

## ICICI PROPERTIES LIMITED

### 6TH ANNUAL REPORT AND ACCOUNTS 2000-2001

**Directors**

Subhash Dhavale  
R. Venkataraghavan  
Avinash Kelkar  
R. Krishnan

**Auditors**

S.B. Billimoria & Co.  
Chartered Accountants

**Registered Office**

ICICI Towers  
Bandra-Kurla Complex  
Mumbai 400 051

# directors' report

## To the Members

Your Directors have pleasure in presenting the Sixth Annual Report of the Company with the audited Statement of Accounts for the year ended March 31, 2001.

**FINANCIAL RESULTS**

The summary of the financial results for the year under review are as follows:

	(Rupees)	
	Year ended March 31,	
	2001	2000
Gross Income	11,264,400	5,262,461
Profit before tax	6,081,708	5,213,790
Provision for Tax	15,000	1,530,000
Profit after tax	6,066,708	3,683,790

**DIVIDEND**

Considering the long-term interest of the Members and as a matter of prudence, it is proposed to plough back profits to build up resources. Your Directors therefore, do not recommend payment of dividend for the year ended March 31, 2001.

**OPERATIONAL REVIEW**

As the Members are aware, the Company has decided to enter the real estate business and proposes to undertake one or more of the activities involving preparation of building sites for construction, re-construction, erecting, altering, improving, enlarging, developing, decorating, furnishing and maintaining of the same and to purchase for development, investment or for resale of lands, houses, buildings, structures and other properties like flats, shops, etc., of any tenure and any interest therein and purchase, sell and deal in freehold and leasehold land and to make advances upon the security of lands, houses, structures and other property or any interest therein and to purchase, sell, lease, hire, exchange or otherwise deal in land and house property and other property whether real or personal and to turn the same into account as may seem expedient.

As you are aware, your Company had purchased a property in Mumbai in financial year 1998-99. Your Company had entered into a leave and license agreement in respect of the same for a period of three years starting from January, 2000.

**PUBLIC DEPOSITS**

During the year under review, the Company has not accepted any deposit under Section 58-A of the Companies Act, 1956.

**DIRECTORS**

Smt. Subhashree Dutta, who was on the Board since August 13, 1999 tendered her resignation from the Board effective August 9, 2000. The Board accepted with regret the resignation of Smt. Subhashree Dutta and placed on record its appreciation of the valuable services rendered by her during her tenure.

The Board had appointed Shri Avinash Kelkar as an Additional Director of the Company effective August 9, 2000. He will hold office up to the date of the ensuing Annual General Meeting as provided in the Articles of Association of the Company, but is eligible for appointment.

Shri R. Venkataraghavan would retire at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

**AUDITORS**

The Auditors, M/s. S. B. Billimoria & Co., Chartered Accountants, Mumbai, will retire at the ensuing Annual General Meeting. The Board at its Meeting held on April 23, 2001 has proposed their appointment as the Auditors to audit the accounts of the Company for the financial year ending March 31, 2002. You are requested to consider their appointment.

**FOREIGN EXCHANGE EARNING AND EXPENDITURE**

There was no income or expenditure in foreign currency during the period under review.

**PERSONNEL AND OTHER MATTERS**

There are no employees within the purview of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

Since your Company does not own any manufacturing facility, the disclosure of information on other matters required to be disclosed in terms of 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, are not applicable and hence not given.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm :

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and;
4. that the Directors had prepared the annual accounts on a going concern basis.

**ACKNOWLEDGEMENTS**

The Company would like to express its gratitude for the unstinted support and guidance received from ICICI Limited, the parent organisation and also from other Group companies.

For and on behalf of the Board

SUBHASH DHAVALÉ  
*Director*

Mumbai, April 23, 2001

# auditors' report

**ICICI Properties** to the members of ICICI Properties Limited

We have audited the attached Balance Sheet of ICICI Properties Limited as at March 31, 2001 and the Profit and Loss Account for the year ended on that date and report that:

- (1) 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, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
- (2) Further to our comments in the Annexure referred to in paragraph (1) above:-
  - (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books;
  - (c) the Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - (d) in our opinion the Balance Sheet and Profit and Loss Account dealt with by this report are in compliance with the accounting standards

referred to in Section 211(3C) of the Companies Act, 1956 and are in agreement with the books of account;

