



**ANNUAL REPORT
2002-2003**

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SINTEX INDUSTRIES LIMITED

Kalol - 382 721, Gujarat, India

ANNUAL REPORT 2002-2003

SINTEX INDUSTRIES LIMITED

Kalol (N. G.) 382721

BOARD OF DIRECTORS :

Shri Dinesh B. Patel	<i>Chairman & Managing Director</i>
Shri Ramnikbhai Ambani	
Shri Ashwin Lalbhai Shah	
Shri P. S. Chhabra	
Shri Rooshikumar Pandya	<i>(w.e.f. 31-01-2003)</i>
Shri Gaurav Mathur	<i>(w.e.f. 21-05-2003)</i>
Smt. Indira J. Parikh	<i>(w.e.f. 27-08-2003)</i>
Shri Bipinchandra P. Patel	<i>(upto 27-08-2003)</i>
Shri Sukumar M. Parikh	<i>(upto 31-01-2003)</i>
Shri Girish Baliga	<i>(upto 21-05-2003)</i>
Shri Arun P. Patel	<i>Managing Director</i>
Shri Rahul A. Patel	<i>Whole Time Director</i>
Shri Amit D. Patel	<i>Whole Time Director</i>
Shri S. B. Dangayach	<i>Whole Time Director</i>

MANAGEMENT TEAM :

Shri Rahul A. Patel	<i>Whole Time Director</i>
Shri Amit D. Patel	<i>Whole Time Director</i>
Shri S. B. Dangayach	<i>Whole Time Director</i>
Shri L. M. Rathod	<i>Executive President-Finance & Co. Sec.</i>
Shri Sunil Kanojia	<i>President (Plastic Division)</i>
Shri Sanjib S. Roy	<i>Vice President-Prefab (Plastic Div.)</i>
Shri S. Venktachalam	<i>Vice President-Technical (Plastic Div.)</i>
Shri B. R. Jayswal	<i>Vice President-Fin. & Acc. (Plastic Div.)</i>
Shri Rajan Gulabani	<i>Vice President-Marketing (Plastic Div.)</i>
Shri Ashok Gupta	<i>Vice President-Marketing (Plastic Div.)</i>
Shri Kirit C. Shah	<i>Executive President (Textile Division)</i>
Shri Ashok Maitra	<i>Executive President — Opr. (Textile Division)</i>
Shri R. A. Sharma	<i>Executive President — Proc. (Textile Division)</i>

COMPANY SECRETARY :

Shri L. M. Rathod

AUDITORS :

C. C. Chokshi & Co.
Chartered Accountants
Ahmedabad

REGISTERED OFFICE :

Near Seven Garnala
Kalol (N. G.) 382721
Tel (91-2764) 223731 (6 Lines), 220246 & 220793
Fax : (91-2764) 220436, 222868
E-mail : bvm@sintex.co.in

REGISTRAR & SHARE TRANSFER AGENTS :

Pinnacle Shares Registry Pvt. Ltd.
Near Ashoka Mills, Naroda Road,
Ahmedabad - 380 025.

BANKERS :

State Bank of India
IDBI Bank Limited
Bank of Baroda

MANUFACTURING FACILITIES AT :

- Kalol
Nr. Seven Garnala
Kalol - 382 721, (N.G.),
Dist. : Gandhinagar,
Gujarat State, India.
- Bangalore
61-C, Bommasandra Ind. Estate
Hosur Road,
Bommasandra - 562 158
Karnataka State, India.
- Calcutta
Plot No. 40 & 41,
Uluberia Growth Center,
Nr. Birsipur Railway Station
Dist. : Howrah,
West Bengal State, India.
- Daman
Plot No. 34,39 & 40, Survey No. 168
Dabhel Ind.Co.Op. Society Ltd.
Dabhel,
Daman (Union Territory), India.
- Baddi
Pillanvali Road,
Nr. Raja Forging Gears Ltd.
Dist. : Solan,
Himachal Pradesh State, India.
- Nagpur
Plot No: B/124 Batti-Bori, MIDC
Batti-Bori, Dist. : Nagpur
Maharashtra State, India.

