



5TH ANNUAL REPORT AND ACCOUNTS 1999-2000

Directors

Chairman	A.S Ganguly N. Vaghul D.P. Patra
Managing Director	Dr. Debasis Sengupta Sudhamoy Khasnobis S.K. Maheshwari

Auditors

M/s. Ray & Ray
Chartered Accountants

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 Fifth Annual Report with the Audited Accounts for the year ended March 31, 2000.

BUSINESS ACTIVITIES AND FINANCIAL STATUS

The Company has made significant progress since last year. Your Company is taking all possible steps for systematic development of infrastructure in the state of West Bengal.

Your Company has been actively working with the Asian Development Bank (ADB) on their initiative for developing the South Asian Growth Quadrangle (SAGQ). 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. ADB had given a Project Preparation Technical Assistance grant of USD 1 million to study overall feasibility of the project in May 1999 and your Company was appointed by the State Government to act as Executing Agency for the same. A team of consultants led by Halcrow Fox of U.K. was selected by ADB to conduct this study. The study started in May 1999 and is now in its final stages of completion. Some projects have been identified by the consultants for implementation on a priority basis. ADB is now planning to give a second stage T.A. grant to do detailed feasibility study for the identified projects. The implementation of these projects is expected to begin in the third quarter of year 2001.

Your Company has also been working with the Transport Department for reclamation of North Canal System. This canal when reclaimed would help connect River Hooghly at Calcutta to River Raimangal bordering India and Bangladesh and would be used widely for goods and passenger transportation and tourism. It would also help partly in solving the waterlogging problem in the city of Calcutta and adjoining areas. Your Company had submitted a preliminary feasibility report last year, which was widely appreciated. Your Company is now working with British Waterways and West Bengal Transport Infrastructure Development Corporation (WBTIDC) for preparation of Detailed Project Report which would form the basis for implementing this project. This report is expected to be completed in June 2000.

Your Company was mandated by West Bengal State Electricity Board (WBSEB) to prepare a feasibility report on building a statewide optic fibre cable based information highway using WBSEB's infrastructure. The final report was submitted in July 1999. This project has been identified by the state I.T. policy and Budget 2000-2001 as a priority project and the budget has set aside Rs. 40 crore for investing in this project. This project is proposed to be implemented through a joint venture between the State Government and the private sector. Your Company has given an offer to the State Government to help in the process of selection of the private sector promoter.

Your Company has been mandated by Modular Consultants, the present promoters, to find a suitable strategic investor for the Food Processing Park which is being set up in Dankuni. The present promoters have run into financial difficulties and have sought your Company's help in resolving the same. Your Company has done a due diligence of the project and finds it prima facie viable. Efforts are now on to identify suitable investors for the project.

Your Company was mandated by the Food Processing Department to establish the feasibility and identify a suitable promoter for setting up a Floriculture Complex in North Bengal. Your Company took help of Dutch and Israeli experts and submitted the pre-feasibility report in June 1999. Efforts are now on to transfer the land (belonging to the Government) to the project and identify a suitable promoter for the project.

Your Company has been mandated by WBTIDC to help in setting up a commercially viable complex on pile caps on river hooghly under Vidyasagar Setu. After due deliberations, your Company recommended the setting up of a 'Millennium Convention Centre' at this picturesque location, which would also have entertainment facilities and submitted a concept plan cum pre-feasibility report. This report was appreciated and WBTIDC has now mandated your Company to select a suitable B.O.T. operator for this project. The Advertisement for pre-qualification of interested operators is expected to be out by end April 2000.

Other projects under development include:

- Setting up an Industrial complex in Kharagpur on behalf of West Bengal Industrial Development Corporation: Agreement is proposed to be signed with WBIDC.
- Commercial Utilization of Calcutta State Transport Corporation's surplus land: Negotiations are on with the Corporation to develop their surplus land on a joint venture basis with private promoter(s).
- 5 kms By-pass on State Highway 1 at Amtola for PWD Department: Your Company is working with PWD to develop this project on a B.O.T. basis.

