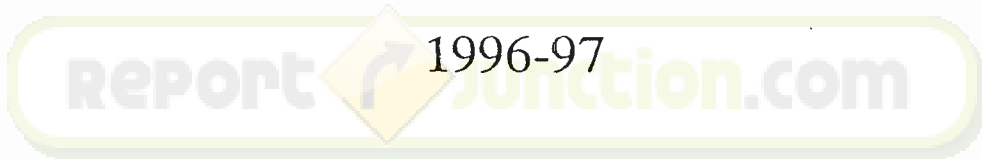


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YE	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>

NILA INFRASTRUCTURES LTD
7TH ANNUAL REPORT



Regd. Office:
 61, Adarsh House,
 B/h. Asia House,
 Nr.Swastik Char Rasta,
 Navrangpura,
 Ahmedabad - 380 009



7TH ANNUAL REPORT

NILA INFRASTRUCTURES LTD.

NOTICE

NOTICE is hereby given that the Seventh Annual General Meeting of the members of the Company will be held at Sambhav House, Opp. High Court Judges Bungalows, Bodakdev, Satelite, Ahmedabad - 380 054 on Saturday the 27th September, 1997 at 11.30 a.m. to transact following business :

1. To receive, consider and adopt the Balance Sheet of the Company as on 31st March, 1997 and Profit and Loss Account for the year ended on that date together with the report of the Auditors and Directors thereon.
2. To appoint a Director in place of Mrs. Nila Vadodaria who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting upto the conclusion of next Annual General Meeting and to fix their remuneration.

BY ORDER OF THE BOARD OF DIRECTORS

(MANOJ VADODARIA)
DIRECTOR

AHMEDABAD
21.08.1997

Regd. Office :

61, Adarsh House,
B/h. Asia House, Nr. Swastik Char Rasta,
Navrangpura, Ahmedabad - 9

Note :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective should be lodged with the Company at the Registered Office of the Company atleast 48 hours before the commencement of the meeting.
3. The members are requested to intimate any change of address to the Registrar M/s Compuquick Datamation (I) Ltd at 3rd floor, "Parishram" Rashmi Society, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 006 quoting their Ledger Folio reference.
4. The Register of Members and Transfer Books of the Company shall remain closed from 20/09/1997 to 27/09/1997 (both days inclusive). During this period the transfer of Shares shall remain suspended.
5. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 (Seven) days in advance, so as to enable the Company to keep the information ready.
6. As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.



7TH ANNUAL REPORT

NILA INFRASTRUCTURES LTD.

DIRECTORS' REPORT

The Members

NILA INFRASTRUCTURES LIMITED

Your Directors have pleasure in placing before you the Seventh Annual Report together with the Audited Accounts of the Company for the year ended on 31-03-1997.

FINANCIAL RESULTS

Particulars	(Rs. in lacs)	
	As on 31.03.1997	As on 31.03.1996
1. Income from Operations	126.78	260.32
2. Total Expenditure	30.61	34.88
3. Interest	32.94	64.15
4. Profit before Tax & Dep.	63.23	161.29
5. Depreciation	98.43	62.13
6. Provision for Taxation	—	45.60
7. Net Profit/(Loss)	(35.20)	53.56
8. Paid-up Equity Share Capital	1232.26	1232.26
9. Reserves excluding revaluation reserves	647.83	683.04

During the year under review due to adverse situation prevailing in the market and due to financial crisis in the industry the Company was not able to achieve the expected results.

PROJECTIONS V/S. PERFORMANCE

As per the provisions of clause 43 of the Listing Agreement every listed company is required to highlight in their Directors' Report the Actual performance achieved against the projections made in the prospectus. Your company has achieved the performance mentioned herein below against the projections made in the Prospectus dated 28.02.1995.

PARTICULARS	(Rs. in lacs)	
	PROJECTED	ACTUALS
Reserves excluding revaluation reserves	647.83	683.04
Total Income	599.04	126.78
Total Expenditure	215.50	161.98
Profit before Tax	383.54	(35.20)
Provision for Tax	171.87	—
Profit After Tax	211.67	(35.20)
Capital	1200.00	1232.26
Reserves & Surplus	691.31	647.83

The actuals are lower than the projections made in the prospectus dated 28.02.1995 mainly due to bearish situation prevailing in the industry. The severe financial crisis prevailing in the industry all over the Country the funds of the Company were blocked in various investments and advances.

FIXED DEPOSITS

Your Company has not accepted any Deposits from the Public during the year under review.

