



## 4TH ANNUAL REPORT AND ACCOUNTS 1998-99

### **Directors**

Chairman	Mumtaz Ahmed N. Vaghul D.P. Patra
Managing Director	Dr. Debasis Sengupta Sudhamoy Khashnobis Sunil Maheshwari S.A. Ahmed

### **Auditors**

M/s. Ray & Ray

### **Registered Office**

2B Gorky Terrace  
Calcutta 700 017

### **Operating Office**

2B Gorky Terrace  
Calcutta 700 017

# directors' report



To the Members

Your Directors have pleasure in presenting the Fourth Annual Report with the Audited Accounts for the year ended March 31, 1999.

## BUSINESS ACTIVITIES AND FINANCIAL STATUS

The Company has made significant progress since it commenced its business operations in June 1997. Your Company is taking all possible steps for the systematic development of infrastructure in the state of West Bengal.

As a major long-term investment your Company is actively working with the Asian Development Bank (ADB) on their initiative for developing the South Asian Growth Quadrangle (SAGQ) and with the World Bank in its separate initiative for the development of the South Asian Development Triangle (SADT). SAGQ and SADT primarily encompass the Ganga-Brahmaputra-Meghna river basin. This region comprises Bangladesh, Bhutan, Nepal, Myanmar and Eastern India and is one of the poorest areas of the world in terms of per capita income, while being rich in minerals, energy and water resources.

Any major development initiative in this region would be primarily in the form of infrastructure development. And considering the geographic location of West Bengal within this region a major flow of resources towards development has to be within the state. Thus, IWIN recognises the direct benefit of these initiatives in the overall growth of infrastructure in the state.

The first major initiative of ADB in the development of this region is the North South Corridor of West Bengal with suitable linkages to neighbouring countries. You will be pleased to know that Asian Development Bank has given a Project Preparation Technical Assistance grant of USD 1 million for appointing international consultants to study the overall feasibility of the project. Your Company has been appointed by the state government to act as Executing Agency for the same. The work on the project starts in May 1999.

As part of the same initiative, a Project Preparation Technical Assistance grant for North Canal Reclamation Project has been initiated by your Company. This canal ultimately helps connect River Hoogly at Calcutta to River Raimangal bordering India and Bangladesh. Your Company has been working with the Transport Department on this project and had submitted a preliminary feasibility report which was widely appreciated and which formed the basis for ADB's decision.

Your Company was mandated by West Bengal State Electricity Board to prepare a strategy plan for setting up an optical fibre cable based information highway in the state using the transmission and distribution network of the power utilities. The draft report for this 2500 km long backbone network has already been submitted.

Your Company is acting as the Financial Advisor to Haldia Development Authority which is responsible for the overall development of the upcoming major industrial township of Haldia. The Company has been mandated by Haldia Development Authority to co-ordinate preparation of Development Plan and work jointly with the consultants to develop strategy for financing the implementation of the Plan. Your Company has also been mandated by Haldia Development Authority for developing a 30 mgd water supply project to be built with external commercial funds by a private sector operator. The preparation of the bid document is underway.

Your Company is working with West Bengal Electronics Industries Development Corporation for setting up a venture capital fund for Information Technology Industry in the state for bringing about rapid growth in this key sector.

Other projects under development includes:

- Setting up a Floriculture Infrastructure Complex in North and South Bengal on behalf of Department of Food Processing.
- Preparation of bankable project-report-cum-financing plan for Phase I of the proposed 2750 hectare New Calcutta Township at Rajarhat on behalf of Housing Department.
- Setting up an industrial complex in Kharagpur on behalf of West Bengal Industrial Development Corporation.
- Setting up a Financial Services Centre along with Calcutta Stock Exchange, which is to include a new stock exchange building.

- Financial viability study for Electric Trolley Bus based Public Transport System in Calcutta.

In addition to the above your Company has prepared an elaborate promotional document for the Food Processing Department, which has been appreciated. It also rendered extensive support to West Bengal Industrial Development Corporation and the Government for promotion of industry and infrastructure in the state by helping to organize various seminars and conferences and making presentations to visiting foreign and Indian dignitaries.

