

ABHISHEK INDUSTRIES LIMITED

ANNUAL REPORT

----- 1999 -----





TRIDENT PROVED TRUE TO ITS PHILOSOPHY

TRIDENT PHILOSOPHY

To continue growth by leading national & international standards and ethical means in harmony with the environment, ensuring customer delight, stakeholders' trust and social responsibility.

TRIDENT GROWTH AT A GLANCE

Beginning - 1985		Today - 2000	
Product	Capacity	Product	Capacity
VARINDER AGRO CHEMICALS LIMITED		VARINDER AGRO CHEMICALS LIMITED	
Single Super Phosphate	66,000 tpa	FERTILISER DIVISION	
Sulphuric Acid	33,000 tpa	• Single Super Phosphate	1,32,000 tpa
		• Sulphuric Acid	1,00,000 tpa
		PAPER DIVISION	
		• Writing and Printing Paper	27,918 tpa
		• Chemical Recovery	12,647 tpa
		• Co-Generation of Power	9 MW
		ABHISHEK INDUSTRIES LIMITED	
		YARN DIVISION	
		• Cotton Yarn	68,688 spindles
		TERRY TOWEL DIVISION	
		• Processing of Yarn	4,767 tpa
		• Manufacture of Terry Towels	3,032 tpa
		TRIDENT ALCO-CHEM LIMITED	
		• Acetic Acid	13,500 tpa
		• Ethyl Acetate	3,000 tpa
		• Acetic Anhydride	4,500 tpa
		• Butyl Acetate	2,100 tpa
		TRIDENT INFOTECH CORPORATION LIMITED	
		• Software Development	
		• Computer Training	
		• IT Consultancy Services	
		• Investments	
		VIKAS CHEMDRUGS LIMITED	
		• CMIC Chloride	192 tpa
		ANG SECURITIES LIMITED	
		• Merchant Banking	
		• Stock Market Operations	
		TRIDENT UDYOG LIMITED	
		• Industrial Engineering	
		• Civil Engineering	
		• Turn-key Projects	

LETTER TO SHAREHOLDERS



Dear Shareholder

With the wind of liberalisation in 1991, I realised that in future 'size' is going to play a dominant role and smaller organisations shall be marginalised. We laid emphasis on growth and today Trident has made a respectable place for itself. In 1991 we had manufacturing facilities of 66,000 tpa Single Super Phosphate and 1,00,000 tpa Sulphuric Acid and today we have manufacturing facilities of 1,32,000 tpa Single Super Phosphate, 1,00,000 tpa Sulphuric Acid, 27,918 tpa Writing and Printing Paper, 12,647 tpa Chemical Recovery, 9 MW Power, 68,688 Spindles of Cotton Yarn, 4,767 tpa Processing of Yarn, 3,032 tpa Terry Towels, 13,500 tpa Acetic Acid, 3,000 tpa Ethyl Acetate, 4,500 tpa Acetic Anhydride, 2,100 tpa Butyl Acetate, 192 tpa CMIC Chloride and Information Technology services etc. In 1991 the turnover of the Group was Rs. 4,815 lacs and for the year 1999 it was Rs.32,163 lacs, with a projection of Rs. 55,589 lacs for the year 2000.

After passing through a period of fast growth we are now on the path of consolidation. Abhishek Spinfab Corporation Limited - a Yarn Processing and Terry Towel manufacturing unit- has been amalgamated in Abhishek Industries Limited, leading to consolidation of operations and value addition from cotton to towels. For the year 2000 we have chosen four special emphasis areas i.e. Aggressive Marketing, Cost Reduction, Consistent Quality and Team Building. In addition to this, the job allocation of each member is being reviewed.

We have given due priority to transparency, disclosure and improvement of corporate governance. Further, to improve corporate governance at the operational level, we have constituted an Executive Board of 6-7 senior members in each Unit to review the operations on monthly basis.

