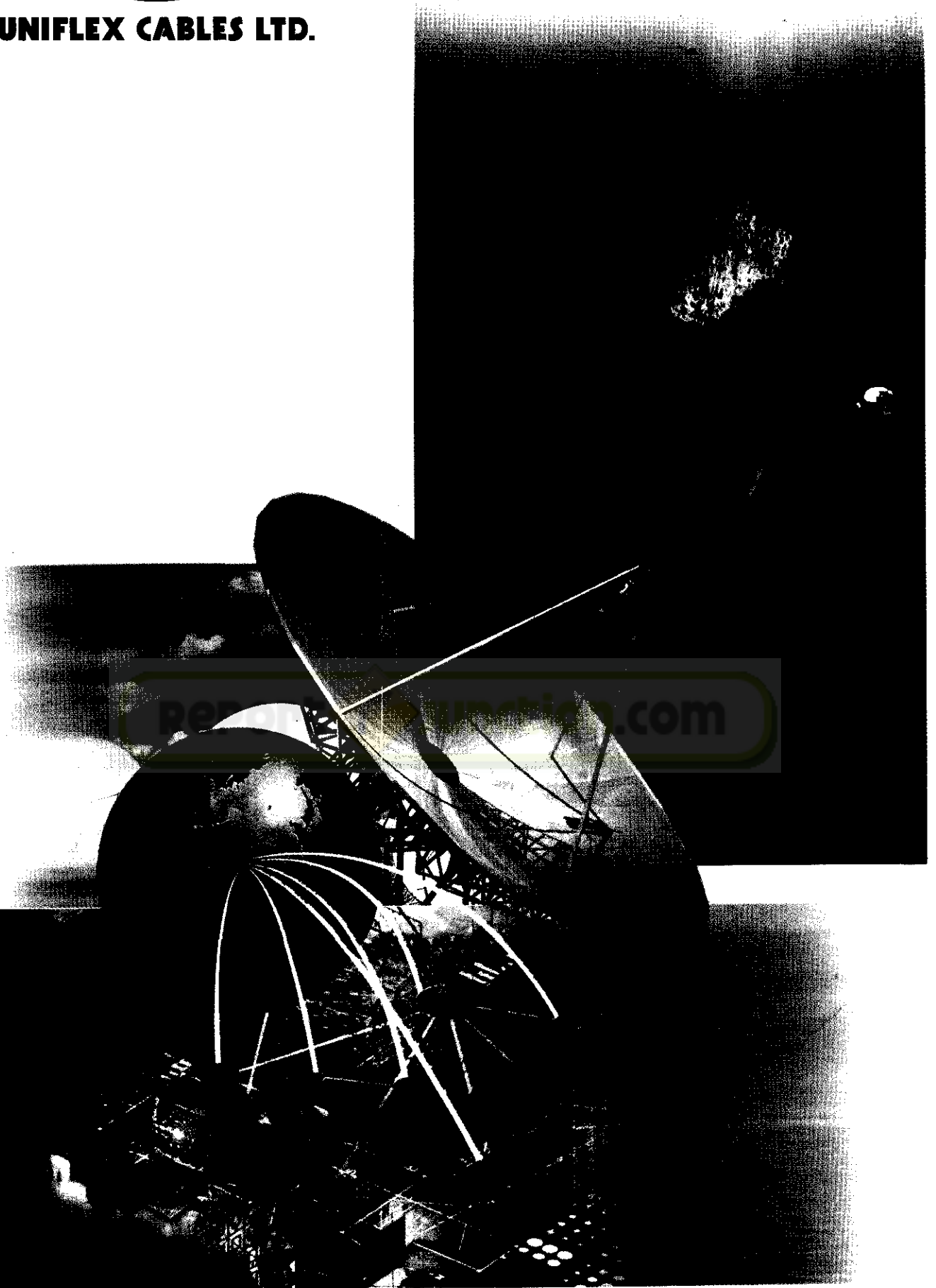


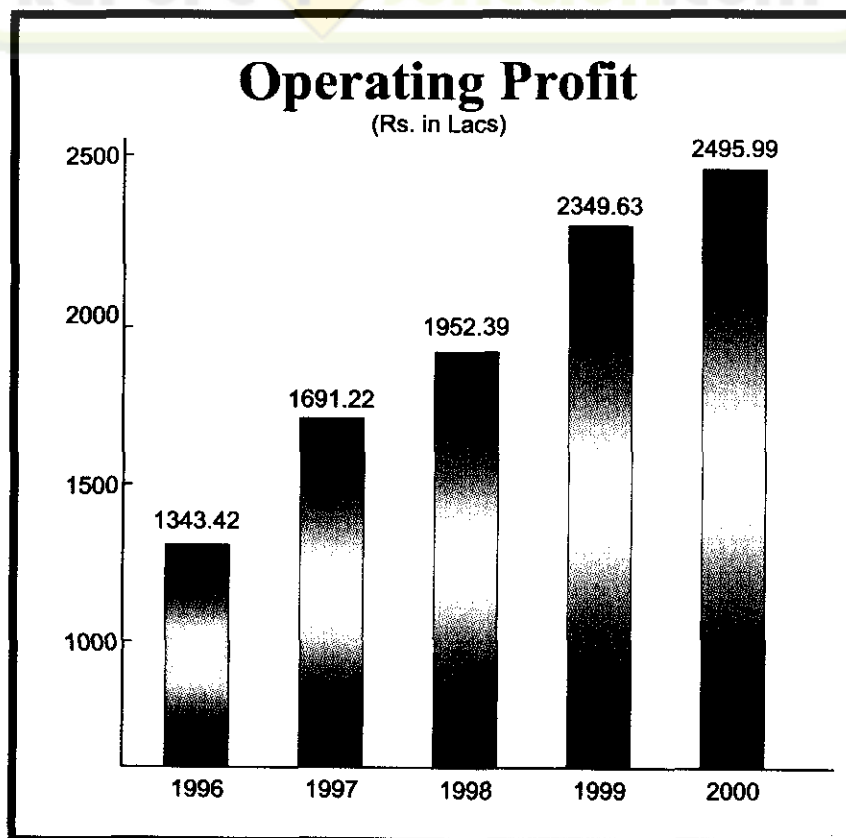
