



5TH ANNUAL REPORT AND ACCOUNTS 1999-2000

Directors

Subhash Dhavale
R. Venkataraghavan
R. Krishnan
Subhashree Dutta

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 Fifth Annual Report of the Company together with the Audited Statement of Accounts for the year ended March 31, 2000.

Financial Results

The year marked the commencement of commercial operations. The summary of the financial results for the year under review are as follows:

Year ended March 31,	2000	1999
Gross Income	5,262,461	117,338
Profit/(Loss) before tax	5,213,790	105,395
Provision for tax	1,530,000	35,500
Profit/(Loss) after tax	3,683,790	69,895

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 the resources. Your Directors, therefore, do not recommend payment of dividend for the year ended on March 31, 2000.

Business

As the Members are aware, the Company has decided to enter the real estate business and proposes to undertake one or more of 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 has entered into a leave and licence agreement in respect of the same for a period of three years starting from January 2000.

Directors

Smt. Subhashree Dutta, who has been appointed as an Additional Director effective August 13, 1999, holds office only up to the date of the ensuing Annual

General Meeting of the Company as provided in the Articles of Association of the Company, but is eligible for appointment.

In terms of the provisions of the Articles of Association of the Company, Shri R. Krishnan would retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Particulars of Employees

Your Company did not employ any person during the year and therefore the statement pursuant to Section 217 (2A) of the Companies Act, 1956, has not been annexed.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgoings.

Considering the nature of your Company's activities, your Company has no particulars to disclose under the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 as regards Conservation of Energy or Technology Absorption.

The Company has no foreign exchange earnings and outgoings during the year ended on March 31, 2000.

Auditors and Auditors' Report

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

The observations contained in the Auditors' Report are self-explanatory and therefore, no comments are called for separately.

Acknowledgements

The Company is grateful for the guidance, advice, support and co-operation received from the management of ICICI and its group companies.

The Company is also grateful to its client and bankers for the support received during the year.

For and on behalf of the Board,

SUBHASH DHAVALA

Director

Mumbai, April 24, 2000

auditors' report

To the Members of ICICI Realty Limited

We have audited the attached Balance Sheet of ICICI REALTY LTD. as on March 31, 2000 and the Profit and Loss Account of the Company for the year ended on that date and we report that:

1. 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.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books.
3. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
4. 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, in so far as they are applicable to the Company.
5. 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:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2000; and
 - (b) In the case of Profit and Loss Account, of the profit for the year ended on that date.

6. As required by Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Central Government we further report that:

- (i) The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the registers maintained under Section 301 and Section 370 (1-B) of the Companies Act, 1956. However the Company has taken unsecured loan from its Holding Company, the rate of interest and other terms and conditions of which are not prejudicial to the interest of the Company.
- (ii) No personal expenses have been charged to the Profit and Loss Account.
- (iii) 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.
- (iv) Proper records have been maintained relating to investments and the acquisition of property and timely entries have been made therein. The investments are in the name of the Company.
- (v) Except for the above sub-clauses, the other sub-clauses of clause 4 of the Order are not applicable to the Company.

For S.B. BILLIMORIA & CO.
Chartered Accountants

S.J. MERCHANT
Partner

Mumbai, April 24, 2000

balance sheet profit and loss account



as at March 31, 2000

for the year ended March 31, 2000

	Schedule	(Rupees)	March 31, 1999		Schedule	(Rupees)	March 31, 1999
Sources of Funds				Income			
Share Capital	1	25,000	25,000	Rent		5,162,850	117,338
Reserves and Surplus:				Interest (Gross: TDS Rs. 21,915)		99,611	—
Profit and Loss Account		3,746,979	63,189			<u>5,262,461</u>	<u>117,338</u>
Unsecured Loans							
from ICICI Ltd. (Holding Company)		<u>294,188,435</u>	<u>296,018,900</u>	Expenditure			
		<u>297,960,414</u>	<u>296,107,089</u>	Insurance		13,753	—
Application of Funds				Office Expenses		6,784	400
Investments	2	296,023,900	296,023,900	Audit Fees			
Current Assets, Loans and Advances:				(Including Certification fees Rs. 15,750)		26,750	10,000
Current Assets	3	1,886,766	200	Preliminary Expenses Written Off		1,384	1,383
Loans and Advances	4	<u>2,037,795</u>	<u>118,806</u>	Bank Charges		—	160
		<u>3,924,561</u>	<u>119,006</u>			<u>48,671</u>	<u>11,943</u>
Less :				Profit Before Tax		5,213,790	105,395
Current Liabilities & Provisions	5	<u>1,996,346</u>	<u>45,500</u>	Less: Provision for Tax		<u>1,530,000</u>	<u>35,500</u>
Net Current Assets		<u>1,928,215</u>	<u>73,506</u>	Profit After Tax		<u>3,683,790</u>	<u>69,895</u>
Miscellaneous Expenditure				Add: Balance brought forward from previous year		63,189	(6,706)
(to the extent not written off or adjusted):				Balance carried to Balance Sheet		<u>3,746,979</u>	<u>63,189</u>
Preliminary Expenses		<u>8,299</u>	<u>9,683</u>				
		<u>297,960,414</u>	<u>296,107,089</u>				
Significant Accounting Policies	6						

