	1.52	8.02	337.70	59.19	116.73	73.51	44.76	7164.03	5124.80
Investments	176.84	271.86	322.33	334.52	375.95	466.69	398.65	836.40	1081.40	1368.83
Net Current Assets	1698.73	1796.04	2228.77	3109.05	4184.91	4852.40	5384.07	8252.87	8887.44	8507.09
Misc.Exp.(Not Written off)	0.00	0.00	101.61	79.72	91.51	61.20	30.89	203.84	257.25	262.45
Total Assets (Net)	4415.43	4744.19	5669.31	7380.66	9217.08	10520.28	11804.31	18769.19	26321.39	30236.79
Borrowings	2348.94	2593.13	3299.66	4417.90	5157.23	6149.72	7056.04	6685.16	12478.47	14976.66
Preference Share Capital	5.30	5.30	5.30	0.00	0.00	0.00	0.00	0.00	1000.00	1500.00
Equity Share Capital	277.30	277.30	277.30	357.62	497.62	446.04	446.04	1456.17	1456.17	1456.17
Reserves & Surplus	1783.89	1868.46	2087.05	2605.14	3562.23	3924.52	4302.23	10627.86	11386.75	12303.96
TOTAL CAPITAL EMPLOYED	4415.43	4744.19	5669.31	7380.66	9217.08	10520.28	11804.31	18769.19	26321.39	30236.79
Debt/Equity Ratio	1.1:1	1.2:1	1.4:1	1.5:1	1.3:1	1.4:1	1.5:1	0.5:1	1:1	1.1:1
Net Sales & Other Income	8387.59	9489.53	9014.59	10303.37	12545.15	14739.56	14805.84	15832.85	18363.72	20965.76
Raw Materials	3345.09	3744.71	3814.86	4437.58	5351.70	6665.88	5945.89	5372.23	6955.76	8210.75
Salaries & Wages	613.52	741.78	712.52	787.91	1022.06	1100.69	1197.12	1429.94	1632.29	1788.48
Operations & Other Expenses	3347.64	4051.49	3228.79	3573.91	4432.48	4824.52	5243.34	6070.38	6735.01	7211.53
Interest	370.75	438.66	555.35	716.72	664.81	947.49	1018.62	851.20	675.64	979.20
Gross Profit (Loss)	710.59	512.89	703.07	787.25	1074.10	1200.98	1400.87	2109.10	2365.02	2775.80
Depreciation	236.31	266.08	292.29	357.19	467.62	586.60	680.56	858.83	1077.03	1291.57
Profit/(Loss) before Taxes	*-82.95	246.81	410.78	430.06	606.48	614.38	720.31	1250.27	1287.99	1484.23
Taxes	0.00	42.00	7.00	2.00	110.00	19.00	90.00	120.00	121.00	155.00
Profit/(Loss) after Taxes	-82.95	204.81	403.78	428.06	496.48	595.38	630.31	1130.27	1166.99	1329.23
Extra Ordinary Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	90.35	112.93	12.57
Net Profit/(Loss)	-82.95	204.81	403.78	428.06	496.48	595.38	630.31	1039.92	1054.06	1316.66
Dividend	61.35	69.67	77.99	113.47	148.74	172.26	156.12	179.74	235.20	359.86
Tax on Dividend	0.00	0.00	0.00	0.00	0.00	0.00	15.61	17.97	25.71	39.59
Retained Earnings	92.01	401.22	618.08	671.78	815.36	1009.72	1139.14	1791.39	1870.18	2208.78
Earning per Equity Share Rs.	0.00	74	**14.56	11.97	9.98	13.35	14.13	7.14	7.24	9.04
Book Value per Equity Share Rs.	743	774	**85	83	82	98	106	83	88	94
Dividend per Equity Share %	22	25	28	32	32	35	35	15	15	15

* After providing for gas expenses of earlier year of Rs.557.23 lacs

** On subdivided Equity Share of Rs.10/-



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NOTICE

NOTICE is hereby given that Sixty Ninth ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SINTEX INDUSTRIES LIMITED, will be held as scheduled below:

DATE : 29th SEPTEMBER, 2000
 DAY : FRIDAY
 TIME : 10.30 a.m.
 PLACE : Regd. Office :Near Seven
 Garna, Kalol (N.G.) 382 721

to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2000 and Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors.
2. To note payment of dividend on shares.
3. To appoint Director in place of Shri Bipinchandra P. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Shri Sukumar M. Parikh, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Director in place of Shri Kirtikant S. Nanavati who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS.