I am happy to inform you that the toweling products have been well accepted in the export market and it has given wide exposure to the Group at the international level and the export of the Group has increased from Rs. 146 lacs in 1991 to Rs. 6,662 lacs in 1999 i.e. 21% of the Group turnover.

With our growth oriented philosophy and customer oriented approach, we have reached upto this stage where we are more confident and very optimistic about our future. In the near future we plan to focus on optimisation of capacities and Information Technology as well as to look out for strategic partners for global presence and global positioning with brand equity.

After a long recessionary period the Indian economy is turning the point. With the improvement in economy, coupled with the results of our operational improvements, we are confident to do much better in the year 2000 and the shareholders can look for better prospects.



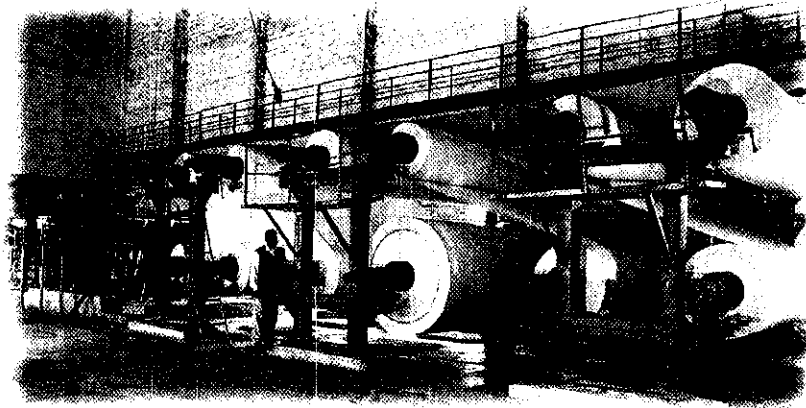
Rajinder Gupta

March 15, 2000

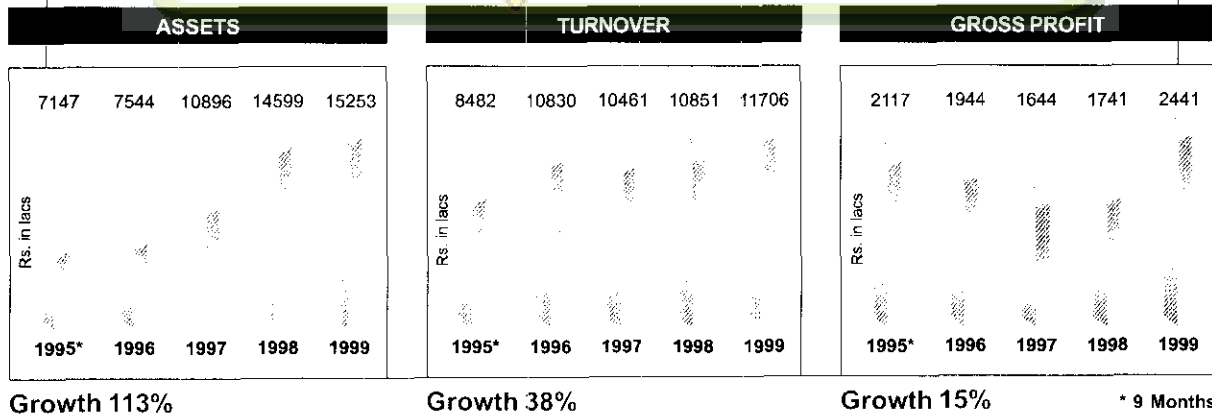


TRIDENT GROWTH PATH

VARINDER AGRO CHEMICALS LIMITED



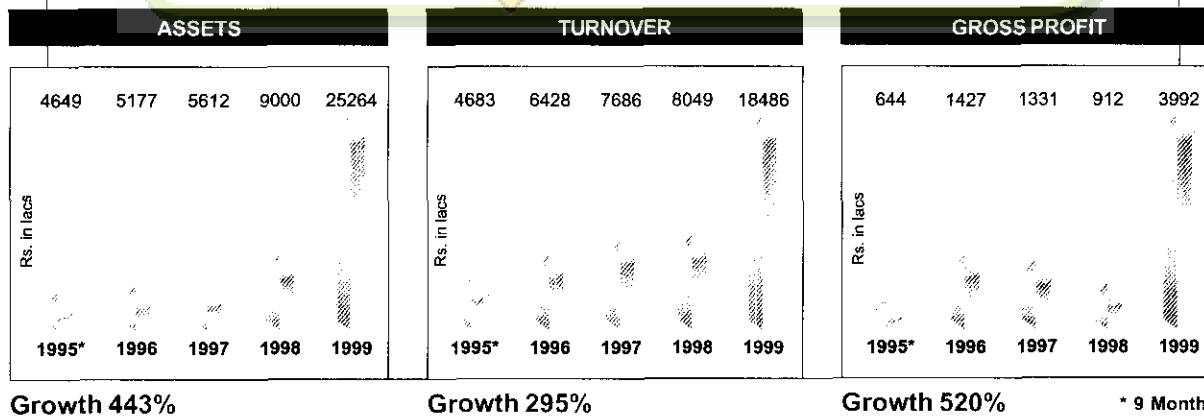
Year	Milestone
1985	Single Super Phosphate - 66,000 tpa Sulphuric Acid - 33,000 tpa
1989	Sulphuric Acid capacity increased from 33,000 tpa to 50,000 tpa