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FINANCIAL STATISTICS :

TEN YEARS AT A GLANCE

(Rupees in lacs)

	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-2001	2001-2002	2002-2003
Fixed Assets (Net)	3519.67	4505.52	5023.26	5917.19	9431.32	8931.27	14973.62	38170.72	37882.29	36486.64
New Project Expenses	337.70	59.19	116.73	73.51	44.76	7164.03	5124.80	5644.42	5522.87	12148.88
Investments	334.52	375.95	466.69	398.65	836.40	1081.40	1368.83	1129.09	3106.85	1152.69
Net Current Assets	3109.05	4184.91	4852.40	5384.07	8252.87	8887.44	8507.09	13134.86	10079.45	12278.81
Misc. Exp. (Not Written off)	79.72	91.51	61.20	30.89	203.84	257.25	262.45	191.19	406.87	351.47
Deferred Tax Liability	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-635.55	-906.27
Total Assets (Net)	7380.66	9217.08	10520.28	11804.31	18769.19	26321.39	30236.79	58270.28	56362.78	61512.22
Borrowings	4417.90	5157.23	6149.72	7056.04	6685.16	12478.47	14976.66	24567.00	21715.43	25032.93
Preference Share Capital	0.00	0.00	0.00	0.00	0.00	1000.00	1500.00	1500.00	1500.00	1500.00
Equity Share Capital	357.62	497.62	446.04	446.04	1456.17	1456.17	1456.17	1456.17	1456.17	1456.17
Reserves & Surplus	2605.14	3562.23	3924.52	4302.23	10627.86	11386.75	12303.96	30747.11	31691.18	33523.12
Total Capital Employed	7380.66	9217.08	10520.28	11804.31	18769.19	26321.39	30236.79	58270.28	56362.78	61512.22
Debt/Equity Ratio	1.5:1	1.3:1	1.4:1	1.5:1	0.5:1	1:1	1.1:1	1.6:1	1.3:1	1.35:1
Net Sales & Other Income	10303.37	12545.15	14739.56	14805.84	15832.85	18363.72	20965.76	29628.33	37655.91	44700.68
Raw Materials	4437.58	5351.70	6665.88	5945.89	5372.23	6955.76	8210.75	10621.75	14513.42	19651.22
Salaries & Wages	787.91	1022.06	1100.69	1197.12	1429.94	1632.29	1788.48	2107.85	2158.52	2325.46
Operations & Other Expenses	3573.91	4432.48	4824.52	5243.34	6070.38	6735.01	7211.53	10940.28	14392.95	14224.66
Interest	716.72	664.81	947.49	1018.62	851.20	675.64	979.20	1929.43	2157.07	2849.44
Gross Profit (Loss)	787.25	1074.10	1200.98	1400.87	2109.10	2365.02	2775.80	4029.02	4433.95	5649.90
Depreciation	357.19	467.62	586.60	680.56	858.83	1077.03	1291.57	1808.03	2268.29	2206.57
Profit/(Loss) before Taxes	430.06	606.48	614.38	720.31	1250.27	1287.99	1484.23	2220.99	2165.66	3443.33
Taxes	2.00	110.00	19.00	90.00	120.00	121.00	155.00	181.00	243.26	1048.72
Profit/(Loss) after Taxes	428.06	496.48	595.38	630.31	1130.27	1166.99	1329.23	2039.99	1922.40	2394.61
Extra Ordinary Items	0.00	0.00	0.00	0.00	- 90.35	- 112.93	- 12.57	373.74	0.00	0.00
Net Profit/(Loss)	428.06	496.48	595.38	630.31	1039.92	1054.06	1316.66	2413.73	1922.40	2394.61
Dividend	113.47	148.74	172.26	156.12	179.74	235.20	359.86	405.92	405.92	478.73
Tax on Dividend	0.00	0.00	0.00	15.61	17.97	25.71	39.59	64.66	19.12	57.00
Retained Earnings	671.78	815.36	1009.72	1139.14	1791.39	1870.18	2208.78	3751.18	3765.65	4065.45
Earning per Equity Share Rs.	11.97	9.98	13.35	14.13	7.14	7.24	9.04	16.58	11.78	14.84
Book Value per Equity Share Rs.	83	82	98	106	83	88	94	221	228	240
Dividend per Equity Share %	32	32	35	35	15	15	15	15	15	20

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Dear Shareholders,

Your Directors have pleasure in submitting the 72nd Annual Report and Audited Accounts for the financial year 2002-2003 that ended on 31st March, 2003.