To consider and, if thought fit, to pass with or without modifications, the following Resolutions :

7. As an Ordinary Resolution.

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310, 311, and other provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act and subject to the necessary approval of the Central Government, if and wherever necessary, the Company in General Meeting hereby grants its approval to the reappointment of Shri Satyanarayan B. Dangayach as Whole Time Director of the Company for a period of 5 years commencing from 7th June, 2000 on the remuneration and other terms and conditions as contained in the Explanatory Statement hereto annexed.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to enhance, enlarge, alter or vary the scope and quantum of remuneration and perquisites of Shri Satyanarayan B. Dangayach which revision should be in conformity with any amendments to the relevant provisions of the Companies Act and/or the Rules and Regulations made thereunder and/or such guidelines as may be announced by the Central Government from time to time without further reference to the Company in General Meeting."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such actions as may be necessary, to give full and final effect to the decision taken herein".

8. As a Special Resolution.

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby amended and/or altered in the following manner:

- (i) The following new Article with the marginal notes as indicated be inserted as Article 54A after the present Article 54:

54A Dematerialisation of Securities:

Definitions:

- (1) For the purpose of this Article:

"Beneficial Owner" means a person whose name is recorded as such with a Depository;

"Depository" means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992;

"Depositories Act" means the Depositories Act, 1996 or any statutory modification or re-enactment thereof;

"Registered Owner" means a Depository whose name is entered as such in the records of the Company;

"Security" means such security as may be specified by the Securities and Exchange Board of India, from time to time.

Dematerialisation/Rematerialisation of Securities:

- (2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise/rematerialise its securities and to offer securities in the dematerialised form pursuant to the Depositories Act.

Securities in fungible form:

- (3) All securities held by a Depository shall be dematerialised and shall be in fungible form. No certificate shall be issued for the securities held by the Depository. Nothing contained in Sections 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.

SINTEX INDUSTRIES LIMITED**Numbering of Securities :**

- (4) Nothing contained in the Act or these Articles, regarding the necessity of having Distinctive Numbers/Certificate Numbers shall apply to securities held in a Depository.

Service of documents :

- (5) Notwithstanding anything contained in the Act or these Articles where the Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company, by means of electronic mode and/or by delivery of floppies or disks.

Transfer of Securities:

- (6) Nothing contained in these Articles shall apply to transfer of securities held in Depository.

Allotment of Securities :

- (7) Where the securities are dealt with in a Depository, the Company shall intimate the details of allotment or relevant securities to the Depository on allotment of such securities.

Register and Index of Beneficial Owners :

- (8) The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a Register and Index of Members and other security holders.

Rights of Depository and Beneficial Owners :

- (9) As a registered owner, Depository shall not have any voting rights or any other rights in respect of the securities held by it.

Every person whose name is entered as the beneficial owner of shares in the records of the Depository shall be deemed to be a member of the Company. Every beneficial owner of securities shall be entitled to all the rights and benefit and be subject to all the liabilities in respect of the securities which are held by the Depository.

- (ii) The following new Article with the marginal notes as indicated be inserted as Article 58(A) and 58 (B) after the present Article 58:

58A Nomination :

- (1) Every holder of share(s) in and/or debenture (s) of the Company, so entitled under the Act and Rules framed thereunder, may, at anytime, nominate, in the manner prescribed under the Act, a person to whom his share (s) and /or debenture (s) of the Company shall vest in the event of his death.
- (2) Where the share(s) in and/or debenture (s) of the Company are held by more than one person jointly, the jointholders, so entitled under the Act and Rules framed thereunder, may, together nominate, in the manner prescribed under the Act, a person to whom all the rights in the share(s) in and/or debenture (s) of the Company, as the case may be, shall vest in the event of the death of all the joint holders.