1991	Sulphuric Acid capacity increased from 50,000 tpa to 1,00,000 tpa
1994	Diversified into Writing & Printing Paper with 23,760 tpa capacity
1996	Single Super Phosphate capacity increased from 66,000 tpa to 1,32,000 tpa
1996	Paper capacity increased from 23,760 tpa to 27,918 tpa
1999	Chemical Recovery 12,647 tpa and Co-Generation Power of 9 MW
Project in hand	Kraft Paper project of 23,760 tpa at a capital outlay of Rs 3,240 lacs



ABHISHEK INDUSTRIES LIMITED

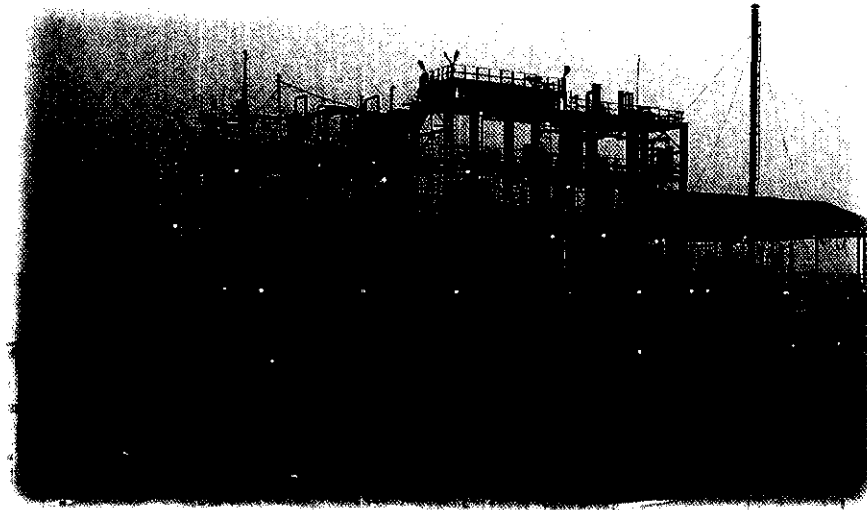


Year	Milestone
1993	No. of spindles 17,280
1995	Capacity increased from 17,280 spindles to 25,344 spindles
1996	Capacity increased from 25,344 spindles to 32,400 spindles
1998	Capacity increased from 32,400 spindles to 36,432 spindles
1999	Capacity increased from 36,432 spindles to 68,688 spindles
1999	Forward Integration into processing of yarn of 4,767 tpa & manufacture of terry towels of 3,032 tpa by amalgamating Abhishek Spinfab Corporation Limited with the Company
Projects in hand	<ul style="list-style-type: none"> • Expansion of capacity from 68,688 spindles to 75,792 spindles at a capital outlay of Rs 1,500 lacs • Installation of six combers at a capital outlay of Rs. 600 lacs • Increase in capacity of fabric dyeing from 5.5 tpd to 10.5 tpd at a capital outlay of Rs. 562 lacs