Per our Report attached

For S.B. BILLIMORIA & CO.
Chartered Accountants

S. J. MERCHANT
Partner

Mumbai, April 24, 2000

For ICICI Realty Limited

SUBHASH DHAVALA
Director

R. KRISHNAN
Director

R. VENKATARAGHAVAN
Director

S. DUTTA
Director

schedules

forming part of the Accounts

	(Rupees)	March 31, 1999	(Rupees)	March 31, 1999
1. Share Capital				
Authorized –				
50,000 Equity Shares of Rs.10 each	<u>500,000</u>	<u>500,000</u>		
Issued, Subscribed and Paid up –				
2,500 Equity Shares of Rs.10 each				
Fully Paid-up. [Of the above, 1,000	25,000	25,000		
Equity Shares of Rs. 10 each are held				
by ICICI Ltd. (Holding Company) and				
the other 1,500 Equity Shares are held				
by the subsidiaries of ICICI Limited]	<u>25,000</u>	<u>25,000</u>		
2. Investments				
(Long Term – At Cost)				
In Property	<u>296,023,900</u>	<u>296,023,900</u>		
	<u>296,023,900</u>	<u>296,023,900</u>		
3. Current Assets				
Balance with Scheduled Banks-				
in Current Account	<u>1,886,766</u>	<u>200</u>		
	<u>1,886,766</u>	<u>200</u>		
4. Loans and Advances				
Advance Tax	1,593,709	—		
Rent Receivable	—	117,338		
Other Recoverables	<u>444,086</u>	<u>1,468</u>		
	<u>2,037,795</u>	<u>118,806</u>		
5. Current Liabilities & Provisions				
Current Liabilities				
Sundry Creditors	15,500	10,000		
Payable to ICICI Ltd.	449,402	—		
Tax Deducted at Source	1,444	—		
Provisions:				
Provision for Taxation	<u>1,530,000</u>	<u>35,500</u>		
	<u>1,996,346</u>	<u>45,500</u>		
6. Significant Accounting Policies				
1. Method of Accounting				
The Accounts are prepared in accordance with accounting principles generally accepted in India. The Company follows the accrual method of accounting.				
2. Revenue Recognition				
Rental Income is accounted for on an accrual basis.				
3. Investments				
The properties acquired with the intention of long term holding are considered as investments. Acquisition cost includes other costs incidental to the acquisition.				
4. Miscellaneous Expenditure				
Preliminary Expenditure incurred are amortized over a period of 10 years.				

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.
 Balance Sheet Date
 Date Month Year State Code

2. Capital Raised during the Year

(Amount in Rupees)

Public Issue

Rights Issue

Bonus Issue

Private Placement

3. Position of Mobilization and Deployment of Funds

(Amount in Rupees)

Total Liabilities

Sources of Funds

Paid-up Capital

Secured Loans

Application of Funds

Net Fixed Assets

Net Current Assets and Advances

Total Assets

Reserves & Surplus

Unsecured Loans

Loans and Investments

Miscellaneous Expenditure

4. Performance of Company

(Amount in Rupees)

Turnover (Gross Income)

Profit before Tax

Earnings per Share in Rupees

Total Expenditure

Profit after Tax

Dividend Rate %

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

Product Description

Item Code No.

Per our Report attached

For ICICI Realty Limited

For S.B. BILLIMORIA & CO.
Chartered Accountants

S. J. MERCHANT
Partner

SUBHASH DHAVALA
Director

R. VENKATARAGHAVAN
Director

R. KRISHNAN
Director

S. DUTTA
Director

Mumbai, April 24, 2000