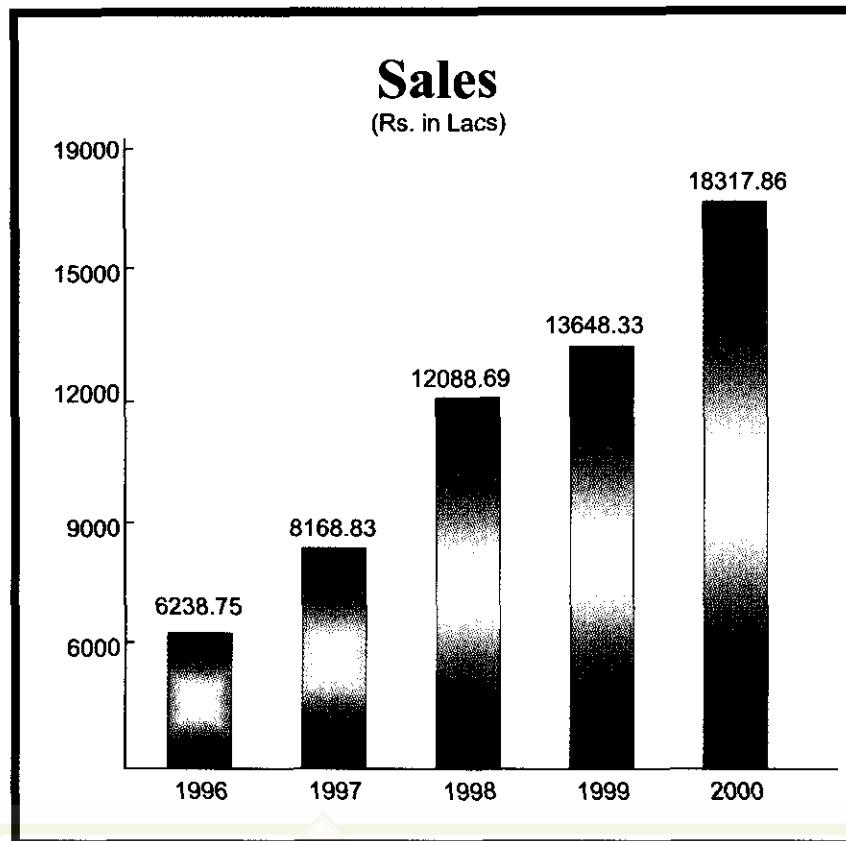


UNIFLEX CABLES LTD.



