



4TH ANNUAL REPORT AND ACCOUNTS 1998-99

Directors

Subhash Dhavale
R. Venkataraghavan
R. Krishnan

Auditors

S.B. Billimoria & Co.
Chartered Accountants

Registered Office

ICICI Towers
Bandra-Kurla Complex
Mumbai 400 051
India

directors' report

To the Members

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

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, | 1999 | 1998 |
|---------------------------|---------|---------|
| Gross Income | 139,970 | — |
| Profit/ (Loss) before tax | 128,287 | (2,583) |
| Provision for tax | 45,000 | — |
| Profit/(Loss) after tax | 83,287 | (2,583) |

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 on March 31, 1999.

Holding Company

Your Company ceased to be a subsidiary of Mafatlal Industries Limited with effect from January 5, 1999, subsequent to the transfer of the entire shareholding to ICICI Limited and ICICI Securities and Finance Company Limited. Consequent to this change in shareholding, your Company has become a subsidiary of ICICI Limited.

Name and Registered Office

As the Members are aware, the name of your Company has been changed to ICICI Properties Limited effective March 31, 1999 and the Registered Office has been shifted to ICICI Towers, Bandra-Kurla Complex, Mumbai 400 051, effective April 1, 1999.

Business

Your Company has commenced operations during the year under review by purchasing a property in Mumbai and is exploring opportunities for commercial use of the property.

Directors

Shri A.L. Shetty and Shri K. Chandramouli resigned as Directors of the Company with effect from January 15, 1999. The Company places on record its appreciation of the valuable services rendered by them during their tenure as Directors of the Company.

Your Board has appointed effective December 31, 1998, Shri Subhash Dhavale, Chief Operating Officer, ICICI Securities and Finance Company Limited, Shri R. Krishnan, Senior Vice President, ICICI Limited, and Smt. Vinika Rao, Vice President, ICICI Limited as Directors of your Company. Subsequently, Smt. Vinika Rao resigned as Director of the Company with effect from February 5, 1999.

Your Board has also appointed effective March 31, 1999, Shri R. Venkataraghavan, General Manager, ICICI Limited as Director of your Company.

Shri Subhash Dhavale, Shri R. Krishnan and Shri R. Venkataraghavan cease to be Directors at the forthcoming Annual General Meeting and are eligible for 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, 1999.

Auditors and Auditors' Report

As the Members are aware, M/s. Pranav B. Raval & Associates resigned as Statutory Auditors of the Company with effect from March 15, 1999, in view of their pre-occupation with other work. Your Directors wish to place on record their appreciation for the services rendered by M/s. A.H. Desai & Associates.

M/s. S.B. Billimoria & Co. were appointed as Statutory Auditors of the Company for auditing the accounts for the year ending March 31, 1999 and hold office until the conclusion of the Fourth Annual General Meeting.

M/s. S.B. Billimoria & Co. have expressed their willingness to continue as Auditors, if re-appointed at the Annual General Meeting. In accordance with the provisions of the Companies Act, 1956, a resolution for their re-appointment is proposed at the forthcoming Annual General Meeting.

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,

Mumbai, April 24, 1999

SUBHASH DHAVALE
Director

auditors' report



To the Members ICICI Properties Limited

We have audited the attached Balance Sheet of ICICI PROPERTIES LIMITED (formerly Sunanda Properties Private Limited) as on March 31, 1999 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, 1999; and
 - (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date.
6. As required by the 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 loan, 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 and timely entries have been made therein, pertaining to the transactions relating to investments and the acquisition of property in the form of investments. The investments are in the name of the Company.
- v. Except for the above sub-clauses, the other clauses of clause 4 of the order are not applicable to the Company.