- (3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the share(s) in and/or debenture (s) of the Company, where a nomination is made in the manner prescribed under the Act, purports to confer on any person the right to vest the share(s) in and/or debenture(s) of the Company, the nominee shall, on the death of the shareholder and/or debentureholder concerned or on the death of the jointholders, as the case may be, become entitled to all the rights in relation to such share(s) and/or debenture(s), to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the Act.

- (4) Where the nominee is a minor, the holder of the share(s) in and/or debenture(s) of the Company can make a nomination in the manner prescribed under the Act, to appoint any person to become entitled to the share(s) in and/or debenture(s) of the Company, in the event of his death, during the minority.

58B Transmission in case of nomination :

- (1) Any person who becomes a nominee by virtue of the provisions of Article 58A, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either –
- to be registered himself as holder of the share(s) and/or debenture(s), as the case may be; or
 - to make such transfer of the share(s) and/or debenture(s), as the case may be, as the deceased shareholder and/or debentureholder concerned or deceased jointholder, as the case may be, could have made.
- (2) In case the person being a nominee, so becoming entitled, elects himself to be registered as holder of the share(s) and/or debenture(s), as the case may be, he shall deliver or send to the Company, a notice in writing duly signed by him stating that the nominee concerned so elects and such notice shall be accompanied with the death certificate(s) of the deceased shareholder/debenture holder/joint holders, as the case may be.
- (3) All the limitations, restrictions and provisions of the Articles of Association of the Company, relating to the right to transfer and the registration of transfers of share(s) and/or debenture(s) shall be applicable to any such notice or transfer as aforesaid as if the death of the shareholder/debentureholder had not occurred and the notice or transfer were signed by that shareholder and/or debentureholder or jointholders, as the case may be.
- (4) A person, being a nominee, becoming entitled to the share(s) and/or debenture(s) by reason of the death of the holder shall be entitled to the same dividends and



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other advantages to which he would be entitled if he was the registered holder of the share(s) and/or debenture(s), except that he shall not, before being registered a member in respect of his share(s) or debenture(s), be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the Company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share(s) and/or debenture(s), and if the notice is not complied with, within ninety days, the Board may thereafter withhold payments of all dividends, bonuses or other moneys payable or rights accruing in respect of the share(s) and/or debenture(s), until the requirements of the notice have been complied with."

By Order of the Board of Directors,

(L.M. Rathod)

V. P. (Finance) & Company Secretary

Registered Office:
Near Seven Gamala
Kalol (N.G) 382 721
Dated: 28th July, 2000

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Board of Directors in their meeting held on 27th April 2000 have declared payment of interim dividend of Rs. 1.50 per Equity Share for the year 1999-2000. The Board of Directors have decided to treat the interim dividend as final dividend.
3. The Company has already transferred all unclaimed dividends declared upto the Financial Year ended 31st March, 1995 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. The Members, therefore, may submit their claims, if any, in this regard to the Registrar of Companies, Gujarat, at C.G.O. Complex, Opp: Rupal Park, Behind Ankur Bus Stand, Naranpura, Ahmedabad-380013.

Members who have not encashed their Dividend Warrants for the Financial Year ended on 31st March, 1996, and onwards are requested to approach the Company for revalidation/obtaining duplicate Dividend Warrants.

Consequent upon amendment in Section 205A of the Companies Act, 1956 and introduction of Section 205C, by the Companies (Amendment) Act, 1999, now the amount of dividend remaining unclaimed for a period of 7 years shall be transferred to the Investor Education and Protection Fund. 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.

