



ICICI INTERNATIONAL LIMITED

5TH ANNUAL REPORT AND ACCOUNTS 2000-2001

Directors

N. Vaghul
Renuka Ramnath
Couldip Basanta Lala
Kapil Dev Joory

Auditors

Horwath Mauritius
Public Accountants
Port Louis
Mauritius

Registered Office

3rd Floor, Les Cascades
Edith Cavell Street
Port Louis
Mauritius

directors' report

to the members

The Directors have pleasure in submitting their Fifth Annual Report to the members together with the audited financial statements for the year ended 31 March, 2001.

1. STATE OF AFFAIRS

The Company's net profit for the year ended 31 March, 2001 was USD 182,305 (2000: profit USD 46,264) and is set out on page F188.

2. ACTIVITIES

The activities of the Company have not changed since last year. The Company is an Investment and Fund Management company.

3. DIVIDEND

An interim dividend at 43.75% of the issued share capital has been declared and paid during the year.

4. DIRECTORS

The Directors who were in office during the year ended 31 March, 2001 are listed below:

N. Vaghul
A.J.V. Jayachander (Resigned 21st March 2001)
Renuka Ramnath (Appointed 21st March 2001)

5. AUDITORS

The auditors, **Horwath Mauritius**, have indicated their willingness to continue in office, and a resolution for their re-appointment will be proposed at the next Annual General Meeting.

By Order of the Board

Secretary
International Financial Services Limited
3rd Floor, Les Cascades
Edith Cavell Street
Port Louis
Mauritius

Date: April 18, 2001

auditors' report

to the members of ICICI International Limited

We have audited the financial statements of ICICI International Limited set out below which have been prepared on the basis of the accounting policies set out below.

Respective responsibilities of Directors and Auditors

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 1984. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Mauritius Guidelines on Auditing and International Standards on Auditing.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company as at 31 March, 2001 and of its profit, changes in equity, and cash flows for the year then ended and have been properly prepared in accordance with International Accounting Standards and applicable provisions of the Companies Act, 1984.

HORWATH MAURITIUS
Public Accountants

PER O. SEWRAZ (FCCA)
Signing Partner

Port Louis
Mauritius

Date: April 18, 2001

balance sheet profit and loss account



as at March 31, 2001

for the income statement ended March 31, 2001

	Note	(USD)	March 31, 2000	(USD)	March 31, 2000
ASSETS					
Non-current Assets					
Investments	2	300,100	300,000		
Loan to related company		—	250,000		
		<u>300,100</u>	<u>550,000</u>		
Current Assets					
Accounts Receivable	3	11,705	2,628		
Cash at Bank		298,618	7,412		
		<u>310,323</u>	<u>10,040</u>		
Total Assets		<u>610,423</u>	<u>560,040</u>		
EQUITY AND LIABILITIES					
Capital and Reserves					
Issued Capital	4	400,000	400,000		
Accumulated Profit		43,175	35,870		
		<u>443,175</u>	<u>435,870</u>		
Current Liabilities					
Accounts payable	5	167,248	44,170		
Provision for Contingencies		—	80,000		
		<u>167,248</u>	<u>124,170</u>		
Total Equity and Liabilities		<u>610,423</u>	<u>560,040</u>		
REVENUE					
Management fee				1,116,165	625,050
Interest income				10,534	10,270
Profit on redemption of shares				8,538	—
				<u>1,135,237</u>	<u>635,320</u>
EXPENDITURE					
Advisory fees				900,000	618,000
Licence fees				1,500	1,500
Administration & professional fees				49,232	6,967
Audit fees				2,200	2,200
Bank charges				—	389
Provision for contingencies				—	80,000
				<u>952,932</u>	<u>709,056</u>
TRANSFER FROM CONTINGENCY RESERVE					
				—	120,000
NET PROFIT BEFORE DIVIDEND					
				<u>182,305</u>	<u>46,264</u>
DIVIDENDS					
				<u>(175,000)</u>	<u>(42,000)</u>
RETAINED PROFIT FOR THE YEAR					
				<u>7,305</u>	<u>4,264</u>