In view of the special emphasis being given by the state government for development of infrastructure, your Company is hopeful that it will be able to play an active role in infrastructure development within the state and in the process contribute to the overall economic development of the state.

Your Directors are pleased to inform you that for the 12 month period ending March 31, 1999, your Company earned a profit after tax of Rs. 104,495 on a turnover of Rs. 4,300,192. The Company is now looking forward to the year 1999-2000 as a period when the revenues are expected to be significantly higher and a few of its projects will move into the implementation phase.

## FRESH ISSUE OF SHARES

At the Board Meeting held on January 15, 1999, 7,60,000 Equity Shares of Rs. 10 each were allotted to ICICI Ltd. and 2,40,000 Equity Shares of Rs. 10 each were allotted to West Bengal Industrial Development Corporation Ltd. totalling 10 lakh Equity Shares. As a result of this, your Company has become a subsidiary of ICICI Ltd.

## DIRECTORS

Mr. S.K. Maheshwari and Mr. D.P. Patra retire by rotation and are eligible for re-appointment.

## STATUTORY INFORMATION

### Auditors

M/s. Ray & Ray, Chartered Accountants, who were appointed as the Auditors of the Company, shall hold office until the conclusion of the ensuing Annual General Meeting. They are eligible for re-appointment. Accordingly, the Board recommends their re-appointment.

### Foreign Exchange Earnings and Expenditure

During the year 1998-99, the expenditure in foreign currency amounted to Rs. 330,080 on account of foreign travel and during the same period, the Company did not have any earnings in foreign currency.

### Conversion of Energy and Technology Absorption

Not Applicable

### Particulars of Employees

Not Applicable

### Y2K Compliance

Your Company has taken appropriate steps regarding Y2K compliance relating to hardware, software etc that may arise in future.

## ACKNOWLEDGEMENTS

Your Directors are grateful for the significant support extended by ICICI and WBIDC, the promoter-shareholders of your Corporation as well as the Government of West Bengal and look forward to receiving their continued support and advice.

For and on behalf of the Board

MUMTAZ AHMED  
Chairman

Calcutta, 16 April, 1999

# auditors' report

## To the Members West Bengal Infrastructure Development Corporation Limited

We have audited the attached Balance Sheet of ICICI WEST BENGAL INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED as at 31st March, 1999 and also Profit and Loss Account for the year ended on that date.

We report:

1. As required by the Manufacturing and Other Companies (Auditors 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 to the extent applicable to the Company specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we state that :-
  - a) In our opinion the Profit and Loss Account and Balance Sheet of the Company have been compiled in accordance with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - b) Our audit programme was not designed or devised to ensure Y2K compliance for such problems, if any. However attention is drawn to Note no. 1.3 in schedule P;
  - c) 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;

- d) 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 such books;
- e) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Accounting Policies and Notes thereon 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 1999 and
  - ii) in the case of Profit & Loss Account, of the profit for the year ended on that date.

For RAY & RAY  
Chartered Accountants

S.K. DASGUPTA  
Partner

Calcutta, 16 April, 1999

# annexure to auditors' report

## (Referred to in paragraph 1 of our Report of even date)

- i) The Company has acquired fixed assets during the year and for that maintains proper records showing full particulars including quantitative details and situation of fixed assets. The said assets have been physically verified.
- ii) The Company has not revalued the fixed asset during the year.
- iii) The Company has not taken any loans secured or unsecured from Companies, Firms or Other Parties listed in the Register maintained under Section 301 of the Companies Act, 1956 and/or the Companies under the same management as defined under sub-section (1B) of Section 370 of the Companies Act 1956 till 15th October, 1998. With effect from 16th October, 1998 nothing contained in Section 370 of the Companies Act, 1956 shall apply to a company after the commencement of the Companies Amendment Act.
- iv) The Company has not granted any loans secured or unsecured to Companies, Firms or Other Parties listed in the Register maintained under Section 301 of the Companies Act, 1956 and/or to the Companies under the same management as defined under sub-section (1B) of Section 370 of the Companies Act, 1956 till 15th October, 1998. With effect from 16th October, 1998 nothing contained in Section 370 of the Companies Act, 1956 shall apply to a company after the commencement of the Companies Amendment Act.
- v) In our opinion and according to the information and explanations given to us during the course of the audit, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of plant and machinery, stores, equipment, construction materials and other assets. There are no sale of goods during the year.
- vi) According to the information and explanations given to us, there are no transactions of purchase of goods, materials and sale of goods, materials and services aggregating during the year to Rs. 50,000 or more in respect of each party made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956.
- vii) The Company has not accepted any deposits from the public under Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- viii) The Company has no liability towards provident fund and employees state insurance dues.
- ix) There are no undisputed amounts payable in respect of income-tax, wealth-tax, sales-tax, customs-duty which are outstanding as on March 31, 1999 for a period of more than six months from the date they became payable.
- x) According to the information and explanations given to us no personal expenses have been charged as expenses other than those payable under contractual obligations or in accordance with the generally accepted business practice.