In addition to the above, your Company has rendered extensive support to West Bengal Industrial Development Corporation and the Government for promotion of industry and infrastructure in the state by helping organize various seminars and conferences and making presentations to visiting foreign and Indian dignitaries. Your Company has also executed some assignments for the Tourism Department to help promote tourism in the state.

In January 2000, your Company had given an offer to the State Government for development and promoting some infrastructure projects, which are critical for development of the state. The State Government's formal acceptance of the offer is awaited.

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 its overall economic development.

Your Directors are pleased to inform that for the 12-month period ended March 31, 2000, your Company earned a profit after tax of Rs. 19.74 lakh on a turnover of Rs. 1.02 crore, which is a significant improvement over last year's profit after tax of Rs. 1.04 lakh on a turnover of Rs. 43 lakh. The Company is now looking forward to the year 2000-2001 as a period when a few of its projects will move into the implementation phase.

DIRECTORS

Shri Mumtaz Ahmad who was nominated as Chairman by ICICI, since March 19, 1996 expired on January 10, 2000. The Board noted with deep regret the sad demise of Shri Ahmad.

By virtue of powers conferred under Article 151.1 (b) of the Company's Articles of Association, ICICI has nominated Dr. A. S. Ganguly as the Chairman of the Company in place of late Shri Ahmed and he has been appointed as such with effect from April 22, 2000.

The present term of appointment of Dr. Debasis Sengupta as the Managing Director of the Company expires on May 3, 2000. The Board at its meeting held on April 22, 2000 has decided to extend the term of Shri Sengupta by one year.

In terms of the provisions of the Articles of Association of the Company, Shri N. Vaghul and Shri S. Khasnobis would retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

STATUTORY INFORMATION

Auditors

M/s. Ray & Ray, Chartered Accountants, Calcutta, 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.

Foreign Exchange Earnings and Expenditure

During the year 1999-2000, the expenditure in foreign currency amounted to Rs. 493,414 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 compliance of the Y2K problem relating to hardware, software etc.

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

DR. D. SENGUPTA
Managing Director

Calcutta, 22 April, 2000

auditors' report



To the Members of ICICI 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, 2000 and the relative Profit and Loss Account for the year on that date, both of which we have signed under reference to this report and are in agreement with the books of account.

We report as follows:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government and on the basis of such checks as we considered appropriate and according to information and explanations given to us, we set out in the Annexure, a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
 - 2.1 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;
 - 2.2 In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss

Account together with the notes thereon/attached thereto, give respectively a true and fair view of the state of the affairs of the Company as at March 31, 2000 and its profit for the year ended on that date.

- 2.3 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;
- 2.4 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.

For RAY & RAY
Chartered Accountants

Calcutta, 17 April, 2000

R.N. ROY
Partner

annexure to the auditors' report

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

1. a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
b) The fixed assets of the Company have been physically verified during the year by the management and no material discrepancies between the book records and the physical inventory have been noticed.
2. The fixed assets of the Company have not been revalued during the year.
3. This being a Service Company, items (iii), (iv), (v), (vi), (xii), (xiv), (xvi) and (xx) of the clause (A) to paragraph 4 of the aforesaid Order are not applicable.
4. 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.
5. The Company has not granted any loans, secured or unsecured, to any companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
6. The Company has not granted any loans or advances in the nature of loans.
7. In our opinion there is an adequate internal control procedure commensurate with its size and nature of its business for the purchase of equipment and similar assets.
8. The Company has not purchased goods and materials and sold goods, materials and services aggregating Rs. 50,000 or more in value from/to any of the parties listed in the register maintained under Section 301 of the Companies Act, 1956.
9. The Company has not accepted any deposits from the public.
10. In our opinion, the Company's present internal audit system is commensurate with its size and nature of its business.
11. The Company does not have any staff on its payroll, and therefore, item (xvii) of clause (A) to paragraph 4 of aforesaid Order is not applicable to the Company.
12. There are no amounts outstanding in respect of undisputed income tax, wealth tax, sales tax, customs duty and excise duty as on March 31, 2000, which were due for more than six months from the date they became payable.
13. During the course of our examination of the books of accounts carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses which have been charged to Profit and Loss Account, other than those paid under contractual obligations and/or in accordance with generally accepted business practices, nor have we been informed of any such case by the management.
14. Considering the nature of services rendered and basis of billing, it is not considered necessary to have a system of allocation of man-hours utilized to the relative jobs. The services rendered do not involve any consumption of materials.