- (e) on the basis of written representations given by the directors to the Company, taken on record by the board, none of the directors is disqualified as on March 31, 2001 from being appointed as a director under Section 274(1)(g) of the Companies Act, 1956;
- (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2001; and
  - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

For S.B. BILLIMORIA & CO.  
*Chartered Accountants*

SANJIV N. SHAH  
*Partner*

*Mumbai, April 23, 2001*

## annexure to the auditors' report

### referred to in paragraph (1) of our report of even date

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed asset. Physical verification of the fixed asset has been carried out by the management during the year. No significant discrepancies were revealed on such verification.
2. The fixed asset has not been revalued during the year.
3. The Company has not taken or granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 and/or to the companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
4. There were no undisputed amounts payable in respect of income tax, sales tax and customs duty outstanding as at March 31, 2001 for a period of more than six months from the date they became payable.
5. As per the records of the Company and the information and explanations given to us, no personal expenses have been charged to the Profit and Loss Account.
6. The Company is not a sick industrial company within the meaning of clause (o) of sub section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For S.B. BILLIMORIA & CO.  
*Chartered Accountants*

SANJIV N. SHAH  
*Partner*

*Mumbai, April 23, 2001*



# balance sheet

# profit and loss account

as at March 31, 2001

for the year ended March 31, 2001

	Schedule	(Rupees)	March 31, 2000		Schedule	(Rupees)	March 31, 2000
<b>Sources of Funds</b>				<b>Income</b>			
Share Capital	1	2,000	2,000	Rent (Gross: TDS Rs.2,491,312 P.Y. Rs. 1,135,827)		11,264,400	5,162,850
Reserves and Surplus:	2			Interest (Gross: P.Y. TDS Rs. 21,915)		—	99,611
Profit and Loss Account		3,852,216	3,760,811			11,264,400	5,262,461
Unsecured Loans from ICICI Limited (Holding Company)		285,415,347	294,188,435	<b>Expenditure</b>			
		289,269,563	297,951,246	Insurance		—	13,753
<b>Application of Funds</b>				Rates and Taxes		9,768	—
Fixed Asset	3	285,223,407	—	Software Expenses		300,000	—
Investments	4	—	296,023,900	Depreciation	3	4,825,190	—
Current Assets, Loans & Advances:				Office Expenses		9,100	6,784
Current Assets	5	97,502	1,879,066	Auditors' Remuneration:			
Loans and Advances	6	5,508,239	2,036,327	Audit Fees		11,000	11,000
		5,605,741	3,915,393	Tax audit Fees		10,500	—
Less:				Certification Fees		15,750	15,750
Current Liabilities & Provisions	7	1,566,500	1,996,346	Preliminary Expenses Written Off		1,384	1,384
<b>Net Current Assets</b>		<b>4,039,241</b>	<b>1,919,047</b>			5,182,692	48,671
Miscellaneous Expenditure (to the extent not written off or adjusted)		6,915	8,299	Profit Before Tax		6,081,708	5,213,790
Preliminary Expenses		289,269,563	297,951,246	Less: Provision for Tax		15,000	1,530,000
Significant Accounting Policies	8			Profit After Tax		6,066,708	3,683,790
				Less: Prior Period Adjustment (Refer Note 2)	3	5,975,303	—
				Profit for the year		91,405	3,683,790
				Add: Balance brought forward from previous year		3,760,811	77,021
				Balance Carried to Balance Sheet		3,975,303	3,760,811
				Appropriations:			
				Special Reserve		3,327,000	—
				Blance carried to Balance Sheet		525,216	3,760,811
						3,852,216	3,760,811