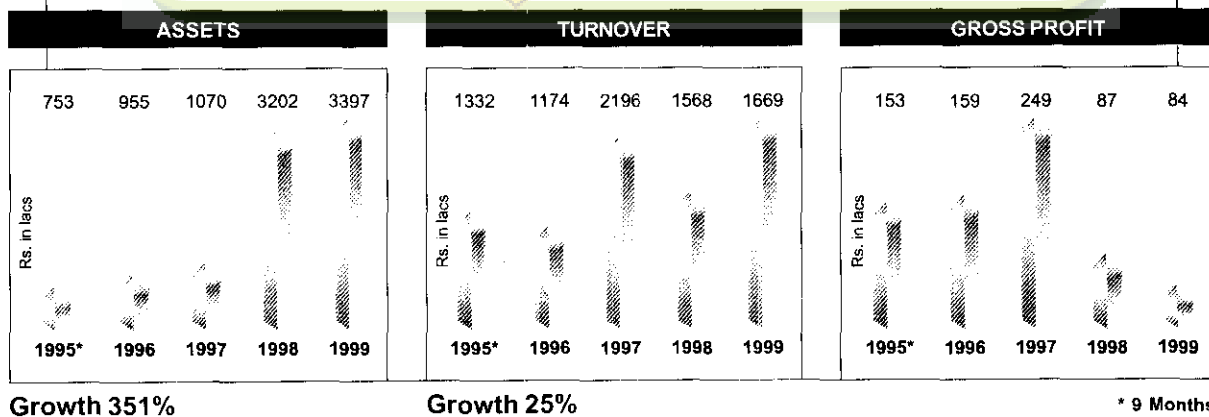




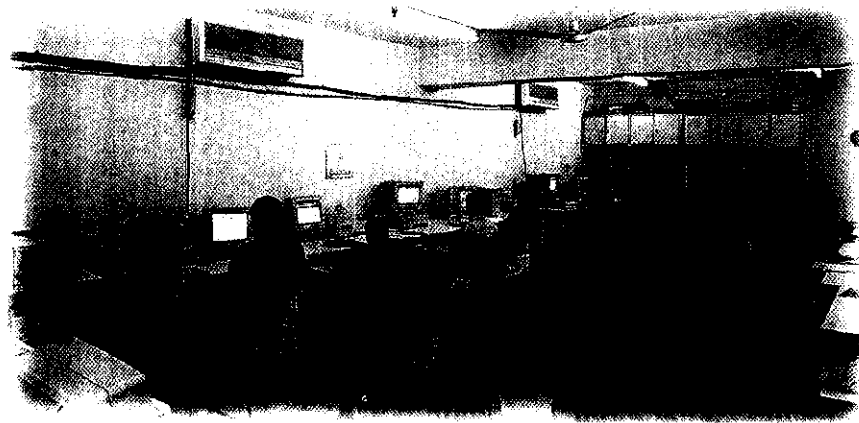
TRIDENT ALCO CHEM LIMITED



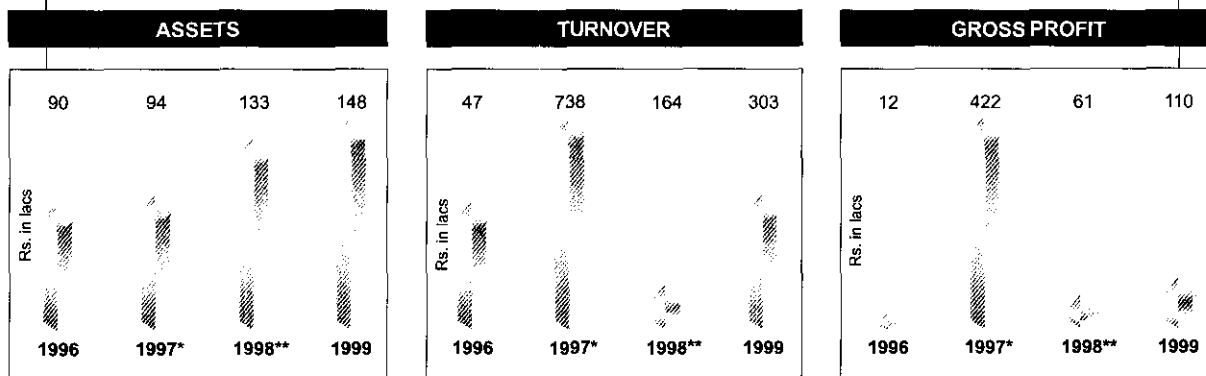
Year	Milestone
1991	Acetic Acid - 4,500 tpa
1996	Ethyl Acetate Plant of 3,000 tpa commissioned
1997	Increased capacity of Acetic Acid from 4,500 tpa to 7,500 tpa
1998	Increased capacity of Acetic Acid from 7,500 tpa to 13,500 tpa
1998	Acetic Anhydride Plant of 4,500 tpa commissioned
1999	A project of Butyl Acetate of 2,100 tpa commissioned
Project in hand	Project of Ibuprofen with a capacity of 600 tpa is being set up



TRIDENT INFOTECH CORPORATION LIMITED



Year	Milestone
1996	Started operations in IT Services
1996	Entered into Strategic Alliance with Microsoft, USA as Microsoft Certified Solution Provider & Authorised Trainer
1997	Entered into Strategic Alliances with: <ul style="list-style-type: none"> Autodesk Inc., USA as Authorised Training Centre for Auto CAD & related products Oracle Inc., USA as Qualified Value Added Alliance Partners
1998	Entered into agreement with ESPL, Mohali for jointly taking up the turn-key projects