FINANCIAL RESULTS

	<u>Rupees</u>	<u>Rs. In Lacs Previous Year Rupees</u>
GROSS PROFIT	5649.90	4433.95
DEDUCTIONS :		
(a) Depreciation	2206.57	2268.29
PROFIT BEFORE TAX	3443.33	2165.66
Less : Provision for Taxation	778.00	161.00
Deferred Tax	270.72	82.26
PROFIT/(LOSS) AFTER TAX	2394.61	1922.40
Less : Short Provisions for Taxation of earlier Years	26.94	0.00
Add : Balance of Profit of Previous year	5970.59	4627.44
Transferred from Investment Allowance (Utilised) Reserve	0.00	45.79
PROFIT AVAILABLE FOR APPROPRIATION	8338.26	6595.63
APPROPRIATIONS		
General Reserve	500.00	200.00
Proposed Dividend on Equity Shares	291.23	218.42
Interim Dividend paid on Preference Shares	187.50	187.50
Tax on Dividend	57.00	19.12
Balance carried to Balance Sheet	7302.53	5970.59
TOTAL	8338.26	6595.63

REVIEW OF OPERATION

The Company has performed well for the year under review. The Company's total income has increased by 18%. Operational profit has also increased by 27%.

DIVIDENDS

Your Directors are pleased to recommend for the year ended 31st March 2003, for your approval and subject to approval of the Financial Institutions and Bank, a dividend of Rs. 2 (previous year Rs. 1.50) per Equity share of Rs. 10/- each on 1,45,61,664 Equity Shares.

The Directors have also declared Interim Dividend @ 12.5% on 15,00,000 Redeemable Cumulative Non-convertible Preference Shares of Rs. 100/- each which has been paid on 31st March 2003 and shall be fully adjusted as final dividend for the financial year ended 31st March, 2003.

OPERATIONS HIGHLIGHTS**PLASTIC DIVISION:**

Plastic Division has shown an encouraging growth in turnover during the year under review, It has maintained leadership position in respect of water tanks with its premium brand "Sintex" and utility brand "Reno". Company has started a factory in Baddi (Himachal Pradesh) for manufacture of water tanks. Company has also started commercial production in Nagpur in the last quarter of the year. Resultantly, Company is now able to offer tanks from five (5) strategic locations to keep its freight & service costs at optimum level and to remain competitive.

Company has recently developed insulated water tanks that can go for customers who want to have very high quality tanks. Company has also been able to get BIS certification for four factories and secured rate contracts for factories to take care of government and institutional business.

Factory Made Doors have not been able to record expected increase in the business largely because of delay in getting project orders. Many of the doors are now incorporated in the government specifications and the business can be very good in the years to come. Plastic Sections have modest growth because of competition from certain imports from neighboring countries and increase in the price of these sections vis-à-vis competing materials.

Government of India has recognized the benefits of PVC windows, Bureau of Energy Efficiency (BEE), created by Ministry of Power has now started promoting use of PVC windows in air-conditioned premises being put by various government bodies and institutions.

The prices of raw materials have been very high because of several increases in the cost of raw materials. This has affected the business of products like pallets, which are extremely price sensitive. However, pharma & food industries are preferring plastic pallets for adhering to GMP norms and it is expected that business will be good in time to come.

Power reforms have been slow during the year. This has affected the business from electricity boards and utility companies for meter boxes, which constitute bulk business in the SMC based products. The roadblocks are now getting cleared and funds have been released under Accelerated Power Reform and Development Programme (APRDP), which will lead to very good business for meter boxes, distribution boxes, cross arms and other items that are crucial in the success of the programme.

Prefabricated structures and buildings are emerging as sizeable business for the Company. Apart from Gujarat, several other state governments are now trying out prefabricated buildings for schools, primary health centers and similar community structures. Guidelines have been drawn for the use of these prefabs in many states and after their initial installation and trial, surely there will be a lead of growth in this segment.

Due to new rules of Central Pollution Control Board, all the generators sets and noise creating equipments are required to be in acoustic enclosures. Company's acoustic enclosures have met with the approval from some of the telecom companies and this will lead to very good business in time to come. Likewise, in the sanitation programme, Company's prefabricated toilets will give handsome business.