For RAY & RAY
Chartered Accountants

Calcutta, 17 April, 2000

R.N. ROY
Partner

balance sheet

profit and loss account

as at March 31, 2000

for the year ended March 31, 2000

as at March 31, 2000			for the year ended March 31, 2000				
	Schedule	Rupees	March 31, 1999		Rupees	March 31, 1999	
I. SOURCES OF FUNDS				Net Income from Operations			
Shareholders' Funds:				Income from Management Service			
A. Share Capital	1	10,007,000	10,007,000	Interest Income	10	1,067,099	4,011,666
B. Reserves & Surplus	2	2,126,543	153,041	Total		10,184,902	288,526
		12,133,543	10,160,041				4,300,192
II. APPLICATION OF FUNDS				Expenditure			
(1) Fixed Assets:				Establishment and Other Expenses			
Gross Block	3	1,495,683	367,395	Depreciation	11	330,303	4,114,582
Less: Depreciation		386,948	56,645	Total		7,115,649	55,975
Net Block		1,108,735	310,750				4,170,557
(2) Current Assets, Loan & Advances:				Profit from Operations			
A. Current Assets:				Other Income			
Project				Profit before Taxation		3,073,503	129,635
Development Exp.		293,238	587,970	Taxation		1,100,000	27,140
Sundry Debtors	4	798,637	1,752,500	Profit after Taxation		1,973,503	104,495
Cash & Bank Balance	5	4,839,334	1,387,048	Balance brought forward from previous years		153,040	48,546
Other Current Assets	6	225,404	193,677	Balance carried to Balance Sheet		2,126,543	153,041
B. Loans & Advances	7	7,438,884	7,805,454	Notes to Accounts	12		
		13,595,497	11,726,649	The Schedules referred to above and notes thereon form an integral part of the Profit and Loss Account.			
Less: Current Liabilities & Provisions:				This is the Profit and Loss Account referred to in our report of even date.			
Net Current Assets	8	10,694,631	2,254,964				
Miscellaneous Expenditure	9	330,177	377,606				
Total		12,133,543	10,160,041				
Notes to Accounts	12						

The Schedules referred to above and notes thereon form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For RAY & RAY
Chartered Accountants

R. N. ROY
Partner

Calcutta, 17 April, 2000

On behalf of the Board

S. KHASNOBIS
Director

D.P. PATRA
Director

DEBASIS SENGUPTA
Managing Director

schedules



forming part of the Accounts

(Rupees)

March 31,
1999

Schedule - 1: Share Capital

Authorized:

10,000,000 (1999 - 10,000,000) Equity Shares of Rs. 10 each

100,000,000

100,000,000

Issued, Subscribed & Paid up:

1,000,700 (1999 - 1,000,700) Equity Shares of Rs. 10 each

10,007,000

10,007,000

Notes:

Of the above, 760,000 (1999 - 760,000) Equity Shares of Rs. 10 each are held by ICICI Ltd. (the Holding Company)

Schedule - 2: Reserves and Surplus

Profit and Loss Account (as per Annexed Account)

2,126,543

153,041

Schedule - 3: Fixed Assets

(Rupees)

