



1ST ANNUAL REPORT AND ACCOUNTS 1999-2000

Directors
Chairman Sanjiv Kerkar
V. Umakanth
Girish Mehta
N.D. Shah

Auditors
M/s. C. C. Chokshi & Co.
Chartered Accountants

Registered Office
ICICI Towers
Bandra-Kurla Complex
Mumbai - 400 051

ICICI TRUSTEESHIP SERVICES LIMITED

directors' report

To the Members

Your Directors have pleasure in presenting the First Annual Report of the Company together with the audited Statement of Accounts for the period ended March 31, 2000.

The Company was incorporated on April 29, 1999 and it received the Certificate for Commencement of Business from the Registrar of Companies, Maharashtra on July 9, 1999.

FINANCIAL PERFORMANCE

On March 10, 2000, the Company has been appointed as the Trustees of the ICICI Securities Fund ("the Fund"), a mutual fund of ICICI Investment Management Company Limited registered with Securities and Exchange Board of India. The Company is entitled to, in addition to the reimbursement of all costs, charges and expenses, a sum computed at the rate of 0.05% of the amount being the aggregate of the Initial Corpus of the Fund (i.e. Rs. 10,000) and Unit Capital (i.e. the aggregate of the monies collected pursuant to the various schemes launched by the Fund) payable annually on April 1 of each year as the fees for its services. The Fund has not launched any scheme in the market.

BUSINESS STRATEGY

The main object of the Company is to act as trustee for mutual funds, off-shore funds, pension funds, provident funds, venture capital funds, insurance funds, collective or private investment schemes, employee welfare or compensation scheme etc., and to devise various schemes for dealing with or in connection with the aforesaid purposes including raising funds in any manner in India or abroad and to deploy funds so raised and earn reasonable returns on their investments and to act as trustees generally for any purpose and to acquire, hold, manage, dispose of all or any securities or money market instruments or property or assets and receivables or financial assets or any other assets or property.

RESOURCES

The Authorized Share Capital comprises 10,00,000 Equity Shares of Rs.10 each amounting to Rs.10 million. Of this, 800 Equity Shares of Rs.10 each have been issued, subscribed and paid up. ICICI and its nominees hold the entire Paid-up Equity Capital of Rs.8,000.

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.

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

Since the 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, is not applicable and hence not given.

DIRECTORS

Shri V. Srinivasan, Shri Nachiket Mor and Shri R. Vedaasagar were the first Directors named in the Articles of Association of the Company.

Shri Nachiket Mor tendered his resignation from the Board effective August 13, 1999. The Board accepted the resignation of Shri Nachiket Mor and placed on record its appreciation of the valuable services rendered by him during his tenure.

Shri S. H. Bhojani, Deputy Managing Director and Shri Sanjiv Kerkar, Senior General Manager, ICICI Limited, were appointed as Additional Directors effective August 13, 1999.

Shri S. H. Bhojani, Shri V. Srinivasan and Shri R. Vedaasagar tendered their resignations from the Board effective March 13, 2000. The Board accepted the resignation of Shri S. H. Bhojani, Shri V. Srinivasan and Shri R. Vedaasagar and placed on record its appreciation of the valuable services rendered by them during their tenure.

Shri V. Umakanth, Shri Girish Mehta and Shri N.D. Shah were appointed as Additional Directors effective March 12, 2000.

Shri Sanjiv Kerkar, Shri V. Umakanth, Shri Girish Mehta and Shri N.D. Shah, who have been appointed as Additional Directors during the year under review, hold office only up to the date of the First Annual General Meeting of the Company as provided under Article 136 of the Articles of Association of the Company but are eligible for appointment.

AUDITORS AND AUDITORS' REPORT

M/s. C.C. Chokshi & Co., Chartered Accountants, Mumbai, the Auditors, will retire at the ensuing Annual General Meeting. 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.

ACKNOWLEDGEMENTS

The Company would like to express its gratitude for the support and guidance received from ICICI Limited, the parent organization, as also from other ICICI group companies.

For and on behalf of the Board

Sanjiv Kerkar
Chairman

Mumbai, April 26, 2000

auditors' report



To the Members of ICICI Trusteeship Services Limited

We have audited the attached Balance Sheet of ICICI Trusteeship Services Limited as at March 31, 2000. No Profit and Loss account has been prepared since the Company has yet to commence its operations. We report that:

- 1) As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters 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 report that:
 - a) 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;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examinations of the books;
 - c) the Balance Sheet dealt with by this report is in agreement with the above books of account;

- d) in our opinion, the Balance Sheet complies with the accounting standards referred to in section 211 (3C) of the Companies Act, 1956.
- e) In our opinion and to best of our information and according to the explanations given to us, the said account read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in the case of the Balance Sheet, of the state of affairs of the Company as on 31st March, 2000.