10TH ANNUAL REPORT 1999-2000

GROWTH AT A GLANCE



UNIFLEX CABLES LTD.
10TH ANNUAL REPORT 1999-2000

BOARD OF DIRECTORS

Shri Bijay Singh Baid
Chairman & Managing Director
Shri Jay Kumar Baid
Executive Director
Shri Ajay Kumar Baid
Executive Director
Shri Premchand Goliya
Director
Shri Raghunath Rai Kumar
Director
Shri S. Vrat
Director (Nominee of I.D.B.I.)
Shri Kranti Sinha
Director (Nominee of L.I.C.I.)
Shri Sanjay Kumar Baid
Executive Director

COMPANY SECRETARY

Shri Sanjive Arora

AUDITORS

Rashmi Zaveri & Co.
PNB House, 4th Floor, Sir P. M. Road
Fort, Mumbai - 400 001.

BANKERS

Union Bank of India
Development Credit Bank Ltd.
UTI Bank
State Bank of India

REGISTERED OFFICE

241, Chandra Mahal, First Floor,
Shamaldas Gandhi Marg,
Mumbai - 400 002.

HEAD OFFICE

11, Jorawar Bhavan
93, M. Karve Road, Marine Lines,
Mumbai - 400 020.

WORKS

158-163, G.I.D.C.
Umbergaon - 396 171
Dist. Valsad, Gujarat.

E-MAIL

uniflex@vsnl.com

WEB SITE

www.unicab.com

REGISTRAR & TRANSFER AGENT

Hyderabad Office : Karvy Consultants Ltd.

Karvy House, 46, Avenue 4, Street No. 1
Banjara Hills, Hyderabad - 500 034.
Tel. : 040-3312454/3320251/751/752
Fax : 040-3311968
E-mail : karvyhyd@karvy.com

Mumbai Office

: Karvy Consultants Ltd.

7, Andheri Industrial Estate, Off. Veera Desai Road, Andheri (W),
Mumbai - 400 053. Tel.: 6367226/6327802 Fax: 6310882

Karvy Consultants Ltd.

Jeroo Bldg., 1st Floor, 137, M. G. Road, Fort, Mumbai 400 020.
Tel.: 2677307/5829/6283 Fax: 2671237

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UNIFLEX CABLES LTD.
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NOTICE

NOTICE IS HEREBY GIVEN THAT the Tenth Annual General Meeting of the Members of the Company will be held on Friday the 22nd day of September, 2000, at 2.00 p.m. at Andheri Recreation Club, near Bhavan's College, Andheri (W), Mumbai - 400 058 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the company as at 31st March 2000, the Profit and Loss Account for the financial year ended on that date and the Reports of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Shri Jay Kumar Baid, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Ajay Kumar Baid, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board of Directors

SANJIVE ARORA
Company Secretary

Place : Mumbai
Dated : 31st May, 2000

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 THE PROXY NEED NOT BE A MEMBER.

PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday the 12th day of September, 2000 to Friday the 22nd day of September, 2000 (both days inclusive) for the purpose of payment of dividend.
3. The dividend as recommended by the Board of Directors, if declared at the meeting, will be subject to the provisions of Section 206A of the Companies Act, 1956 be payable to those members / beneficial owners whose names appear in the Company's Register of members and as per the list furnished by the depository in respect of the shares held in electronic form on the 22nd day of September, 2000.
4. Equity Shares of the Company have been activated for dematerialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) vide ISIN - INE146B01011 w.e.f. June 26, 2000 the trading in Company's shares for Institutional Investors & OCBs is compulsorily in dematerialized form and w.e.f. August 28, 2000 the trading will be compulsorily in dematerialized form for all the shareholders of the

Company. Those share holders who wish to convert their holding in electronic form may avail the depository services offered by the respective Depository Participant. Our Registrar and Transfer Agents are Karvy Consultants Ltd., Hyderabad.

