



## 6TH ANNUAL REPORT AND ACCOUNTS 1999-2000

Chairperson

### **Directors**

Lalita D. Gupte  
Kalpana Morparia  
Shikha Sharma  
M.N. Gopinath  
V. Srinivasan  
Nachiket Mor

Managing Director

Madhabi Puri Buch

### **Executives**

Deputy General Manager  
Senior Vice President  
Senior Vice President  
Company Secretary

O.P. Srivastava  
Dileep N. Londhe  
Amitabh Chaturvedi  
R. K. Saxena

### **Auditors**

S.B. Billimoria & Co.  
Chartered Accountants

### **Registered Office**

ICICI Towers  
Bandra-Kurla Complex  
Mumbai - 400 051

### **Corporate Office**

Zenith House, Ground Floor,  
Keshavrao Khadye Marg  
Opp. Race Course Gate No. 5  
Mahalaxmi, Mumbai - 400 034

# directors' report

## To the Members

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

### FINANCIAL PERFORMANCE

The Profit & Loss Account shows a profit before taxation of Rs.24.16 million (previous year - Rs. 9.28 million) after provision of Rs.0.01 million (previous year - Rs.0.65 million) against non-performing assets and taking into account all expenses including depreciation of Rs.0.32 million (previous year - Rs.0.47 million) on fixed assets. The net profit is Rs.20.16 million (previous year - Rs.8.26 million).

During the year, the Directors had approved payment of interim dividend at the rate of 10% (Re.1.00 per share of Rs.10). Taking into account the balance of Rs.3.21 million brought forward from the previous year and the interim dividend paid during the year, the disposable profit of Rs.23.47 million (previous year - Rs.9.31 million) has been appropriated as under:

	(Rs. in million)	
	1999-2000	1998-99
To Reserve Fund [in terms of Section 45-IC of the RBI Act, 1934 as amended by the RBI (Amendment) Act, 1997]	4.03	1.67
To General Reserve	1.01	0.30
Dividend for the year ended March 31, 2000		
— On equity shares at the rate of 10%	5.00	3.75
— Corporate dividend tax	0.59	0.38
Leaving balance to be carried forward to next year	12.84	3.21

### RESOURCES

The paid-up equity capital remained at Rs.50 million as on March 31, 2000 reflecting no change over the previous year. During the year under review, no deposits from the public were accepted or renewed by the Company.

### DIVIDEND

The Directors had approved interim dividend at the rate of Re. 1 per equity share. The Directors do not recommend any final dividend for the year ended March 31, 2000.

### OPERATIONS

In line with ICICI's strategy of offering a comprehensive range of financial products and services to retail customers, the Company was mandated, during the year under review, by ICICI, to carry out, on its behalf, the retail resource raising activities and to provide front office services related to all retail and semi-retail liability products of ICICI. During the year, the Company strengthened its distribution network by effectively managing over 10,000 agents. The enhanced distribution network enabled the Company to facilitate resource mobilization for ICICI Limited aggregating Rs.32,996 million through approximately 11,86,291 applications including 2,30,554 applications aggregating Rs.9,235 million under its own code in various Bonds Issues, Equity Issue and Private Placements of ICICI.

The Company also operates the network of ICICI Centres being set up by ICICI. As at the year end, 75 Centres were set up with 71 Centres fully operational. The staff strength stands at 201 employees.

The Company was earlier involved in distribution of a single product i.e. retail bonds. However, from December 1999 onwards, the Company has focused on being a provider of a comprehensive range of financial products and services to retail and semi-retail customers. It is proposed to further strengthen this activity in the coming year.

### BUSINESS STRATEGY AND FUTURE PLANS

The Company would continue to play the role of being the central distribution and servicing arm for resource mobilization for ICICI in the retail and semi-retail segment.

Plans are in place to increase the number of ICICI Centres from 75 to approximately 100 Centres, which will be manned and operated by the Company. The widespread geographic locations of the Centres are expected to provide the Company with strategic distribution initiatives so as to become a prominent player in the distribution of financial products and services in the country.

The Company also proposes to introduce the City Representative Concept to cover the smaller towns of the country, where ICICI Centres are not present.

The Company proposes to focus on being a multi-product distribution company with aggressive and innovative marketing initiatives for other products of ICICI group such as bank products, personal finance, web-based services apart from Bonds as also the units of Mutual Funds and Initial Public Offerings of Equity. The Company also plans to be a major player in the Depository Services sector.

Due to the changes in the business environment in the new millennium the Company proposes to become a key player in the distribution of diverse financial products as well as rendering "on-line" services with the assistance of web-based technology and support systems.