Municipal Corporation and Municipalities are required to now treat solid waste problems seriously. As the awareness and actions increases in the line, waste bins and containers of the Company will have very good potential.

To summarize the year has been difficult and challenging but foundation has been laid for very good business in the coming years.

TEXTILE DIVISION:

For Textile Industry the year under review is a mixture of favourable and unfavourable aspects. The favourable aspects for Indian Textile Industry are in terms of Government Policies, changing mindsets of Indian Customers and Foreign Investors approach to start new units by entering into JV with Indian Companies, while on other hand the competition from unorganized sector has become stiffer.

Besides this tough market situation, your Company has made all the possible moves to get growth and to maintain its stability in Indian Textile Market, by replacing its old machineries with new ones under its continuous Modernisation and Expansion Project. This year the Project will come to an end and your Company will definitely get its future benefit from it.

This year your Company is not only trying to maintain its position in domestic market but it has also tried to establish its position in overseas market, and in order to evaluate various alternatives and to grow and meet competition in the overseas textile market, your Company has entered into a co-operation agreement. This co-operation agreement will help your Company in transfer of technical know-how and support your Company for development of export market.

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In order to cater the overseas market your Company has also decided to start a new 100% subsidiary Company in Mauritius which is known as "Sintex Overseas (Mauritius) Ltd." and the Company will start its operation in very short period of time.

CAPTIVE POWER

The Company is going to install another Captive Power Plant of 4750 KVA, where as the other two power plants of 4750 KVA capacity each, are running successfully during the year without any interruption and generate quality power with lowest cost and uninterrupted supply of power. Presently the Company has 100% self-sufficiency in quality power.

DIRECTORS

Shri Sukumar M. Parikh has resigned from the Board of Directors of the Company w.e.f. 31st January 2003. Shri Girish Baliga has also resigned from the Board of Directors of the Company w.e.f. 21st May 2003. Shri Bipinchandra P. Patel has also resigned from the Board of Directors of the Company w.e.f. 27th August 2003. Your Directors also place on record their appreciation for the valuable guidance given by Shri Sukumar Parikh, Shri Girish Baliga and Shri Bipinchandra P. Patel.

Shri Rooshikumar Pandya was appointed as a Director of the Company w.e.f. 31st January 2003 in the casual vacancy caused by the resignation of Shri Sukumar M. Parikh, pursuant to Section 262 of the Companies Act, 1956 and Article 145 of the Articles of Association of the Company.

Shri Gaurav Mathur was appointed as a Director of the Company w.e.f. 21st May 2003 in the casual vacancy caused by the resignation of Shri Girish Baliga, pursuant to Section 262 of the Companies Act, 1956 and Article 145 of the Articles of Association of the Company.

Smt. Indira J. Parikh was appointed as a Director of the Company w.e.f. 27th August 2003 in the casual vacancy caused by the resignation of Shri Bipinchandra P. Patel, pursuant to section 262 of the Companies Act, 1956 and Article 145 of the Articles of Association of the Company.

Shri Sukumar Parikh would have retired by rotation at the ensuing Annual General Meeting, if he had continued as a Director. As such Shri Rooshikumar Pandya will hold office till the ensuing Annual General Meeting but the Company has received a notice from a shareholder for his re-appointment.

Shri Bipinchandra P. Patel would have retired by rotation at the ensuing Annual General Meeting, if he had continued as a Director. As such Smt. Indira J. Parikh will hold office till the ensuing Annual General Meeting but the Company has received a notice from a Shareholder for her re-appointment.

Pursuant to Article 134 of the Articles of Association of the Company read with provisions of Section 256 of the Companies Act, 1956 Directors Shri Ramnikbhai Ambani, Shri Rahul A. Patel and Shri Amit D. Patel retire by rotation at the ensuing Annual General Meeting of the Company, but being eligible offer themselves for re-appointment.

For the kind perusal of the shareholders brief resume of each of them, nature of their expertise and the name of the Companies in which they hold directorship and the details of membership of the committees of the Board, are enclosed. Your Directors recommend their appointment.

FIXED DEPOSITS

Presently your Company is not having any kind of deposit.

