

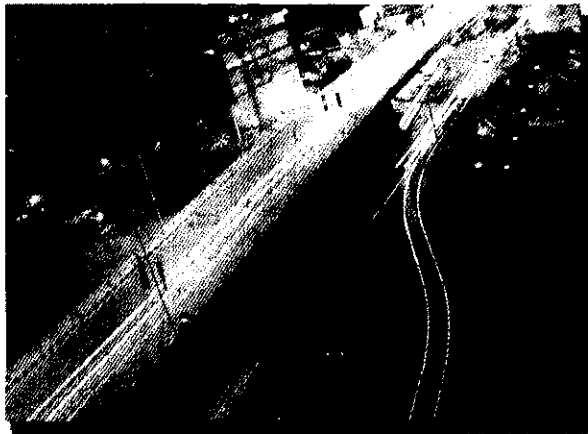


MADHUCON

PROJECTS LIMITED



An overview of Crusher Plant at Vijayawada



HUDA Flyover



Asphalt Batch Mix Plant at Vijayawada

9th ANNUAL REPORT

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MADHUCON PROJECTS LIMITED

NINTH ANNUAL GENERAL MEETING

ON WEDNESDAY THE 29TH SEPTEMBER, 1999 AT 3.00 P.M.
AT 1-7-70, MADHU COMPLEX, JUBILIPURA, KHAMMAM - 507 003.

YOUR COMPANY

1. Has setup a largest stone crusher plant of 400 TPH at Kondapally, near Vijayawada and Hot Mix Plant of 170 TPH at Gannavaram to cater to National Highway Project (NH-5) between Vijayawada and Eluru.
2. Has successfully completed and handed over 3 Fly-overs to Hyderabad Urban Development Authority.
3. Has successfully completed and handed over Hymavathi Hydrel Dam Project in Karnataka.

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BOARD OF DIRECTORS

N. NAGESWARA RAO
Chairman & Managing Director

N. SEETHAIAH
Wholetime Director

N. KRISHNAIAH
Wholetime Director

P.R. SINHA
Director

T. VENUGOPAL RAO
Director

REGISTERED OFFICE

1-7-70, MADHU COMPLEX, JUBLIPURA,
KHAMMAM - 507 003

ADMINISTRATIVE OFFICE

D-27, EAST OF KAILASH
NEW DELHI-110 065

CORPORATE OFFICE

MADHUCON HOUSE
6-3-347/12/A/10/1/7
SAI TEMPLE STREET
DWARAKAPURI COLONY
PUNJAGUTTA
HYDERABAD - 500 082

BANKERS

CANARA BANK
STATE BANK OF HYDERABAD
GLOBAL TRUST BANK LTD.
CENTURION BANK LTD.

AUDITORS

K.SIVA RAMA KRISHNA PRASAD & CO.
CHARTERED ACCOUNTANTS
H.NO. 331 (PLOT NO.13), ROAD NO.3,
ARORA COLONY-2, BANJARA HILLS,
HYDERABAD

MADHUCON PROJECTS LIMITED**NOTICE**

To
The Members
 Madhucon Projects Limited

Notice is hereby given that the 9th Annual General Meeting of Madhucon Projects Limited will be held on Wednesday, the 29th September, 1999 at 3.00 PM at the Registered Office of the company at 1-7-70, Madhu Complex, Jublipura, Khammam-507 003 to transact the following:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 1999 and the Profit and Loss Account for the year ended on that date together with the report of Auditor's and Director's thereon.
2. To appoint a Director in the place of Sri.T.Venugopal Rao, who retires by rotation and being eligible offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution.

"Resolved that M/s.K.Siva Rama Krishna Prasad & Co., Chartered Accountants, be and are hereby reappointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company".

SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modifications the following Resolution as Special Resolution.

"Resolved that pursuant to the provisions of Section 372A of the amended provisions of the Companies Act, 1956, sanction be and is hereby accorded to the Board of Directors of the Company to obtain Bank Guarantees and Letter of Credit limits subject to the following maximum amounts from the Banks on such terms and conditions as to repayment interest or otherwise to provide guarantees/counter guarantees and loans to its associate concerns viz., Madhucon Bina Puri JV and Bina Puri Holdings and other bodies corporate from time to time".