Items	Gross Block (At Cost)			Depreciation			Net Block	
	April 1, 1999	Additions	31 March, 2000	April 1, 1999	For the Year	31 March, 2000	31 March, 2000	31 March, 1999
Office Equipments	12,120	210,233	222,353	1,748	16,202	17,950	204,403	10,372
Computers	355,275	918,055	1,273,330	54,897	314,101	368,998	904,332	300,378
Total	367,395	1,128,288	1,495,683	56,645	330,303	386,948	1,108,735	310,750
Previous Year	6,120	361,275	367,395	670	55,975	56,645	310,750	

Schedule - 4: Sundry Debtors

Unsecured - Considered Good

Debts exceeding six months

Other Debts

Total

778,837

54,602

19,800

1,697,898

798,637

1,752,500

Schedule - 5: Cash and Bank Balances

Cash and Cheques in hand

Balances with Scheduled Bank

In Current account

In Deposit accounts

Total

90,389

13,549

78,045

127,059

4,670,900

1,246,440

4,839,334

1,387,048

Schedule - 6: Other Current Assets

Unsecured - Considered Good

Interest on Bank deposits

Interest on Other deposits

Total

91,826

33,524

133,578

160,153

225,404

193,677

Schedule - 7: Loans and Advances

Unsecured and considered good

Loans and advances recoverable in cash or in kind

or for value to be received

(Refer Note 3 on Schedule 12)

Deposits

Income Tax Payments

(includes Tax Deducted at source Rs. 543,066; 1999/- Rs. 99,553)