For RAY & RAY  
Chartered Accountants

S.K. DASGUPTA  
Partner

Calcutta, 16 April, 1999

# balance sheet profit and loss account



as at March 31, 1999

for the period ended March 31, 1999

	Schedule	Rupees	March 31, 1998		Schedule	Rupees	March 31, 1998
<b>I. SOURCES OF FUNDS</b>				<b>Net Income from Operations:</b>			
Shareholders' Funds:				(a) Income from Service	K	4,011,666	1,204,600
A. Share Capital	A	10,007,000	7,000	(b) Interest Income	L	288,526	—
B. Reserves & Surplus	B	153,041	48,546			4,300,192	1,204,600
		<u>10,160,041</u>	<u>55,546</u>	Less: Operating Expenditure	M	103,506	—
<b>II. APPLICATION OF FUNDS</b>						4,196,686	1,204,600
(1) Fixed Assets:	C			Less: Administration Expenses			
Gross Block		367,395	6,120	(a) Establishment Expenses	N	3,957,701	1,087,181
Less: Depreciation		56,645	670	(b) Depreciation		55,975	670
Net Block		310,750	5,450	(c) Other Expenses	O	53,375	10,000
(2) Current Assets, Loan & Advances:						4,067,051	1,097,851
A. Current Assets —				<b>Profit/(Loss) from Operations</b>		129,635	—
(a) Project				Add: Other Income		2,000	—
Development Exp.	D	587,970	350,000	<b>Profit/(Loss) before Taxation</b>		131,635	106,749
(b) Interest Accrued	E	193,677	—	Less: Provision for Taxation		27,140	58,203
(c) Sundry Debtors	F	1,894,066	260,109	<b>Profit/(Loss) after Taxation</b>		104,495	48,546
(d) Cash & Bank Balance	G	1,387,048	212,267	Brought forward from previous years		48,546	—
B. Loans & Advances	H	7,663,888	27,500	Amount available for appropriations		153,041	48,546
		11,726,649	849,876	Balance carried to Balance Sheet		153,041	48,546
Less: Current Liabilities & Provisions:	I			Notes forming part of the Accounts and Accounting Policies	P		
A. Current Liabilities		2,132,996	1,155,576				
B. Provisions		121,968	58,203				
		<u>2,254,964</u>	<u>1,213,779</u>				
Net Current Assets		9,471,685	(363,903)				
(3) Miscellaneous Expenditure J (To the extent not written off or adjusted)							
Preliminary & Pre-Operative Expenses		377,606	413,999				
		<u>10,160,041</u>	<u>55,546</u>				
Notes forming part of the Accounts and Accounting Policies	P						

For RAY & RAY  
Chartered Accountants

For & on behalf of the Board

S.K. DASGUPTA  
Partner

MUMTAZ AHMED  
Chairman

DEBASIS SENGUPTA  
Managing Director

Calcutta, 16 April, 1999

# schedules

## forming part of the Accounts

(Rupees)

March 31,  
1998

### A. Share Capital:

Authorized:		
1,00,00,000 Equity Shares of Rs. 10 each	<u>1,00,000,000</u>	<u>1,00,000,000</u>
Issued:		
10,00,700 Equity Shares of Rs. 10 each [1998 - 700 Equity Shares of Rs. 10 each]	<u>10,007,000</u>	<u>7,000</u>
Subscribed & Paid-up:		
10,00,700 Equity Shares of Rs. 10 each [1998 - 700 Equity Shares of Rs. 10 each]	<u>10,007,000</u>	<u>7,000</u>
Of the above 76,00,000 (1998 - Nil) Equity Shares of Rs. 10 each are held by ICICI Ltd. (the holding Company)		