Per our Report attached

For and on behalf of the Board

For S.B. BILLIMORIA & CO.  
Chartered Accountants

SUBHASH DHAVALA  
Director

R. VENKATARAGHAVAN  
Director

SANJIV N. SHAH  
Partner

R. KRISHNAN  
Director

AVINASH KELKAR  
Director

Mumbai, April 23, 2001

## schedules

forming part of the Accounts

	(Rupees)	March 31, 2000	(Rupees)	March 31, 2000
<b>1. Share Capital</b>				
Authorized				
50,000 Equity Shares of Rs.10 each	500,000	500,000		
Issued, Subscribed and Paid-up – 200 Equity Shares of Rs.10 each fully paid-up. [Of the above, 100 Equity Shares of Rs. 10 each are held by ICICI Limited (Holding Company) and the other 100 Shares are held by a subsidiary of ICICI Limited]	2,000	2,000		
	2,000	2,000		
<b>2. Reserves &amp; Surplus</b>				
Balance as at April 1, 2000	(Rs.)	(Rs.)	Deductions/ Transfers during the period (Rs.)	Balance as at March 31, 2001 (Rs.)
Special Reserve	—	3,327,000	—	3,327,000
Profit and Loss Account	3,760,811	91,405	(3,327,000)	525,216
	3,760,811	3,418,405	(3,327,000)	3,852,216
Previous year	77,021	3,683,790	—	3,760,811
<b>3. Fixed Assets</b>				
<b>Gross Block</b>				
Building-Freehold Land (transferred from Investment)		296,023,900	—	—
Less: Provision for Depreciation (Prior period)		5,975,303	—	—
Less: Provision for Depreciation		4,825,190	—	—
		285,223,407	—	—
<b>4. Investments</b>				
(Long Term – At Cost)				
In Property	296,023,900	296,023,900		
Less: Transferred to Fixed Asset	(296,023,900)	—		
	—	296,023,900		
<b>5. Current Assets</b>				
Cash on Hand	—	—		
Balances with Scheduled Banks - in Current Account	97,502	1,879,066		
	97,502	1,879,066		
<b>6. Loans and Advances</b>				
Advance Tax	4,947,021	1,593,709		
Other Recoverables	72,919	442,618		
Recoverable from ICICI Limited	488,299	—		
	5,508,239	2,036,327		
<b>7. Current Liabilities &amp; Provisions</b>				
<b>Current Liabilities</b>				
Sundry Creditors	21,500	10,500		
Payable to ICICI Ltd.	—	454,402		
Other liability	—	1,444		
<b>Provisions</b>				
Provision for Taxation	1,545,000	1,530,000		
	1,566,500	1,996,346		

**8. Notes forming part of the Accounts**

**1 Significant Accounting Policies**

**a. Method of Accounting**

The Accounts are prepared in accordance with accounting principles generally accepted in India. The Company follows the accrual method of accounting.

**b. Revenue Recognition**

Rental Income is accounted on an accrual basis.

**c. Fixed Assets and Depreciation**

i) Fixed assets are carried at cost less accumulated

depreciation.

ii) Depreciation is provided on pro-rata basis using straight line method at the rates specified in Schedule XIV to the Companies Act, 1956.

**d. Miscellaneous Expenditure**

Preliminary Expenses incurred are amortized over a period of 10 years.

2. Prior period adjustment represents proportionate depreciation charge for the period January 5, 1999 to March 31, 2000 on the building being reclassified from investments to fixed assets.

**Statement pursuant to Part IV, Schedule VI to the Companies Act, 1956  
Balance Sheet Abstract and Company's General Business Profile**

**1. Registration Details**

Registration No.   0 9 1 7 6 7   State Code  1  1   
 Balance Sheet Date  3  1  0  3  2  0  0  1   
 Date Month Year

**2. Capital Raised during the Year**

(Amount in Rupees)

Public Issue

N I L

Rights Issue

N I L

Bonus Issue

N I L

Private Placement

N I L

**3. Position of Mobilization and Deployment of Funds**

(Amount in Rupees)

Total Liabilities

2  9  0  8  3  6  0  6  3

Sources of Funds

Paid-up Capital

2  0  0  0

Secured Loans

N I L

Application of Funds

Net Fixed Assets

2  8  5  2  2  3  4  0  7

Net Current Assets and Advances

4  0  3  9  2  4  1

Total Assets

2  9  0  8  3  6  0  6  3

Reserves & Surplus

3  8  5  2  2  1  6

Unsecured Loans

2  8  5  4  1  5  3  4  7

Loans and Investments

N I L

Miscellaneous Expenditure

6  9  1  5

**4. Performance of Company**

(Amount in Rupees)

Turnover (Gross Income)

1  1  2  6  4  4  0  0

Profit before Tax

86  0  8  1  7  0  8

Earnings per Share in Rupees

3  0  3  3  3  .  5  4

Total Expenditure

5  1  8  2  6  9  2

Profit after Tax

6  0  6  6  7  0  8

Dividend Rate %

N I L

**5. Generic Names of Principal Products/Services of the Company**

Product Description

Item Code No.

Investment in Property  NIL

For ICICI Properties Limited

SUBHASH DHAVALA  
Director

R. VENKATARAGHAVAN  
Director

R. KRISHNAN  
Director

AVINASH KELKAR  
Director