Total

6,095,566

7,685,051

229,402

15,000

1,113,916

105,403

7,438,884

7,805,454

schedules

forming part of the Accounts

Continued

	(Rupees)	March 31, 1999	
Schedule - 8: Current Liabilities & Provisions			
Current Liabilities			
Sundry Creditors (Refer Notes 4 and 5 on Schedule 12)	1,649,585	2,132,996	
Other Liabilities	65,938	36,625	
Provisions - Taxation	1,185,343	85,343	
Total	2,900,866	2,254,964	
Schedule - 9: Miscellaneous Expenditure (To the extent not amortized or adjusted)			
Preliminary & Pre-operative Expenses	377,606	413,999	
Less: Amortised during the Year	47,429	36,393	
Total (Net)	330,177	377,606	
Schedule - 10: Interest Income			
On Bank Deposits (Gross)	317,952	84,046	
(Tax Deducted at Source Rs. 69,053; 1998-99 Rs. 13,589)			
On Intercompany Deposits (Gross)	749,147	204,480	
(Tax Deducted at Source Rs. 19,571; 1998-99 Rs. 44,376)			
Total	1,067,099	288,526	
Schedule - 11: Establishment Expenses			
Rent	458,178	—	
Insurance	6,519	—	
Travelling and Conveyance	2,443,937	1,589,942	
Repairs and Maintenance - Others	132,652	—	
Electricity and Power Consumption	98,052	—	
Rates and Taxes	412,985	39,325	
Communication Expenses	353,052	242,517	
Professional Charges	2,027,436	1,494,108	
Printing and Stationery	163,213	258,011	
Preliminary and Pre-operative Expenses written off (includes Rs. 1,934 in respect of earlier years)	47,429	36,393	
Miscellaneous Expenses (Refer Note 8 on Schedule 12)	641,893	454,286	
Total	6,785,346	4,114,582	
Schedule - 12: Notes to Accounts			
1. Significant Accounting Policies:			
a) Basis of Accounting:			
The financial statements are prepared under historical cost conventions and in accordance with the generally accepted accounting principles and applicable statutory provisions and practices prevailing in India.			
b) Fixed Assets:			
Fixed assets are stated at cost. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation.			
c) Depreciation:			
(i) Depreciation is provided on written down value method at the rates prescribed in schedule XIV of Companies Act, 1956.			
(ii) Depreciation on additions/deletions of fixed assets is provided on pro-rata basis with reference to the date of addition/deletion. Any Profit/Loss arising out of sale/deletion of fixed assets is treated accordingly in Profit and Loss Account.			
d) Foreign Currency Transactions:			
Transactions in foreign currencies are accounted for at equivalent rupees value incurred/earned in Foreign Currencies. Assets/liabilities at the year-end are re-aligned at the applicable exchange rates or at forward contract rates, where applicable and variations are adjusted to the respective capital or revenue heads.			
e) Treatment of prior period and Extraordinary items:			
(i) Any material items (other than those arising out of over/under estimation in earlier years) that arise as a result of error or omission in preparation of earlier years' financial statements are separately disclosed.			
(ii) Any material gains/losses which arise from the events or transactions which are distinct from ordinary activities of the Company are separately disclosed.			
f) Recognition of Income/Expenditure:			
Both Income and expenditure are recognized on accrual and prudent basis except as indicated below:			
(i) Income by way of fees from Management Advisory Services is recognized as and when bills are raised.			
(ii) Expenses on projects conceived and developed are accumulated and charged to revenue in the year of billing.			
g) Preliminary and pre-operative expenses:			
Preliminary and pre-operative expenses are amortized over a period of ten years from the date of the commencement of commercial operations.			
2. Project Development Expenses represent expenses incurred for the management and development of projects against which bills will be raised in stages or on completion as per the related terms of the contract.			
3. Advances recoverable in cash or in kind or in value to be received include a sum of Rs. 141,566 (1999 – Rs. 141,566) due from Iridium India Telecom Limited, a company in which a director is interested. The maximum amount due at any time during the year is Rs. 203,069 (1999 – Rs. 141,566).			
4. Sundry Creditors include a balance of Rs. 1,447,924 (1999 – Rs. 2,071,640) with the Holding Company, ICICI Limited. The maximum amount due at any point of time during the year is Rs. 3,148,032 (1999 – Rs. 3,003,042).			
5. Sundry Creditors do not include any amounts due to any small scale and ancillary undertakings.			
6. The accounts with the Holding Company, ICICI Limited, show a difference of Rs. 105,070, which is pending reconciliation/ confirmation.			
7. The Company does not have any employees on its payroll and hence the provisions of Provident Fund and Employees' State Insurance Act are not applicable to the Company.			
8. Information required to be disclosed under Part II of Schedule VI of the Companies Act, 1956 is not applicable to the Company.			
9. Miscellaneous Expenses include Auditors' Remuneration:			
	1999-2000	1998-1999	
	Rs.	Rs.	
Audit Fees	20,000	15,000	
Other Services – Tax Audit	6,000*	1,000	
Total	<u>26,000</u>	<u>16,000</u>	
* Includes Rs. 1,000 in respect of previous year			
10. Expenditure in foreign currency (Travelling) Rs. 493,414 (1998-99 Rs. 330,080).			
11. Expenses are net of reimbursements.			
12. Previous year's figures are regrouped/rearranged wherever necessary.			

1. Registration Details

Registration No. 7 5 9 8 0
 Balance Sheet Date 3 1 0 3 2 0 0 0
 Date Month 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

N I L

3. Position of Mobilization and Deployment of Funds

(Amount in Rupees Thousand)

Total Liabilities

1 5 0 3 4

Total Assets

1 5 0 3 4

Sources of Fund

Paid-up Capital

1 0 0 0 7

Reserves & Surplus

2 1 2 7

Secured Loans

N I L

Unsecured Loans

N I L

Application of Funds

Net Fixed Assets

1 1 0 9

Investments

N I L

Net Current Assets

1 0 6 9 5

Miscellaneous Expenditure

3 3 0

Accumulated Losses

N I L

4. Performance of the Company

(Amount in Rupees Thousand)

Turnover (including interest and other income)

1 0 1 8 9

Total Expenditure

7 1 1 5

Profit (+)/Loss (-) before Tax

+ 3 0 7 4

Profit (+)/Loss (-) after Tax

+ 1 9 7 3

Earnings per Share (Rupees)

1 . 9 7

Dividend Rate (%)

N I L

5. Generic Names of principal products/services of the Company as per monetary terms

Product Description	Infrastructure Development
Item Code (ITC Code)	NIL
Product Description	Management Advisory Services
Item Code (ITC Code)	NIL