4. Register of Members and Share Transfer Books of the Company shall remain closed from 16th September, 2000 to 29th September, 2000 (both days inclusive)
5. The accounts, the reports and all other documents required under the law to be annexed thereto will be available for inspection during working hours at the Registered Office of the Company on any working day except Saturdays and Sundays prior to the date of the Annual General Meeting.
6. Members desiring to seek any information on the Annual Accounts to be explained at the meeting are requested to send their queries in writing to the Company at the Regd. Office so as to reach at least 7 days before the date of the meeting to make the required information available.
7. In order to prevent the possibility of interception in transit & fraudulent encashment of Dividend Warrants sent to Members, Members are requested to inform Bank Account No. & Name of their Bankers which would be incorporated in the Dividend Warrants. Information may be sent in this respect to the Registered Office of the Company at the earliest.
8. Members are requested to :
 - ⇒ Bring their copy of the Annual Report to the Meeting as the practice of distributing copies of accounts in the meeting has been discontinued.
 - ⇒ Intimate, if Shares are held in the same name or in the same order and names but in more than one account to enable the Company to club the said accounts into one account.
 - ⇒ Notify immediately the change of address, if any, to the Company.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956.

ITEM No. 7

Shri Satyanarayan B. Dangayach was appointed as Whole Time Director of the Company for a period of five years commencing from 7th June 1995 at the Annual General Meeting of the Company held on 26th June, 1995 and further revision thereof was approved at the Annual General Meeting held on 15th September, 1997.

SINTEX INDUSTRIES LIMITED**Sintex**

The said tenure of appointment of Shri Satyanarayan B. Dangayach has expired on 6th June, 2000. Shri Satyanarayan B. Dangayach is associated with the Company since 1974 and is holding the Office of Whole Time Director since 7th June, 1995. He is presently looking after the management affairs of the Plastic Division of the Company. He has contributed significantly for its growth and development. Further the Company has a major expansion-cum-diversification plan for this Division. In view of this, the Board of Directors is of the opinion that Shri Satyanarayan B. Dangayach should continue as Whole Time Director of the Company. The Board of Directors therefore recommended Resolution set out in item No.7 of the Convening Notice to be adopted.

Subject to limits prescribed in Part II of Schedule XIII of the Act, Shri Satyanarayan B. Dangayach, Whole Time Director will receive the following remuneration w. e. f. 7th June 2000.

Salary	:	Rs. 87,500/- per month (including perquisites but excluding Commission).
Commission	:	Not exceeding 1% of the Company's Net Profit for each Financial Year subject to the overall ceiling laid down in Section 198 and 309 of the Companies act, 1956.
Perquisites	:	Total perquisites shall be restricted to an amount equal to the Annual salary or Rs. 4,50,000/ per annum whichever ever is less. For this purpose. Perquisites are classified in category A, B & C as follows :

Category "A"

Housing	:	(a) Expenditure by the Company on hiring furnished accommodation, subject to a ceiling of 60% of the Salary. Over and above 10% payable by the Whole Time Director. (b) If the accommodation is owned by the Company 10% of the salary of Whole Time Director shall be deducted by the Company. (c) In case no accommodation is provided by the Company, Whole Time Director shall be entitled to House Rent allowance not exceeding 60% of his Salary. Expenditure incurred by the Company on Gas, Electricity, Water and furnishing shall be valued as per the Income-tax Rules, 1962, subject to a ceiling of 10% of Salary.
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Medical Reimbursement	:	Expenses incurred for the Whole Time Director and his family subject to a ceiling of one month salary in a year or three months salary over a period of three years.
Leave Travel Concession	:	For the Whole Time Director and his family once in a year incurred in accordance with the Rules of the Company.
Club Fees	:	Fees of Clubs subject to maximum of two Clubs. No admission and life membership fee will be paid.
Personal Accident Insurance.	:	Personal Accident Insurance of an amount, the premium of which does not exceed Rs.4,000/- per annum.
Explanation	:	For the purposes of Category 'A' "Family" means the wife, the dependent children and dependent parents of the Whole Time Director.
Category "B"	:	Contribution to Provident Fund and Superannuation Fund which will not be included in the computation of the ceiling on remuneration to the extent they are, either singly or put together not taxable under the Income-tax Act, 1961. Gratuity not exceeding half month salary for each completed year of service. Gratuity and encashment of leave shall not be included in the computation of the ceiling on the remuneration
Category "C"	:	The Company shall provide a Car with Driver and Telephone at residence. Provision of Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Whole Time Director .