For S.B. BILLIMORIA & CO.
Chartered Accountants

Mumbai,
Dated: April 24, 1999

S.J. MERCHANT
Partner

balance sheet

profit and loss account

as on March 31, 1999

for the year ended March 31, 1999

| | Schedule | (Rupees) | March 31, 1998 | | Schedule | (Rupees) | March 31, 1998 |
|--|----------|--------------------|-----------------|--|----------|---------------|----------------|
| Sources of Funds | | | | Income | | | |
| Share Capital | 1 | 2,000 | 2,000 | Rent | | 117,338 | — |
| Reserves and Surplus: | | | | Miscellaneous Income | | 22,632 | — |
| Profit and Loss Account | | 77,021 | — | | | 139,970 | — |
| Unsecured Loans from ICICI Ltd. (Holding Company) | | 296,018,900 | — | | | | |
| | | <u>296,097,921</u> | <u>2,000</u> | Expenditure | | | |
| Application of Funds | | | | Auditors' Remuneration | | 10,000 | 1,000 |
| Investments | 2 | 296,023,900 | — | Filing & Registration Fees | | 300 | 200 |
| Current Assets: | | | | Preliminary Expenditure Written Off | | 1,383 | 1,383 |
| Rent Receivable | | 117,338 | — | Provision for Taxation | | 45,000 | — |
| Cash Balance | | 2,000 | 2,000 | | | <u>56,683</u> | <u>2,583</u> |
| | | <u>119,338</u> | <u>—</u> | Profit/(loss) for the Year | | 83,287 | (2,583) |
| Less: | | | | Balance brought forward from the previous year | | (6,266) | (3,683) |
| Current Liabilities & Provisions | 3 | 55,000 | 17,332 | Balance carried to Balance Sheet | | <u>77,021</u> | <u>(6,266)</u> |
| Net Current Assets/(Liabilities) | | 64,338 | (15,332) | | | | |
| Miscellaneous Expenditure (to the extent not written off or adjusted): | | | | | | | |
| Preliminary Expenses | | 9,683 | 11,066 | | | | |
| Profit and Loss Account | | — | 6,266 | | | | |
| | | <u>296,097,921</u> | <u>2,000</u> | | | | |
| Significant Accounting Policies | 4 | | | | | | |

Per our Report attached

For ICICI Properties Limited

For S.B. BILLIMORIA & CO.
Chartered Accountants

S. J. MERCHANT
Partner

SUBHASH DHAVALA
Director

R. VENKATARAGHAVAN
Director

R. KRISHNAN
Director

Mumbai, April 24, 1999

schedules

forming part of the Accounts

| | (Rupees) | March 31, 1998 | (Rupees) | March 31, 1998 |
|---|--------------------|----------------|----------|----------------|
| 1. Share Capital: | | | | |
| 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 (1998-NIL) Equity Shares of Rs. 10 each are held by ICICI Ltd (Holding Co.) and the other 100 (1998-NIL) Equity Shares are held by a subsidiary of ICICI Ltd | 2,000 | 2,000 | | |
| | <u>2,000</u> | <u>2,000</u> | | |
| 2. Investments: (Long Term – At Cost) | | | | |
| Investment in Property | 296,023,900 | — | | |
| | <u>296,023,900</u> | <u>—</u> | | |
| 3. Current Liabilities & Provisions: | | | | |
| Current Liabilities – Sundry Creditors | 10,000 | 17,332 | | |
| Provisions – Provision for Taxation | 45,000 | — | | |
| | <u>55,000</u> | <u>17,332</u> | | |
| 4. 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 on an accrual basis. | | | | |
| 3. Investments: | | | | |
| The properties acquired with the intention of long term holding are considered as Investments. The acquisition cost includes other costs incidental to the acquisition. | | | | |
| 4. Miscellaneous Expenditure: | | | | |
| Preliminary Expenditure incurred are amortized over a period of 10 years. | | | | |

1. Registration Details

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

2. Capital Raised during the Year

(Amount in Rupees)

Public Issue

 N I L

Bonus Issue

 N I L

Rights Issue

 N I L

Private Placement

 N I L

3. Position of Mobilization and Deployment of Funds

(Amount in Rupees)

Total Liabilities

 2 9 6 1 5 2 9 2 1 . 0 0

Total Assets

 2 9 6 1 5 2 9 2 1 . 0 0

Sources of Funds

Paid-up Capital

 2 0 0 0 . 0 0

Reserves & Surplus

 7 7 0 2 1 . 0 0

Secured Loans

 N I L

Unsecured Loans

 2 9 6 0 1 8 9 0 0 . 0 0

Application of Funds

Net Fixed Assets

 N I L

Investments

 2 9 6 0 2 3 9 0 0 . 0 0

Net Current Assets and Advances

 6 4 3 3 8 . 0 0

Miscellaneous Expenditure

 9 6 8 3 . 0 0

4. Performance of Company

(Amount in Rupees)

Turnover (Gross Income)

 1 3 9 9 7 0 . 0 0

Total Expenditure

 1 1 6 8 3 . 0 0

Profit before Tax

 1 2 8 2 8 7 . 0 0

Profit after Tax

 8 3 2 8 7 . 0 0

Earnings per Share in Rupees

 4 1 6 . 4

Dividend Rate %

 N I L

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

Product Description Item Code No.

 Investment in Property NIL

Per our Report attached

For ICICI Properties Limited

 For S.B. BILLIMORIA & CO.
 Chartered Accountants

 S.J. MERCHANT
 Partner

 SUBHASH DHAVALA
 Director

 R. VENKATARAGHAVAN
 Director

 R. KRISHNAN
 Director

Mumbai, April 24, 1999