LISTING OF SHARES

The names and address of the stock exchanges where the companies shares are listed :

- Ahmedabad Stock Exchange, Kamdhenu Complex, Panjrapole, Ahmedabad - 380 015
- The Stock Exchange Mumbai, Phiroze Jeejeeboy Towers, Dalal Street, Mumbai - 400 001
- National Stock Exchange of India Ltd., Exchange Marg, Plot No. C-1, G. Block, IFB Center, Bandra Kurla Complex, Bandra East, Mumbai - 400 051

The Company has paid listing fee to all the above stock exchanges for the financial year 2003-2004.

CORPORATE GOVERNANCE

Your Company believes in adopting the best corporate governance practices and protecting the rights and interests of stakeholders. In our view, the shareholders have the right to know complete information on the Board of Directors and the management, their interests in the organisation as well as governance practice followed by them.

SINTEX INDUSTRIES LIMITED

Towards this end, your Company has been making extensive disclosure on the Company and its Board of Directors and also has been benchmarking its practices with the recommendations of the SEBI committee on Corporate Governance. We have continued the practice during the year and they are highlighted in the report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement in terms of Section 217 (2AA) of the Companies Act, 1956.

1. That in the preparation of the annual accounts for the year ended 31st March, 2003, the applicable accounting standards have been followed.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and at the end of the financial year and of the profit or loss of the Company for that period.
3. That proper and sufficient care has been taken of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
4. That the annual accounts for the year ended 31st March, 2003 have been prepared on a going concern basis.

INFORMATION REGARDING CONSERVATION OF ENERGY ETC. AND EMPLOYEES

The information required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 with respect to the Conservation of Energy, Technology Absorption and Foreign Exchange Earning/Outgo is annexed hereto as Annexure "A" and form part of this Report.

Industrial relations remained cordial during the year. Your Directors place on record their appreciation for the hard work put in by all the employees of the Company. The statement showing particulars of Employees under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 as amended is annexed hereto as Annexure "B" and forms part of this Report.

INSURANCE

All the insurable interests of the Company including Plant and Machinery, Stocks, Loss of Profits, standing charges and the insurable interest are adequately insured.

AUDITORS' REPORT

The retiring Auditors M/s. C.C. CHOKSI & CO. Chartered Accountant, are eligible for re-appointment and has indicated their willingness to act as such.

The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments u/s. 217 of the Companies Act, 1956.

COST ACCOUNTING RECORDS

As required under the order made by the Central Government, the Company is maintaining necessary Cost Accounting records in respect of Cotton Textiles.

ACKNOWLEDGMENTS

Your Directors record their sincere appreciation of the Managing Directors & Whole Time Directors and their team and all the employees at all levels, across different locations all over the country for their sustained effort and positive contribution during the difficult year under review. Your Directors also wish to place on record their appreciation of the support extended by the various bankers and financial institutions.

On behalf of the Board

Place : Ahmedabad
Dated : 27th August, 2003.

(Dinesh B. Patel)
Chairman



**ANNEXURE "A" TO DIRECTORS' REPORT
INFORMATION REQUIRED UNDER SECTION 217(1)(b) OF THE COMPANIES ACT, 1956**

(1) CONSERVATION OF ENERGY

(a) Energy conservation measures taken:

- 1) Installed two captive power plants of 3.8 MW each, which are working satisfactory. Now both Textile & Plastics Division can be worked on captive power generation. Each unit generated is cheaper compare to GEB cost per unit.
- 2) In Textile Division Hydro extractor- conventional type 37.5 HP replaced by Fong's make- conventional 5.5 HP.
- 3) In Textile Division Fong's yarn dyeing M/cs installed for proportionate control to reduce the steam and water consumption inverter drive.
- 4) In Plastics Division, several modifications were made in the Moulding Machines to increase the production with the same input of energy. This is expected to bring down the energy consumption. Several measures were also taken for re-designing the energy consumption in the other Manufacturing Departments.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy.

- 1) In Textile Division water supply proposed through overhead tanks to reduce electrical cost and supply at constant pressure.
- 2) Plastics Division is considering to use energy efficient burners and energy efficient light fittings in the whole plant.

(c) Impact of the measures (a) and (b) above for reduction of the energy consumption and consequent impact on the cost of production of goods.

- 1) Due to the above, in Textile Division higher and good quality of production achieved.
- 2) The above mentioned measures have resulted in energy saving and subsequent reduction in energy cost and hence in cost of production.
- 3) In Plastics Division the impact of energy saving devices will be peripheral in the beginning. It can however be substantial if the whole programme is implemented.