DIRECTORS

In accordance with the Provisions of the Companies Act, 1956 and the Company's Articles of Association Smt. Nila Vadodaria who retires by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment.

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

Section 642 read with clause (e) of sub-section (1) of section 217 of the Companies Act, 1956 relating to disclosure of particulars of energy conservation, technology, absorption and foreign exchange earnings and outgo, pursuant to Companies (disclosure of particulars in the report of Board of Directors) rules 1988 is not applicable to the Company.

EMPLOYEES

Since there is no employee drawing Rs. 25,000/- (Rupees Twent Five Thousand Only) or more per month during the year or Rs. 3,00,000/- (Rupees Three Lac Only) or more per annum, no statement is appended to the Directors' Report as required Under Section 217 (2A) of the Companies Act, 1956 and the rules made thereunder.

AUDITORS

The present Auditors, M/s. O. P. Bhandari & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Directors recommend their re-appointment.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their deep sense of appreciation and thanks to all the Government Authorities and Financial Institutions, Banks, Employees, and Shareholders for their valuable assistance, support and co-operation and look forward to the same in the years to come.

For & on behalf of the Board

(Manoj Vadodaria)
Director

Ahmedabad
21.08.1997



7TH ANNUAL REPORT

NILA INFRASTRUCTURES LTD.

AUDITORS' REPORT

To,
The Shareholders,
Nila Infrastructures Ltd

We have audited the attached Balance Sheet of Nila Infrastructures Ltd as on 31st March, 1997 and the Profit & Loss Account of the Company for the year ended on that date annexed thereto and report that :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. In our opinion proper Books of Accounts as required by Law have been kept by the Company so far as it appears from our examination of the Books;
3. The Balance Sheet and Profit & Loss Account dealt with by this Report are in agreement with the Books of Accounts;
4. In our opinion and to the best of our information and according to the explanation given to us, the Accounts read with notes forming part of Accounts give the information required under the Companies Act, 1956, in the manner so required and give a true and fair view :
 - a) In case of the Balance Sheet of the State of Affairs of the Company as on 31st March, 1997 and
 - b) In the case of Profit & Loss Account of the Loss for the year ended on that date.
5. As required by the manufacturing and other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as are considered necessary and appropriate we further report that :
 - i) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets, we are being informed by the Management that all the Assets have been physically verified and no significant discrepancies have been noticed on such verification as compared to the aforesaid records;
 - ii) None of the Fixed Assets have been revalued during the year;
 - iii) The Company has taken unsecured loans from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. As informed to us there is no Companies under the same management as defined in Section 370 (1B) of the Companies Act, 1956;
 - iv) The Company has granted loans to Companies, firms or other parties listed in the register maintained under Section 301, and in our opinion the terms and conditions and interest rate is prima facie prejudicial to the interest of the Company. As informed to us there is no Companies under the same management as defined in sub-section 1 (B) of Section 370 of the Companies Act, 1956;
 - v) In respect to loans or advances given in the nature of loans to the parties we state that there is no stipulation in respect of the repayment of principal and parties are generally regular in payment of interest;
 - vi) According to the information and explanation given to us, in our opinion there are adequate internal control procedures commensurate with size of the Company and the nature of its business with regard to purchase of goods, equipments and other assets and also for sale of goods;
 - vii) In our opinion and according to the information and explanation given to us, the transaction of purchase of goods and Raw Material and sale of goods, material and services made in pursuance of the contract or arrangement entered in Register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 50,000/- or more in respect of each party have been made at a price which are reasonable having regard to prevailing market price for such goods, material, services or the price at which transaction for similar goods, services have been made with other parties;
 - viii) The Company has not accepted any deposits from public;
 - ix) The Company has an internal Audit System commensurate with its size and nature of its business;
 - x) According to information and explanation given to us no undisputed amount payable in respect of income-tax, wealth-tax, sales-tax, customs duty and excise duty were outstanding as at 31st March, 1997 for a period of more than 6 months from the date they became payable;
 - xi) According to the information and explanation given to us and the records examined by us, no personal expenses have been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practice;
 - xii) The Company is not a sick industrial Company within the meaning of clause (0) of Sub-Section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985;
 - xiii) No damaged goods have been determined in respect of trading activity;

We further report that clause (iii), (iv), (v), (vi), (xii), (xiv), (xvi), (xvii) of paragraph 4 of Manufacturing and other companies (Auditors' Report) order 1988 are not applicable to the companies for the year under review.

AHMEDABAD
21.08.1997

for, O. P. BHANDARI & CO
CHARTERED ACCOUNTANTS

(O. P. BHANDARI)
Proprietor