5. Members are aware that the Company's registrar and transfer agents M/s Karvy Consultants Ltd. have shifted the processing of the work related with share transfers etc. from their Mumbai office to Hyderabad office therefore all communications related with shares etc. should only be addressed to :

M/s. Karvy Consultants Ltd.
46, Avenue 4, Street No.1, Banjara Hills,
Hyderabad - 500034.
Tel. No. : 040 - 3312454 / 3320251 / 751 / 752
Fax. No. : 040 - 3311968
E-mail : karvyhyd@karvy.com

However they will continue to accept the physical delivery of the shares meant for transfer etc. at their Mumbai office/s.

6. The members are requested to :
 - a. Intimate changes, if any, in their registered address at an early date.
 - b. Quote ledger folio number in all their correspondence.
 - c. Intimate about consolidation of folios, if share holdings are under multiple folios.
 - d. Bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
7. The Company has transferred unclaimed dividends upto the financial year 1994-95 to the general revenue account of the Central Government as required u/s 205A of the Companies Act, 1956.
8. As per the provisions of the amended Companies Act, 1956, the facility for making nominations is now available to the shareholders in respect of the Equity Shares held by them. Shareholders who desire to avail of this facility may send their request for nomination in the prescribed Form 2B duly filled in and signed to the Company's Registered Office address/ Karvy Consultants Ltd's office. The facility would be made available folio wise to individual shareholders including joint holders.
9. Members requiring any information about the accounts are requested to write to the Company at least one week before the date of the meeting.
10. Only registered members carrying the Attendance Slip and the holders of valid proxies registered with the Company will be permitted to attend the meeting.
11. In order to provide protection against fraudulent encashment of dividend warrants, the shareholders are requested to furnish the Bank Account number with the name of the Bank/Branch and its address, quoting folio no. to our registrar and transfer agent M/s Karvy Consultants Ltd., 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500034 latest by 12th September, 2000.

By order of the Board of Directors

SANJIVE ARORA
Company Secretary

Place : Mumbai
Dated : 31st May, 2000



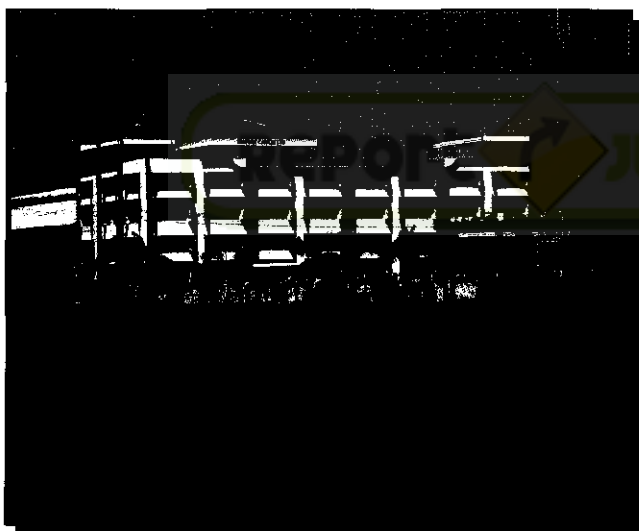
DIRECTORS' REPORT

To, The Members

Your Directors are delighted to present the Tenth Annual Report on the business and operations of the Company and Audited Accounts for the year ended 31st March, 2000.

B. DIVIDEND

Taking into account the profit for the year and current prospects, your Directors recommend dividend @ 10% on the equity shares. This would involve a distribution of Rs. 1.10 crore. In addition a dividend tax of Rs. 24.22 lacs will also be payable by the Company.



