

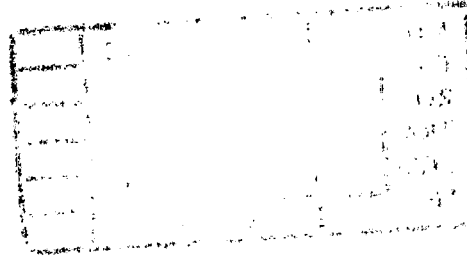
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NILA INFRASTRUCTURES LTD.

8TH ANNUAL REPORT

Report 1997-98

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



8TH ANNUAL REPORT**NILA INFRASTRUCTURES LTD.****BOARD OF DIRECTORS**

Shri Manojbhai B. Vadodaria	:	Director
Smt. Nila M. Vadodaria	:	Director
Shri Hiren Pandit	:	Director
Shri Yagnesh Vyas	:	Director

AUDITORS

O. P. Bhandari & Co
30, Omkar House
Nr Swastik Char Rasta
Navrangpura, Ahmedabad 380009

BANKERS:

State Bank of India
Kalupur Commercial Co-op Bank Ltd
Dena Bank
IndusInd Bank

REGISTERED OFFICE:

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

REGISTRAR AND SHARETRANSFER AGENTS:

Compuquick Datamation (India) Ltd.,
Parishram, 5/B, Rashmi Society,
Mithakhali Circle, Navrangpura,
Ahmedabad - 380 009.

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NILA INFRASTRUCTURES LTD.**NOTICE**

NOTICE is hereby given that the Eighth Annual General Meeting of the members of the Company will be held at Sambhaav House, Opp. High Court Judges Bungalows, Bodakdev, Satellite, Ahmedabad - 380 015 on Monday, the 28th September, 1998 at 1.00 p.m. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March, 1998 and Profit and Loss Account for the year ended on that date together with the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Hiren Pandit who retires by rotation and being eligible, offers himself 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.

SPECIAL BUSINESS

4. To consider, and if thought fit, to pass with or without modification(s), following resolution as an Ordinary Resolution.

"RESOLVED THAT in supersession of the Resolution passed in the Extra-ordinary General Meeting held on 4th January, 1995, the consent of the Shareholders be and is hereby accorded under section 293 (i)(d) of the Companies Act, 1956, to the Board of Directors of the Company to raise and borrow money from time to time in excess of aggregate of paid up share capital and free reserves of the Company, apart from the temporary loans obtained in the ordinary course of business from Banks and/or financial institutions subject to a ceiling of Rs. 50.00 Crores (Rupees Fifty Crores Only).

5. To consider, and if thought fit, to pass with or without modification(s), following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of section 372 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, Financial Institutions/ Banks wherever required and any other approvals, if any, required under other laws, consent of the Company be and is hereby accorded to the Board of Directors of the Company for investing in Equity / Preference Shares/ Cumulative convertible preference shares and /or Debentures/ Bonds or/ and any other permissible securities of other bodies corporate, which the Board may deem fit notwithstanding that such investment or such investment together with the Company's existing investments in other bodies corporate, shall be in excess of any or all of the percentages specified in section 372 of the Companies Act, 1956 read with Rule 11 C of the Companies (Central Government's) General Rules and Forms, 1956 subject to the condition that the amounts so invested at any time shall not exceed Rs. 15 Crores (Rupees Fifteen Crores only) in the aggregate in cash either at par or premium and on such terms and conditions as the board may deem fit, excluding investment specifically approved by the members from time to time pursuant to the provisions of Companies Act, 1956.

Place : AHMEDABAD

Date : 06.08.1998

BY ORDER OF THE BOARD OF DIRECTORS

(MANOJ VADODARIA)
DIRECTOR

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 at the Company at least 48 hours before the commencement of the meeting.

8TH ANNUAL REPORT**Note Contd..**

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 Soc., 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 01/09/1998 to 15/09/1998 (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 at the Meeting.
7. The Explanatory Statement as required under section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.

ANNEXURE TO NOTICE**(Explanatory Statement pursuant to Section 173(2) of the Act.)****Item 4:**

Pursuant to the provisions of clause (d) of sub-section (1) of section 293 of the Companies Act, 1956, the Board of Directors cannot borrow more than the aggregate of amount of the paid up capital of the Company and its free reserves, at any one time, except with the consent of the shareholders of the Company in General Meeting.

The Company has plans to expand its activity and also to diversify in other fields for which the Company would be requiring to take loans from banks and Financial Institutions and in that case, the borrowings are expected to exceed the limits provided under Companies Act, 1956 i.e. aggregate of paid-up capital of the Company and its free reserves. Therefore, your Directors place before you the proposal to authorise the Board to borrow upto Rs. 50 Crores.

None of the Directors of your Company is interested, either directly or indirectly, in the said proposal and the Board recommends your approval thereof.

Item 5 :

Pursuant to the limits prescribed under section 372 of the Companies Act, 1956 the Board of Directors of the Company is authorised to invest in the shares of any other body corporate upto 30% of the subscribed equity capital or the aggregate of the paid up equity and preference share capital of such other body corporate whichever is less. Provided the aggregate of such investments in all such bodies corporate do not exceed 30% of the aggregate of subscribed capital and free reserves of the Company. In case, the investments by the Company exceeds the above prescribed limits, sanction of the Company in General Meeting and provisions approval of the Central Government are required.

In view of the above and in view of increased and diversified activities of the Company, it has been considered desirable to give powers to the Board of Directors for investments in the shares of other body / bodies corporate in excess of 30% of aggregate of subscribed capital and free reserves of the Company or such other percentage as may be prescribed from time to time or Rs. 15 Crores, whichever is higher. Whenever necessary, the approval of the Central Government will be obtained.

The Board, therefore, recommends this resolution for approval of the Members, in the interest of the Company.

None of the Directors of the Company is, in any way, concerned or interested in Resolution, except to the extent of their holding in such other bodies corporate, if any.

Place : AHMEDABAD

BY ORDER OF THE BOARD OF DIRECTORS

Date : 06.08.1998

(MANOJ VADODARIA)
DIRECTOR