For C. C. CHOKSHI & CO.
Chartered Accountants

P. R. BARPANDE
Partner

Mumbai, April 26, 2000.

annexure to the auditors' report

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

1. The Company did not have any fixed assets and hence items (i) and (ii) of clause (A) are not applicable to the Company.
2. The nature of Company's activities is such that requirements of items (iii), (iv), (v), (vi), (x), (xi), (xii), (xiv), and (xvi) of clause (A) of paragraph 4 of the Order are not applicable to the Company.
3. We are informed that there are no companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, and/or Companies under the same management as defined under sub-Section (1B) of Section 370 of the Companies Act, 1956. Hence, items (vii) and (viii) of clause A are not applicable to the Company.
4. The Company has not given any loans or advances in the nature of loan to any party.
5. The Company has not accepted any deposits from the public during the period.
6. As the Company has neither the paid-up capital exceeding Rs. 25 lakhs at the commencement of the financial year nor the turnover, the question of adequacy of the internal audit system does not arise.
7. The Company did not have any employee and hence the provisions of items (xvii) of clause A of paragraph 4 of the Order do not apply to the Company.
8. According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth tax, sales tax, custom duty and excise duty were outstanding as on 31st March, 2000, for a period of more than six months from the date they become payable.
9. According to the information and explanations given to us no personal expenses have been charged to Revenue Account.
10. The Company is not an Industrial company as defined under the Sick Industrial Companies (Special Provisions) Act, 1985.
11. The nature of service activities carried on by the Company does not require a system of recording receipts, issues, and consumption of materials and stores and allocation of materials consumed and labour to jobs. Further, the question of having the system of authorization and internal control on issue of stores and allocation of stores and labour does not arise.

For C. C. CHOKSHI & CO.
Chartered Accountants

P. R. BARPANDE
Partner

Mumbai, April 26, 2000.

balance sheet

as at March 31, 2000

	Schedule	(Rupees)	March 31, 2000
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A		8,000
			<u>8,000</u>
APPLICATION OF FUNDS			
Current Assets			
Bank Balance	B	8000	
Less: Current Liabilities	C	<u>33,275</u>	
Net Current (Liabilities)/Assets			(25,275)
Miscellaneous Expenditure (To the extent not written off or adjusted)	D		33,275
Profit and Loss Account			—
Total			<u>8000</u>
Accounting Policies & Notes to Accounts	E		

As per our Report attached
For C. C. CHOKSHI & CO.
Chartered Accountants
P. R. BARAPANDE
Partner
Mumbai, April 26, 2000

For and on behalf of the Board

SANJIV KERKAR
Chairman

V. UMAKANTH
Director

GIRISH MEHTA
Director

N.D. SHAH
Director

schedules

forming part of the Accounts

	(Rupees)	March 31, 2000
A. SHARE CAPITAL		
Authorized 1,000,000 Equity Shares of Rs. 10 each		10,000,000
Issued, Subscribed and Paid up: 800 Equity Shares of Rs. 10 each paid up		<u>8,000</u>
B. BANK BALANCE		
Bank Balances with Scheduled Bank - in Current Account		8,000
		<u>8,000</u>
C. CURRENT LIABILITIES		
Sundry Creditors		33,275
		<u>33,275</u>
D. MISCELLANEOUS EXPENDITURE		
Preliminary Expenses		33,275
		<u>33,275</u>
E. ACCOUNTING POLICIES AND NOTES TO ACCOUNTS		
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. Preliminary Expenses Preliminary Expenses towards the incorporation of the Company are treated as Miscellaneous Expenditure and will be written off to the Profit and Loss Account over a period of 5 years from the year in which the Company commences operations.		

NOTES TO ACCOUNTS

- The Company was incorporated on April 29, 1999. The Accounts are prepared for the period April 29, 1999 to March 31, 2000.
- No Profit and Loss Account has been prepared since the Company has yet to commence operations and there is no income/expenditure received/ incurred or accrued during the period April 29, 1999 to March 31, 2000.
- This being the first year of the Company, previous year's figures are not given.

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 (Subscribers to Memorandum)

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

Investments

Miscellaneous Expenditure

4. Performance of the Company

(Amount in Rupees)

Turnover (Gross Income)

+/- Profit/Loss before Tax

Earnings per Share in Rupees

Total Expenditure

+/- Profit/Loss after Tax

Dividend Rate %

5. Generic Names of three Principal Products/Services of the Company
Trustees for Funds

Item Code

As per our Report attached

 For C. C. CHOKSHI & CO.
Chartered Accountants

 P. R. BARAPANDE
Partner

Mumbai, April 26, 2000

For and on behalf of the Board

 SANJIV KERKAR
Chairman

 GIRISH MEHTA
Director

 V. UMAKANTH
Director

 N.D. SHAH
Director