Approved by the Board of Directors on April 18, 2001

COULDIP BASANTA LALA
Director

KAPIL DEV JOORY
Director

statement of changes in equity

for the year ended March 31, 2001

	Share Capital	Contingency Reserve	Accumulated Profit	TOTAL
	USD	USD	USD	USD
Balance as at April 1, 1999	400,000	120,000	31,606	551,606
Net Profit for the year	—	—	46,264	46,264
Dividend	—	—	(42,000)	(42,000)
Contingency Reserve	—	(120,000)	—	(120,000)
Balance as at March 31, 2000	<u>400,000</u>	<u>—</u>	<u>35,870</u>	<u>435,870</u>
Net Profit for the year	—	—	182,305	182,305
Dividend	—	—	(175,000)	(175,000)
Balance as at March 31, 2001	<u>400,000</u>	<u>—</u>	<u>43,175</u>	<u>443,175</u>

notes on page F189 form an integral part of these financial statements

cash flow statement

for the year ended March 31, 2001

	2001 USD	2000 USD		2001 USD	2000 USD
CASH FLOW FROM OPERATING ACTIVITIES			CASH FLOW FROM FINANCING ACTIVITIES		
Net profit for the year	182,305	46,264	Loan refund from/(to) related party	—	(250,000)
(Increase)/Decrease in accounts receivable	(9,077)	88	Repayment of loan	250,000	—
Increase in accounts payable	165,078	1,254	Dividends paid	(217,000)	(40,000)
Release (from)/to Contingency Reserve	—	(120,000)	Net cash from (used in) financing activities	33,000	(290,000)
Adjustment: Provision for contingencies	(80,000)	80,000	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	291,206	(282,394)
Net cash (used in)/from operating activities	258,306	7,606	CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	7,412	289,806
CASH FLOW FROM INVESTING ACTIVITIES			CASH AND CASH EQUIVALENTS AT END OF THE YEAR		
Purchase of investments	(100)	—		298,618	7,412
Net cash from (used in) investing activities	(100)	(290,000)			

notes to the financial statements

for the year ended March 31, 2001

1. ACCOUNTING POLICIES

(a) Basis of Presentation

The financial statements are prepared in accordance with the historical cost convention and are in conformity with the International Accounting Standards. The accrual basis of accounting has been followed. The financial statements have been prepared in US Dollars which is considered to be the Company's principal operating currency. The accounting policies applied by the Company are consistent with those applied in the previous year.

(b) Revenue Recognition

Interest income and fee income are recognized on an accrual basis.

(c) Basis of Valuation

Investments in associates and joint ventures are recorded at Directors' valuation.

2. Investments

(a) Unquoted Securities

	Number of Shares	% Holding	Cost USD	Directors' Valuation USD
TCW/ICICI Investment Partners	300,000	50	300,000	3,00,000
ICICI Global Opportunities Fund LLC (Management shares)	100		100	100
Total	300,100		300,100	300,100

(b) Investment which exceeds 10% of the issued share capital is:

Name of Company	Description	Proportion held
TCW/ICICI Investment Partners	Ordinary Shares	50%

3. Accounts Receivable

	March 31, 2001 USD	March 31, 2000 USD
Pre-payment and accrued Interest	11,705	2,628
Total	11,705	2,628

4. Share Capital

	March 31, 2001 USD	March 31, 2000 USD
Authorized 5000,000 Ordinary shares of US\$ 10 each	50,000,000	50,000,000
Issued and fully paid 40,000 Ordinary shares of US\$ 10 each	400,000	400,000

5. Accounts Payable

	March 31, 2001 USD	March 31, 2000 USD
Accrued Expenses	167,248	2,170
Proposed Dividend	—	42,000
Total	167,248	44,170

6. Information on the Company

a) Legal form of enterprise	: Limited Liability Company
b) Domicile and country of incorporation	: Mauritius
c) Address of the Registered Office and the principal place of business	: 3rd Floor, Les Cascades Edith Cavell Street Port Louis, Mauritius
d) Nature of operations and principal activities	: Investment and Fund Management Company
e) Name of the parent enterprise	: ICICI Limited