(d) Total energy consumption and energy consumption per unit of production in respect of the Company's products.

Details are provided in Form A annexed hereto.

(2) TECHNOLOGY ABSORPTION

(e) Efforts made in technology absorption

Details are provided in Form B annexed hereto.

(3) FOREIGN EXCHANGE EARNINGS AND OUTGO

(f) Activities relating to exports, initiatives taken to increase exports, development of new markets for products and services and export plans.

The Company is concentrating on improvement of quality of products manufactured to promote the export in established and new market.

(g) Total foreign exchange used and earned

	2002-03 (Rs. in lacs)	2001-02 (Rs. in lacs)
i) Foreign Exchange earned including direct exports	983.54	1053.35
ii) Foreign Exchange used	1608.31	1618.15

FORM - A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSUMPTION OF ENERGY

	Current Year	Previous Year
(A) Power and Fuel Consumption :		
1. Electricity:		
(a) Purchased: Unit (lacs)	18.37	19.62
Total Amount (Rs. lacs)	121.49	134.36
Rate/Unit(Rs.)	6.61	6.85
(b) Own Generation		
(i) Through Captive Power Plant:		
Units(lacs)	452.69	473.86
Units per litter of Diesel/Furnace oil	3.98	4.04
Cost/Unit(Rs.)	2.69	2.27
(ii) Through Diesel Generator:		
Units(lacs)	18.37	28.48
Units per litter of Diesel	2.90	2.99
Cost/Unit	7.12	6.39
2. Furnace Oil : (Qty. Kiloliters)	11357	11725
Total Amount (Rs. lacs)	1220.89	1073.74
Average Rate (Rs. /litter)	10.75	9.15
3. Others :		
(a) Gas		
Quantity Consumed in M3	4576.062	4897.283
Total cost (Rs. lacs)	169.24	181.41
Rate/ Unit (1000 m3) (Rs.)	3698.47	3704.36
(b) L.P.G		
Quantity consumed (in lacs kgs)	7.22	6.76
Total cost (Rs. in lacs)	163.19	132.88
Rate/unit (Kgs.) (Rs.)	22.61	19.64

(B) Consumption per Unit of Production :

	Standard	Current Year	Previous Year
1. Electricity (Units)			
Textile			
a) Fabrics on production meters basis	No specific	2.76	2.46
b) Yarn (per kg.)	standard as the	4.71	4.00
Plastic Containers (per kg.)	consumption	0.57	0.82
Plastic Section (per kg.)	per unit depends	0.98	1.13
Sheet Moulding (per kg.)	on the	0.69	0.53
Thermoforming	Product Mix	2.83	2.86
2. Furnace Oil (Textile – on production mtr. basis)		0.65	0.52
3. Others:			
(a) Gas (M3)			
Textile (on production meters basis)		0.24	0.20
Plastic Containers (Per kg.)		0.14	0.27
Plastic Sections (Per kg.)		0.03	—
Sheet Moulding (Per kg.)		—	—
(b) L.P.G			
Plastic Containers (Per kg.)		0.23	0.19

The variation in consumption of power and fuel was due to different product mix between current and previous year.

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FORM - B
**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY,
 RESEARCH & DEVELOPMENT**

Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company : PRELAM Sections, Plastic Furniture, Open Office System, Prefab Shops, Prefab Kiosks, Prefab Toilets, Micro Sewerage Treatment Plant etc.
2. Benefits derived as a result of the above R & D : Plastics Division has developed various technologies and technics in the field of Plastics for the manufacture of Windows, Doors, SMC Products, etc.
3. Future plan of action : Plastics Division will continue to work on the development of pallets, insulated boxes, waste bins & containers, BT Shelters etc. in time to come.
4. Expenditure on R & D
 - a) Capital : NIL
 - b) Recurring : NIL
 - c) Total : NIL
 - d) Total R & D expenditure as a percentage of total turnover : NIL

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation : The Plastics Division has been successful in making user friendly windows, doors and SMC products.
2. Benefit derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc. : The Plastics Division has introduced a number of new products and all times opened up new areas of business.
3. Information regarding technology imported during the last five years : Not applicable