



AKASH HOUSING LIMITED

3rd ANNUAL REPORT 1998 - 1999

CERTIFIED TRUE COPY

For AKASH HOUSING LIMITED,

Chandrasekhar H.

Director,

Regd. Office: Vijay Complex,
No.3, Blackers Road, Mount Road,
Chennai - 600 002.

Board of Directors:

Mr.V.C. JAIN
Chairman

MR. CHANDAN KUMAR
Director

MR.NARESH KUMAR. V. JAIN
Managing Director

Registered & Administrative Office:

"Vijay Complex"
No.3, Blackers Road
Mount Road
Chennai - 600 002.

Bankers:

THE SOUTH INDIAN BANK LTD.
Mount Road
Chennai - 600 002.

Auditors:

M/s. VRAMARATNAM & CO.
Chartered Accountants
115, IV Street
Abiramapuram
Chennai - 600 018.

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NOTICE TO SHAREHOLDERS:

Notice is hereby given that the Third Annual General Meeting of the Company will be held at 3 p.m. on Thursday the 16th September 1999 at the Registered Office of the Company at "Vijay Complex" II Floor, No.3, Blackers Road, Mount Road, Chennai-600 002 to transact the following business:

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Balance Sheet as at 31.3.99 and Profit & Loss Account for the period from 1.4.98 to 31.3.99 and the report of the Auditors thereon and the report of the Board of Directors.
2. To elect Directors:
 - a) To appoint a Director in the place of Mr.Naresh Kumar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION "RESOLVED THAT M/S. V.RAMARATNAM & CO., Chartered Accountants, Chennai, the retiring Statutory Auditors, be and are hereby re-appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting untill the conclusion of the next

Annual General Meeting of the company on a remuneration to be fixed by the Board of Directors of the Company.

4. SPECIAL BUSINESS:

To consider and if thought fit to pass with or without modification, the following resolution.

AS AN ORDINARY RESOLUTION:

Resolved that Mr.V.C.Jain, Director whose term of office as Director expires at this Annual General Meeting and in respect of whom the company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing the candidature of Mr.V.C.Jain for the Office of Director be and is hereby appointed as a Director of the company whose period of office will be subject to determination of retirement by rotation.

By order of the Board

Chennai-600 002.

Dated: 29.7.99

V.C. JAIN
Chairman.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the Proxy need not be a member of the company.

The proxy form duly filled in and signed by the members should be sent to the Registered Office of the

company so as to reach 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 1st September 1999 to 16th September 1999 (both days inclusive).
3. Members are requested to notify immediately any change in their address to the company.
4. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are, therefore requested to bring their copies of the "Annual Report" to the Meeting.
5. Members/Proxies are requested to affix their signature on the Attendance/Admission slip provided in the 'Annual Report' and handover the same at the Venue of the Meeting. Only Members/Proxies (whose Proxy forms have already reached the company) with the 'Attendance Slip' will be admitted.

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO.4

Mr.V.C.Jain was appointed as an Additional Director of the Company on 20th May 1999, and will hold office only upto the date of the next Annual General Meeting of the Company. Accordingly,

the tenure of Office of Mr.V.C.Jain expires at the conclusion of this Annual General Meeting. However, a member has given notice of his intention to propose the candidature of Mr.V.C.Jain for the Office of the Director at this Third Annual General Meeting. Mr.V.C.Jain is a Director in other construction companies like Vijay Shanthi Builders Limited. His experience and advice will be of immense help to the Company. Therefore, the resolution is commended to the Shareholders.

The Directors Mr.V.C.Jain, Mr.Chandan Kumar and Mr.Naresh Kumar are interested in the resolution.

By order of the Board

Chennai-600 002.

Dated: 29.7.99

V.C. JAIN
Chairman.

REPORT OF THE DIRECTORS TO THE MEMBERS

Your Directors have great pleasure in presenting their Third Annual Report together with the Audited Financial Accounts of the Company for the period from 1st April 1998 to 31st March 1999.

FINANCIAL RESULTS

	(Rupees in '000)	
	Period from 1.4.98 to 31.3.99	Period from 1.1.97 to 31.3.98
Income (From Operations & Other Income)	4,460	4,077
Gross Profit (Before int. Depn. & Tax)	37	38
Interest	2	-
Depreciation	1	2
Profit before Tax	34	36
Provision for Tax	-	10
Net Profit	34	26

APPROPRIATIONS

Transfer to General Reserve	Nil	Nil
Balance carried forward	34	26

DIVIDEND

In order to conserve the available resources it is proposed not to recommend any dividend for the year ended 31.3.99.

REVIEW OF OPERATIONS

The construction industry is going through a very difficult period throughout the country. Every effort is being made to optimise the sales.

The Company has taken up marketing of Mineral Water which has helped in improving the activities and profitability of the Company.

FUTURE PROSPECTS

The future prospects of the Company is viewed with cautious optimism.

DIRECTORS

- Pursuant to the Provisions of the Companies Act, 1956 and the Articles of Association of the Company, the Director, Mr. Naresh Kumar retires by rotation and being eligible offers himself for appointment.
- During the year Mr. Suresh Kumar, had resigned. The Board of Directors wish to place on the