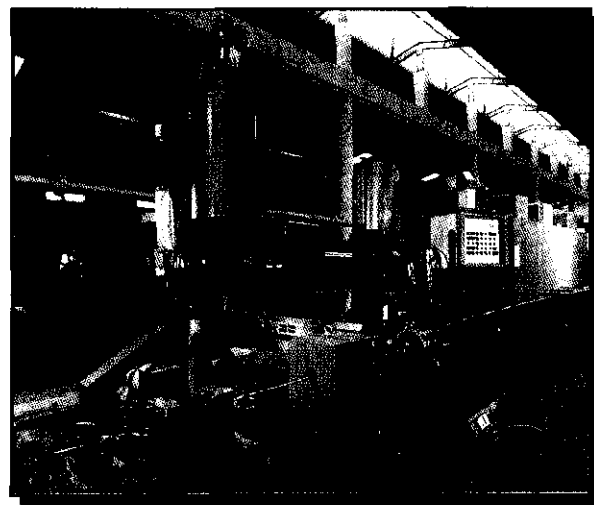
A. FINANCIAL RESULTS

	31-Mar-00 Rs. in lacs	31-Mar-99 Rs. in lacs
Operating Profit	2495.99	2349.63
Less : Interest & Finance Charges	(1533.14)	(1451.71)
Profit before Depreciation & Tax	962.85	897.92
Less : Depreciation	(460.04)	(444.56)
Profit/(Loss) before Taxes	502.81	453.36
Less : Provision for Tax	—	—
Profit/(Loss) after taxes	502.81	453.36
Short provision for taxes for earlier years	(10.10)	—
Balance brought forward from earlier years	143.79	123.77
Balance available for appropriations	636.50	577.13
Less : Appropriations		
Dividend		
— On Equity Shares	110.11	165.17
— Tax on Dividend	24.22	18.17
— Transfer to General Reserve	200.00	50.00
— Transfer to Debenture		
— Redemption Reserve	200.00	200.00
Balance carried forward to		
Balance Sheet	102.17	143.79

telecommunication cable is building up which also helped Company achieve a record turnover this year. The turnover profile of the Company over the years has inclined towards the telecom cables

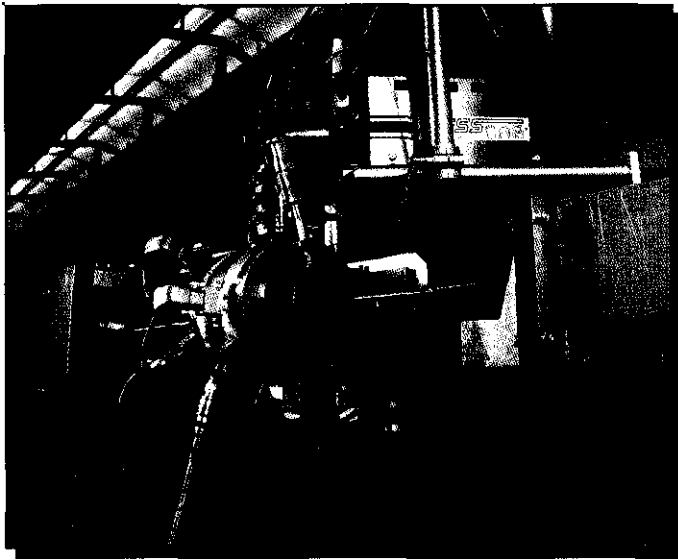
C. REVIEW OF OPERATIONS

The year saw a satisfactory growth in the telecom cable segment. The DoT came out with huge tenders and Company bagged good orders for telecommunication cables. With the onset of new millennium the telecom segment is going through a booming phase and with the constant technological advancement a huge demand for





DIRECTORS' REPORT.... (Contd.)



i.e. JFTC & OFC which also constituted more than 80% of this year's turnover.

The Company also achieved a smooth transition into the year 2000 without facing any Y2K problem.

The Company registered a turnover of Rs. 183.17 Crores as compared to Rs. 136.48 Crores in the previous year thereby reflecting a growth of 34% and the operating profit (PBDIT) increased from Rs. 23.49 Crores to Rs. 24.96 Crores reflecting a growth of 6.25%. The net profit of the Company also increased from Rs. 4.53 Crores to Rs. 5.02 Crores showing an increase of 11%.

The profitability was under pressure due to the increased competition as well as a stiff jump in the polymer prices at a time when the manufacturing of the cable was at a peak level and the supplies against the confirmed orders of DoT were to be completed to meet the delivery deadlines.