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In case of absence or inadequacy of the profits of the Company in any financial year, only the aforesaid salary and perquisites shall be paid to the Whole Time Director.

The Whole Time Director so long as he functions as such shall not be paid any sitting fees for attending the meeting of the Board or Committees thereof.

In the event of termination of the office of Whole Time Director before the expiration of tenure thereof, the same may take place by giving 90 days' notice or remuneration in lieu thereof from either side.

The particulars set out above may be treated as an abstract of the terms of the contract for re-appointment of the Whole Time Director which is required to be given to every member under the provisions of Section 302 (2) of the Companies Act, 1956.

None of the Directors of the Company is in any way interested in Resolution No.7 except, Shri Satyanarayan B. Dangayach him self.

ITEM No. 8

With the enactment of the Depositories Act, 1996, and the introduction of the Depositories System, certain provisions of the Companies Act, 1956, pertaining to issue, holding, transfer and dealing in shares and other securities as also Certificates thereof have been amended with a view to facilitating the operation of the Depository System. In view of this, consequent changes are required to be incorporated in the Articles of Association of the Company. This is sought to be done by introduction of a new Articles 54A in terms of the Resolution at Item No. 8(i) so that the Articles of Association of the Company are in line with the amended provisions of the Companies Act, 1956 read with the provisions of the Depositories Act, 1996.

Further, as per the provisions of Sections 109A and 109B of the Companies Act, 1956, as amended by the Companies

(Amendment) Act, 1999, every holder of shares in, or debentures of the Company may at any time nominate in the prescribed manner, a person to whom his shares in, or debentures of the Company shall vest in the event of his death.

It is, therefore, proposed to insert new Articles 58A and 58B in the Articles of Association of the Company to give effect to the said provisions as detailed in the Special Resolution set out at Item 8(ii) of the accompanying Notice.

Pursuant to the provisions of the Companies Act, 1956, a Company may by a Special Resolution alter its Articles of Association. Accordingly your Directors recommend the Special Resolution as set out under item No.8 of the notice for approval by the Shareholders.

A Copy of the Memorandum and Articles of Association of the Company together with the proposed alteration would be available for inspection by the members at the Registered Office of the Company during business hours on any working day.

None of the Directors of the Company is, in any way, concerned or interested in the Resolution.

By Order of the Board of Directors

(L.M. Rathod)

V. P. (Finance) & Company Secretary

Registered Office:

Near Seven Gamala

Kalol (N.G.) 382 721

Dated: 28th July, 2000

SINTEX INDUSTRIES LIMITED**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in submitting the 69th Annual Report and Audited Accounts for the financial year 1999-2000 that ended on 31st March, 2000.

FINANCIAL RESULTS

	Rupees	Rupees	Rs. in lacs Previous year Rupees
GROSS PROFIT		2775.80	2400.75
DEDUCTIONS :			
(a) Depreciation	1291.57		1112.76
(b) Out of Expenses accounted in this year relating to earlier period / Extra Ordinary Items	12.57	1304.14	112.93
PROFIT BEFORE TAX		1471.66	1175.06
Less : Provision for Taxation		155.00	121.00
PROFIT/(LOSS) AFTER TAX		1316.66	1054.06
Excess Provision of Taxation of earlier years		—	1.47
Transferred from Investment Allowance (Utilised) Reserve		45.00	0.81
Balance of Profit of Previous year		2384.23	1775.95
PROFIT AVAILABLE FOR APPROPRIATION		3745.89	2832.29
APPROPRIATIONS			
Debenture Redemption Reserve		274.65	87.15
General Reserve		100.00	100.00
Interim Dividend on Equity Shares		218.42	—
Interim Dividend on Preference Shares		141.44	16.78
Proposed Dividend		—	218.42
Tax on Dividend		39.59	25.71
Balance Carried to Balance Sheet		2971.79	2384.23
TOTAL		3745.89	2832.29

REVIEW OF OPERATION

The Company has performed well for the year under review. The Company's total income has increased by 11%. Operational profit has also increased by 16%.