### B. Reserves & Surplus:

	<i>Balance as on April 1, 1998</i>	<b>Additions/ Transfer during the Year</b>	<b>Deductions/ Transfer during the Year</b>	<b>Balance as on March 31, 1999</b>	<i>Balance as on March 31, 1998</i>
Balance in Profit & Loss Account	<u>48,546</u>	<u>104,495</u>	<u>—</u>	<u>153,041</u>	<u>48,546</u>

### C. Fixed Assets:

(Rupees)

	Gross Block (At Cost)				Accumulated Depreciation				Net Block	
	<i>April 1, 1998</i>	<b>Add- itions</b>	<b>Sale/ Adj.</b>	<b>31 March, 1999</b>	<i>April 1, 1998</i>	<i>Addi- tions</i>	<i>Sale/ Adj.</i>	<i>31 March, 1998</i>	<b>31 March, 1999</b>	<i>31 March, 1998</i>
Office Equipment	6,120	6,000	—	12,120	670	1,078	—	1,748	10,372	5,450
Computers	—	355,275	—	355,275	—	54,897	—	54,897	300,378	—
Total	6,120	361,275	—	367,395	670	55,975	—	56,645	310,750	5,450

### D. Project Development Expenditure:

(i) Pedestrian Plaza	—	350,000
(ii) North-South Corridor	95,399	—
(iii) Haldia Infrastructure Development	201,500	—
(iv) North Canal Reclamation	192,661	—
(v) 30 Mgd Water Project	98,410	—
Total	<u>587,970</u>	<u>350,000</u>

### E. Interest Accrued:

Certificate of Deposits	33,524	—
Inter-Corporate Deposits	160,153	—
Total	<u>193,677</u>	<u>—</u>

### F. Sundry Debtors (Unsecured):

(i) Outstanding for a period exceeding 6 months:		
Considered good	54,602	—
Considered Doubtful	—	—
(ii) Other Debtors:		
Considered good	1,839,464	260,109
Total	<u>1,894,066</u>	<u>260,109</u>

### G. Cash & Bank Balances:

Cash & Cheques on hand	13,549	473
In Current Account with Scheduled Bank	127,059	211,794
In Fixed Deposits with Scheduled Bank	1,246,440	—
Total	<u>1,387,048</u>	<u>212,267</u>