	<u>Rs.in Crores</u>	
Bank Guarantees	100.00	(Hundred)
Letter of Credit	5.00	(Five)
Overdraft/Loans	10.00	(Ten)

By order of the Board

Regd.Office:
 1-7-70, Madhu Complex
 Jublipura,
 KHAMMAM-507 003
 Date: 30th August, 1999

N. NAGESWARA RAO
 Managing Director

MADHUCON PROJECTS LIMITED**NOTE**

1. A member entitled to attend and vote 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 received by the company not less than 48 hours before the meeting. A proxy form is enclosed.
2. Explanatory Statement as required Under Section 173(2) of the Companies Act, 1956 is enclosed as annexure to the Notice.
3. Register of Members is not closed for the ensuing AGM of the Company.

By order of the Board

Regd. Office:
1-7-70, Madhu Complex
Jubilipura,
KHAMMAM-507 003
Date: 30th August, 1999

N. NAGESWARA RAO
Managing Director

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.**

Item No:4: The Board of Directors U/S 372A of the amended provisions of the Companies Act 1956 have the powers to make any loan to any other body corporate; and to give any guarantee or provide security, in connection with a loan made by any other person to, or to any person by, any body corporate not exceeding 60% (Sixty Percent) of its Paid up Share Capital and free reserves or one hundred percent of its free reserves, whichever is more.

The Paid-up Capital and its free reserves as on
31-3-99 are:

	<u>Rs. in lakhs</u>
Paid up Capital	446.85
Free Reserves	1049.11
	<hr/>
	1495.96
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The proposed credit limits are being obtained amounting to Rs.115.00 Crores.

In view of the above, it is required approval of the Share holders' by Special Resolution on the above.

None of the Directors are interested.

MADHUCON PROJECTS LIMITED**DIRECTORS' REPORT**

To
The Members

Your Directors are pleased to present their Ninth Annual Report together with the Audited Statement of Accounts for the Year ended 31st March, 1999.

With the accelerated growth in infrastructural development projects, the prospects of the company are expected to be good during the financial year 1999-2000.

PERFORMANCE OF THE COMPANY

	(Rupees in Lakhs)	
	1998-99	1997-98
Gross Income	4425.44	3211.03
Profit before Depreciation & Taxation	404.91	384.87
Depreciation	273.37	137.79
Profit before taxation	131.54	247.08
Provision for taxation	14.00	55.58
Profit after taxation	117.54	191.50
Profit available for appropriation	117.54	191.50
Balance transferred to Balance Sheet	117.54	191.50
Paid-up Equity Share Capital	446.85	446.85
Reserve excluding revaluation reserve	1049.11	931.47

REVIEW OF OPERATIONS

During the year under review, your Company's performance improved considerably. The company has achieved a turnover of Rs. 4425.44 Lakhs which represents growth by 38%. Your company earned a net profit of Rs. 117.54 Lakhs compared to Rs. 191.50 Lakhs during the previous year. The decline in net profit is due to increase in Depreciation from Rs. 137.79 Lakhs to Rs. 273.37 Lakhs. Your company has commenced the National Highway Project (NH-5) from Vijayawada to Eluru as per schedule. A largest Stone Crushing Plant of 400 TPH at Kondapally, Vijayawada was setup during the year to cater to the National Highway Project. Further your company has also commissioned biggest Lintec Asphalt Hot mix Plant of 170 TPH at Gannavaram for the National Highway Project. The Highway Project is being executed in association with Binapuri Holdings BHD, Malaysia.

Your company has successfully completed and handed over 3 fly-overs to Hyderabad Urban Development Authority at Begumpet, CTO and Tarnaka in time.

Your company has successfully completed and handed over Hymavati Hydrel Dam Project at Gorur, Karnataka within the scheduled period of completion.

The construction work progress at Devikhindi Tunnel and Mahuli Reservoir at Maharashtra are expected to gear up during 1999-2000.

The new joint venture company by name MBN Anchored Earth Ltd promoted jointly with Binapuri Holdings BHD and Anchored Earth SDN BHD have procured several orders in Andhra Pradesh, West Bengal and Haryana.