### 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 year.

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, being not applicable, is not given.

### SHIFTING OF REGISTERED OFFICE

During the year under review, the Registered Office of the Company was shifted from 4, Nagarjuma Hills, Punjagutta, Hyderabad - 500 482 to ICICI Towers, Bundra-Kurla Complex, Mumbai - 400 051 with effect from March 30, 2000.

### DIRECTORS

Smt. Lalita D. Gupte, Smt. Kalpana Morparia, Shri V. Srinivasan, and Shri Nachiket Mor, all from ICICI Limited, were appointed as additional Directors effective July 21, 1999.

The Board accepted the resignations of Shri S. H. Bhojani, Shri M. J. Subbaiah, Shri Jawahir Mulraj and Shri O. P. Srivastava from the Board effective July 21, 1999 and placed on record its appreciation of the valuable services rendered by them during their tenure.

Smt. Madhabi Puri Buch was nominated by ICICI on the Board of the Company as a non-rotational Director effective July 21, 1999.

Consequent upon the resignation of Shri O. P. Srivastava as a Director, he also ceased to hold the office of Chief Executive Officer of the Company effective July 21, 1999. The Board placed on record its appreciation of the valuable services rendered by Shri O. P. Srivastava as the Chief Executive Officer of the Company since its inception.

Smt. Lalita D. Gupte was appointed as the Chairperson of the Board in place of Shri S. H. Bhojani effective September 8, 1999.

The Board appointed Smt. Madhabi Puri Buch as the Managing Director of the Company for a period of five years effective September 8, 1999. In terms of the provisions of the Companies Act, 1956, the approval of the members of the Company is sought for her appointment. Smt. Madhabi Puri Buch will continue to draw her remuneration and other benefits from ICICI and hence, will not draw any remuneration and benefits from the Company. Smt Buch is also Managing Director & Chief Executive Officer of ICICI Web Tade Limited.

The Board has appointed Shri M. N. Gopinath, from ICICI Bank Limited, as Additional Director effective October 26, 1999.

The Board has appointed Smt. Shikha Sharma, from ICICI Limited, as Additional Director effective March 24, 2000.

### AUDITORS AND AUDITORS' REPORT

M/s. S. B. Billimoria & Co., Chartered Accountants, Mumbai, the Auditors, will retire at the ensuing Annual General Meetings. The Board has recommended their appointment as the Auditors to audit the accounts of the Company for the financial year ending March 31, 2001. Your are requested to consider their appointment.

The observations contained in the Auditors' Report are self-explanatory and, therefore, no comments are called for separately.

### ACKNOWLEDGEMENTS

The Company is grateful to Reserve Bank of India, Securities and Exchange Board of India, National Stock Exchange of India and OTC Exchange of India for their continuous support through the year. The Company is also grateful to its clients, agents and bankers for the support received during the year.

The Company is grateful for the guidance and advice received from ICICI, the parent company as also for the support from other ICICI Group companies.

The Directors would also like to place on record their appreciation for the commitment, hard work and team effort shown by the employees of the Company.

For and on behalf of the Board

LALITA D. GUPTÉ  
Chairperson

Mumbai, April 20, 2000

# auditors' report



To the Members of ICICI Capital Services Limited

We have audited the attached Balance Sheet of ICICI CAPITAL SERVICES LIMITED as at March 31, 2000 and the Profit and Loss Account for the year ended on that date and report that:

- (1) As required by the Manufacturing and Other Companies (Auditor's 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 specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
- (2) Further to our comments in the Annexure referred to in paragraph (1) above:
  - (a) 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;
  - (b) 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;
  - (c) 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 and are in agreement with the books of account;

- (d) 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:
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2000; and
  - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