Growth 64%

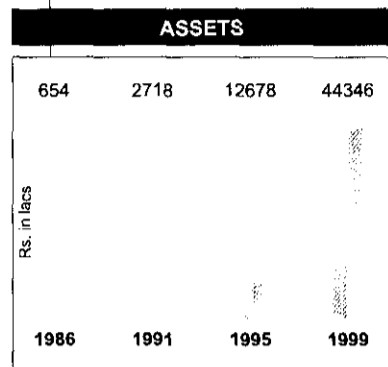
Growth 545%

Growth 817%

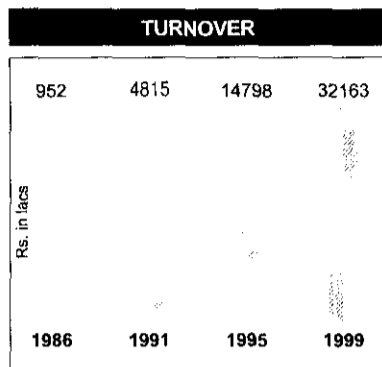
* 15 Months
** 9 Months



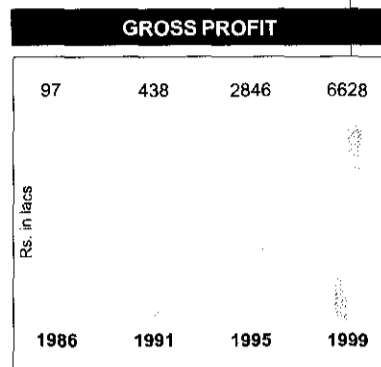
TRIDENT GROUP AS A WHOLE



Growth 6681%

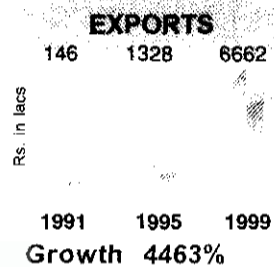


Growth 3278%



Growth 6733%

TRIDENT PRODUCTS ARE WELL ACCEPTED ABROAD ALSO



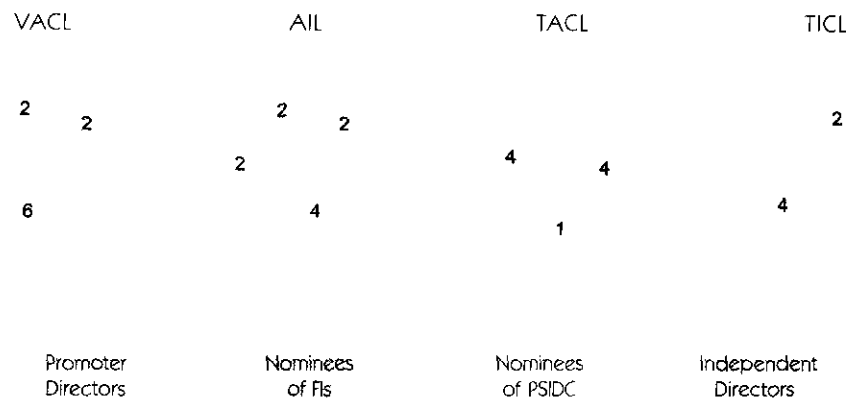
E X P O R T M A R K E T S

USA, U.K., KOREA, IRELAND, BELGIUM, NEWZEALAND, SINGAPORE, MALAYSIA, MAURITIUS, MALTA
 ISRAEL, SOUTH AFRICA, CHILE, HONG KONG, EGYPT, BANGLADESH, JAPAN, AUSTRALIA,
 HOLLAND, DENMARK, SWEDEN & MIDDLE EAST

ABHISHEK INDUSTRIES LIMITED
 A GOVERNMENT RECOGNISED EXPORT HOUSE

CORPORATE GOVERNANCE AT TRIDENT

Composition of the Board of Directors

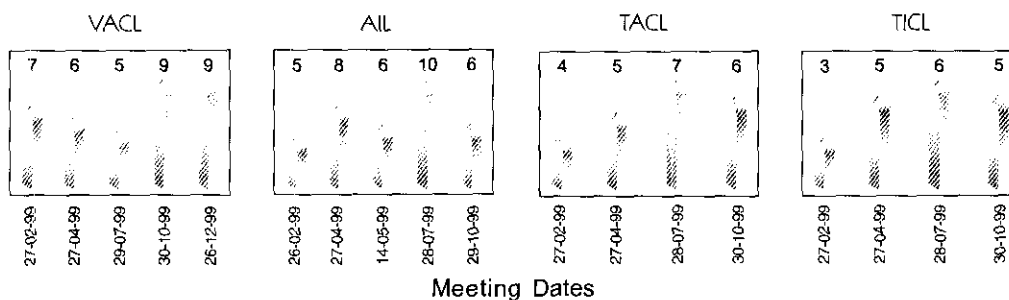


Chairman and Managing Director are separate individuals at Trident

Designation/Company	VACL	AIL	TACL	TICL
Chairman	Independent Director	Nominee Director	Promoter Director	Promoter Director
Managing Director	Promoter Director	Promoter Director	Promoter Director	—
Jt. Managing Director	Professional Director	Professional Director	—	Professional Director

Directors actively participated in Board Meetings

No. of Directors present





Constitution of Audit Committees

In three listed Companies Audit Committees of Directors have been constituted and the Chairmen of the Committees are independent Directors.

Constitution of Executive Boards

In each Unit/Company an Executive Board of 6 - 7 senior members has been constituted for review of operations on monthly basis. The role of the Executive Board is complementary to the role of the Board of Directors. The Board of Directors lays more emphasis on organizational policy, planning, strategy and review whereas the Executive Board lays more emphasis on review and operational planning.

HUMAN RESOURCE

CREATIVE & INDISPENSABLE ASSETS

MANPOWER

3331

507

73

Counsellors
Coordinators
Facilitators



PROFESSIONALS

33

20

7

64

Secretarial & Legal
Information Technology
Finance & Costing
Mangement
Engineers