# schedules



forming part of the Accounts

	(Rupees)	March 31, 1998	(Rupees)	March 31, 1998
<b>H. Loans &amp; Advances:</b>				
(Unsecured and Considered Good unless otherwise stated)				
(A) Loans –				
Inter-corporate Deposits	7,520,444	—		
Total (A)	<u>7,520,444</u>	<u>—</u>		
(B) Advances –				
Advance Income & Other Tax	105,403	7,500		
Security Deposit	15,000	—		
Other Advances & Deposits	23,041	20,000		
Total (B)	<u>143,444</u>	<u>27,500</u>		
Total (A)+(B)	<u>7,663,888</u>	<u>27,500</u>		
<b>I. Current Liabilities &amp; Provisions:</b>				
(A) Current Liabilities –				
Sundry Creditors	2,071,640	1,130,576		
Sundry Creditors for Expenses	45,606	25,000		
Other Liabilities	15,750	—		
Total (A)	<u>2,132,996</u>	<u>1,155,576</u>		
(B) Provisions -				
Income Tax	85,343	58,203		
Service Tax	36,625	—		
Total (B)	<u>121,968</u>	<u>58,203</u>		
Total (A)+(B)	<u>2,254,964</u>	<u>1,213,779</u>		
<b>J. Miscellaneous Expenditure:</b>				
(To the extent not written off or adjusted)				
Preliminary & Pre-operative Expenses	413,999	454,944		
Less : Written off during the Year	<u>36,393</u>	<u>377,606</u>	40,945	413,999
<b>K. Income from Services:</b>				
Consultancy	4,011,666	1,204,600		
<b>L. Interest Income:</b>				
Interest on Securities held				
Certificate of Deposit	84,046	—		
Interest on Inter-corporate Deposits	204,480	—		
Total	<u>288,526</u>	<u>—</u>		
<b>M. Financial Charges &amp; Operating Expenses:</b>				
Operation Expenses	102,346	—		
Bank Charges	1,160	—		
Total	<u>103,506</u>	<u>—</u>		
<b>N. Establishment Expenses:</b>				
Travelling, Conveyance & Motor Car Expenses	1,589,942	240,134		
Professional & Consultancy Fees	1,494,108	733,000		
Printing & Stationary	258,011	23,296		
Telephone	234,354	19,646		
Advertisement	93,010	—		
Preliminary & Pre-operative Expenses W/O	36,393	40,945		
News Paper & Periodicals	3,388	—		
Postage	8,161	—		
Professional Tax	2,700	—		
Accounting Charges	48,000	—		
Miscellaneous Expenses	189,634	30,160		
Total	<u>3,957,701</u>	<u>1,087,181</u>		
<b>O. Other Expenses:</b>				
Auditor's Remuneration				
Statutory Audit Fees	15,750	10,000		
Tax Audit Fees	1,000	16,750		
Service Tax	36,625	—		
Total	<u>53,375</u>	<u>10,000</u>		
<b>P. Notes to Accounts:</b>				
1.	i)	The Provident Fund Act, the Employees' State Insurance Scheme and Gratuity Act are not applicable to the Company.		
	ii)	Amount due to Small Scale Industry – Nil		
	iii)	The Management has already taken appropriate steps to ensure Y2K compliance relating to hardware, software and other allied issues that may arise in future.		
	iv)	The Balance Sheet abstract and the Company's general business profile, as required by Part IV to Schedule VI of the Companies Act, 1956 are given in the annexure.		
	v)	Earnings in Foreign Currency – Nil Expenditure in Foreign Currency – Travelling – Rs. 330,080		
2.	Significant Accounting Policies			
	i)	Accounting convention: The financial statements have been prepared in accordance with the historical cost convention on the going concern concept and in accordance with the Accounting Standard as applicable to the Company.		
	ii)	Method of Accounting: The Company adopts accrual bases in the preparation of the accounts.		
	iii)	Fixed Assets: Fixed assets are stated at cost less depreciation.		
	iv)	Depreciation: Depreciation has been provided on written-down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956 on assets which have been installed and put to use. Depreciation on addition is provided on pro-data basis.		
	v)	Revenue Recognition: (a) Income by way of consultancy fee is recognized on the basis of invoices raised. (b) Income by way of project development fee is recognized as income as and when such project is concluded.		
	vi)	Expenses on Incomplete Projects: Expenses on projects conceived and developed are accumulated and charged to revenue in the year in which the project is concluded.		
	vii)	Preliminary and Pre-operative Expenses: Preliminary and Pre-operative expenses are amortized over a period of 10 years from the date of commencement of commercial operation.		

**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.    7 5 9 8 0

State Code  2  1

Balance Sheet Date

3  1  
Date

0  3  
Month

9  9  
Year

**2. Capital Raised during the Year**

(Amount in Rupees Thousand)

Public Issue

N I L

Rights Issue

N I L

Bonus Issue

N I L

Private Placement

1 0 0 0 0

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

(Amount in Rupees Thousand)

Total Liabilities

1 2 4 1 5

Total Assets

1 2 4 1 5

**Sources of Fund**

Paid-up Capital

1 0 0 0 7

Reserves & Surplus

1 5 3

Secured Loans

N I L

Unsecured Loans

N I L

**Application of Funds**

Net Fixed Assets

3 1 1

Investments

N I L

Net Current Assets

9 4 7 2

Miscellaneous Expenditure

3 7 8

Accumulated Losses

N I L

**4. Generic Names of Principal Services of the Company**

Infrastructure Development

Item Code

N I L

Advisory Services

Item Code

N I L

Financial Services

Item Code

N I L

For RAY & RAY  
Chartered Accountants

For and on behalf of the Board

S.K. DASGUPTA  
Partner

MUMTAZ AHMED  
Chairman

DEBASIS SENGUPTA  
Managing Director

Calcutta, 16 April, 1999