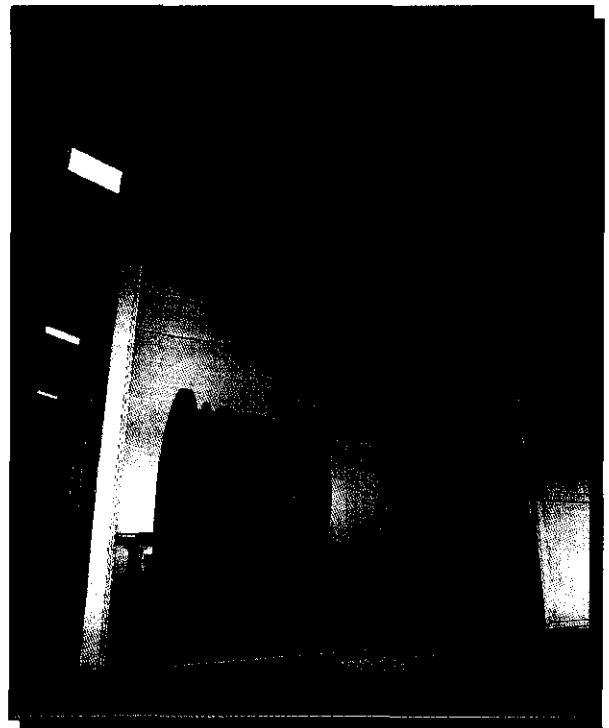
D. FUTURE OUTLOOK

The continuous thrust on the infrastructure development especially in the telecom

segment by the Government is a welcome step for the Company. With the entry of private telecom operators the overall size of the market will also increase which will create new avenues for the product sale. The company also expects huge orders from DoT for which the tenders have already been opened. The power cable segment will also contribute handsomely as the prospects are improving with the bright scenario and overall better industrial outlook. The Company is trying to boost its bottom-line by concentrating on taking the full advantage of the economies of scale as well as by doing the financial exercise to reduce the cost of borrowings.

E. DEPOSITS

The Company has not accepted any Deposits from Public within the meaning of Section 58-A of the Companies Act and rules made thereunder.





DIRECTORS' REPORT.... (Contd.)



F. DIRECTORS

In accordance with the provisions of The Companies Act, 1956 and the Articles of Association of the Company Shri Jay Kumar Baid and Shri Ajay Kumar Baid are Directors who retire by rotation and being eligible have offered themselves for re-appointment.

G. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ended 31st March, 2000 is given in the enclosed annexure.

H. PARTICULARS OF EMPLOYEES

There were no employees whose remuneration were in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956 as per the latest amendment.

I. AUDITORS

M/s. Rashmi Zaveri & Co., Chartered Accountants, the Company's Auditors, will retire at the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. They have furnished the requisite certificate under Section 224(1B) of the Companies Act, 1956.

M/s. T.M. Rathi, Cost Accountant have been re-appointed as Cost Auditors for Cost Audit in respect of cables.

J. AUDITORS' REPORT

The observations contained in the Auditor's Report are self explanatory and, therefore, no comments are called for separately.

K. ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation of the dedication and hard work put in by the employees of the Company at all levels. The Company is also grateful to its Customers, Shareholders, Government Departments, Financial Institutions, Bankers and Suppliers for their continued support.

For and on behalf of the Board

BIJAY SINGH BAID

Chairman & Managing Director

Place : Mumbai

Date : 31st May, 2000



ANNEXURE TO THE DIRECTORS' REPORT

DETAILS REGARDING Y2K PREPAREDNESS LEVEL REQUIRED UNDER CLAUSE 32 OF THE LISTING AGREEMENTS

1) Risk to the Company due to Y2K bug:

Operations, processes, functions which could be adversely affected due to the year 2000 Problem.

All business critical IT systems process control systems, software and network infrastructure used at various divisions of the Company.

a) Status of making these Y2K compliant

The Company had identified the following bench marks for Y2K compliance which were adopted by all Divisions:

- Appointing Y2K Co-ordinator
- Inventory of IT systems
- Impact analysis of date roll-over
- Action Plans & Contingency Plans
- Remedy action for non-compliance
- Division testing
- Integration testing
- Y2K ready with Contingency Plans

b) Date by which the work was completed

10th April 1999.

c) Names of other intermediaries directly dependent upon the above processes/operations/functions

Till the roll over into the year 2000, the Company maintained continuous follow up with suppliers of critical materials and services and also utility providers such as Power, Telecom etc.

2) Cost to address Company's Y2K issues :

The cost to address the Y2K problem was negligible.

3) Contingency Plans :

1. Simulation runs of all the critical process software much ahead of the stipulated D-day.
2. Ensuring pre-run back up prior critical runs.
3. Fall back using PCs and Manual systems.

4) Current Status :

All computer systems of the Company rolled over to the year 2000 without any problem.