For S.B. BILLIMORIA & CO.  
Chartered Accountants

S.J. MERCHANT  
Partner

Mumbai, April 20, 2000

## annexure to the auditors' report

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

1. The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets. Physical verification of the fixed assets has been carried out by the management during the year. No discrepancies were revealed on such verification.
2. None of the fixed assets have been revalued during the year.
3. The Company has not given any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 and/or to the companies under the same management as defined under Section 370 (1B) of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business relating to purchase of fixed assets and purchase and sale of shares, debentures and other securities.
5. The Company being a "Non-Banking Financial Company", Section 58A of the Companies Act, 1956 is not applicable to the Company. During the year, the Company did not accept any deposits from the public falling under the purview of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
6. In our opinion, the Company has an internal audit system, which is broadly commensurate with the size and nature of its business.
7. The Company has framed Provident Fund Rules and has applied to the Commissioner of Income Tax and the Commissioner of Provident Fund. Pending receipt of recognition of the P. F. Commissioner, the provident fund dues are deposited in a separate Bank Account opened for this purpose by the Company.
8. There were no undisputed amounts payable in respect of income tax, sales tax and customs duty outstanding as at March 31, 2000 for a period of more than six months from the date they became payable.
9. According to the information and explanations given to us and the records of the Company examined by us, no personal expenses have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
10. 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.
11. Having regard to the nature of service activities, a system for allocating man-hours to the relative jobs is not considered necessary.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In respect of investment by the Company in shares, securities, debentures, etc., proper records have been maintained of the transactions and contracts and timely entries have been made therein; all the shares, securities, debentures and other investments are held in the name of the Company.

For S. B. BILLIMORIA & CO.  
Chartered Accountants

S.J. MERCHANT  
Partner

Mumbai, April 20, 2000.

# 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 in million)	March 31, 1999	Schedule	(Rupees in million)	March 31, 1999
<b>SOURCES OF FUNDS</b>			<b>INCOME</b>		
<b>Shareholders' Funds</b>			Income from operations		
Share Capital	A	50.00	G	166.81	86.43
Reserves and Surplus	B	34.63	<b>EXPENDITURE</b>		
		84.63	Staff expenses	H	39.34
		84.63	Establishment expenses	I	16.64
			Financial charges	J	0.01
			Other expenses	K	25.03
			Sub-Brokerage		54.95
			Depreciation		0.32
			Preliminary expenses and Market Development expenditure written off		6.36
					142.65
<b>APPLICATION OF FUNDS</b>					77.15
<b>Fixed Assets</b>			<b>Profit before taxation</b>		
Gross Block	C	19.84		24.16	9.28
Less: Depreciation		3.84	Less: Provision for taxation		4.00
Net Block		16.00	<b>Profit after taxation</b>		20.16
			Add: Balance brought forward from previous year		3.21
			Prior Period Adjustments (Net)		0.10
			Disposable profit		23.47
					9.31
			<b>APPROPRIATIONS</b>		
			Reserve Fund		4.03
			General Reserve		1.01
			Interim Dividend Paid		5.00
			Final Dividend		—
			Tax on Dividend (including Rs. 0.04 million for the previous year)		0.59
			Balance carried to Balance Sheet		12.84
					23.47
			Notes forming part of the Accounts		
			Significant Accounting Policies		
			Balance Sheet Abstract and Company Profile		
Notes forming part of the Accounts	L				
Significant Accounting Policies	M				
Balance Sheet Abstract and Company Profile	N				

As per our report attached

For S.B. BILLIMORIA & CO.  
Chartered Accountants

S.J. MERCHANT  
Partner

R.K. SAXENA  
Company Secretary

DILEEP N. LONDHE  
Senior Vice President

For and on behalf of the Board

LALITA D. GUPTA  
Chairperson

MADHABI PURI BUCH  
Managing Director

Mumbai, April 20, 2000

# schedules



forming part of the Accounts

(Rupees in million)

March 31,  
1999

## A. SHARE CAPITAL

### Authorized

5,000,000 Equity Shares of Rs.10 each

50.00

50.00

### Issued, Subscribed and Paid up

5,000,000 Equity Shares of Rs.10 each

50.00

50.00

50.00

50.00

All the above Equity Shares are held by ICICI Limited (the Holding Company) and its nominees.

## B. RESERVES AND SURPLUS

	<i>Balance as at March 31, 1999</i>	<b>Additions during the year</b>	<b>Balance as at March 31, 2000</b>
Reserve Fund	4.15	4.03	8.18
General Reserve	12.60	1.01	13.61
Profit & Loss Account	3.21	9.63	12.84
	<u>19.96</u>	<u>14.67</u>	<u>34.63</u>
<i>As at March 31, 1999</i>	<u>15.83</u>	<u>4.13</u>	<u>19.96</u>

## C. FIXED ASSETS

	Gross Block - at cost			Depreciation			Net Block			
	<i>As at March 31, 1999</i>	<b>Additions</b>	<b>Deletions</b>	<b>As at March 31, 2000</b>	<i>As at March 31, 1999</i>	<b>For the year</b>	<b>On Deletions</b>	<b>As at March 31, 2000</b>	<b>As at March 31, 2000</b>	<i>As at March 31, 1999</i>
Stock Exchange membership (Note 2)	15.03	—	—	15.03	—	—	—	15.03	15.03	15.03
Furniture and fixtures	0.20	0.03	—	0.23	0.12	0.02	—	0.14	0.09	0.08
Office equipment	4.33	0.25	—	4.58	3.40	0.30	—	3.70	0.88	0.93
	<u>19.56</u>	<u>0.28</u>	<u>—</u>	<u>19.84</u>	<u>3.52</u>	<u>0.32</u>	<u>—</u>	<u>3.84</u>	<u>16.00</u>	<u>16.04</u>
<i>As at March 31, 1999</i>	<u>19.52</u>	<u>0.04</u>	<u>—</u>	<u>19.56</u>	<u>3.05</u>	<u>0.47</u>	<u>—</u>	<u>3.52</u>	<u>16.04</u>	

## D. INVESTMENTS

### Long Term - at cost (Note 1)

Equity Shares (unquoted & fully paid up)	0.01	0.01
Non-Convertible Debentures (quoted & fully paid up)	3.66	3.91
Non-Convertible Debentures (unquoted & fully paid up)	0.01	0.20
Non-Convertible PSU Bonds (quoted & fully paid up)	2.73	27.63
Units of Mutual Fund (quoted)	34.50	—
	<u>40.91</u>	<u>31.75</u>
Less: Provision	0.97	0.96
	<u>39.94</u>	<u>30.79</u>
Aggregate of Quoted Investments - cost	40.89	31.54
Unquoted	0.02	0.21
Market Value *	42.37	31.72

\* Redemption/break-up values have been substituted where market values are not available

# schedules

forming part of the Accounts

Continued

(Rupees in million)

March 31,  
1999

## E. CURRENT ASSETS, LOANS AND ADVANCES

### (A) Current Assets

Interest and dividend accrued	3.40		4.89
Less: Provision	1.59		1.10
		1.81	3.79
Sundry debtors (Unsecured-considered good)			
Debts due over six months	0.83		—
Others	25.22		9.12
		26.05	9.12
Cash and bank balances			
Current accounts	3.16		4.06
Fixed deposits	10.60 *		30.50 *
Cash & Cheques on hand	0.28		0.02
	14.04		34.58
Sundry deposits	0.12		0.06
		14.16	34.64
		42.02	47.55

\* ICICI Bank Limited has lien over fixed deposit receipts of Rs. 2.50 million (previous year Rs. 2.50 million) against bank guarantee.

Punjab National Bank has lien over fixed deposit receipts of Rs. 0.20 million (previous year Nil) for Base Minimum Capital.

### (B) Advances

Advance against expenses	1.40		0.40
Staff loans	3.11		—
Prepaid expenses	0.01		0.02
	4.52		0.42
Advance income tax and tax deducted at source	6.44		9.47
		10.96	9.89
		52.98	57.44

## F. CURRENT LIABILITIES AND PROVISIONS

### (A) Liabilities

Sundry creditors		35.34	27.77
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### (B) Provisions

Provision for proposed dividend	—		3.75
Provision for tax on proposed dividend	—		0.38
Provision for taxation	5.93		7.83
		5.93	11.96
		41.27	39.73

## G. INCOME FROM OPERATIONS

ICICI Centres management fees (tax deducted at source Rs. 0.60 million, previous year - Rs. Nil)	91.01		—
Brokerage on primary market	69.33		70.29
Issue marketing fees (tax deducted at source Rs. 0.01 million, previous year - Rs. 0.35 million)	0.18		10.88
		160.52	81.17
<b>Other Income</b>			
Interest on			
Bonds and Debentures (tax deducted at source Rs. 0.02 million; previous year - Rs.0.04 million)	1.53		2.91
Deposits (tax deducted at source Rs. 0.75 million; previous year - Rs. 0.13 million)	2.94		2.22
Dividend income	0.98		0.02
Redemption premium on SPN	**		**
Miscellaneous income	0.60		0.05
Profit on redemption	0.24		0.06
		6.29	5.26
		166.81	86.43

\*\* Less than Rs. 5,000.00

# schedules



forming part of the Accounts

Continued

(Rupees in million)

March 31,  
1999

## H. STAFF EXPENSES (Note 6)

Salaries and other employee benefits	34.00	0.58
Contribution to provident and other funds	2.46	0.06
Staff welfare expenses	2.88	0.36
	<u>39.34</u>	<u>1.00</u>

## I. ESTABLISHMENT EXPENSES

Rent	12.35	3.41
Repairs and maintenance	2.18	0.56
Electricity expenses	1.93	0.30
Insurance charges	0.18	**
	<u>16.64</u>	<u>4.27</u>

## J. FINANCIAL CHARGES

Provision against investments	0.01	0.65
	<u>0.01</u>	<u>0.65</u>

## K. OTHER EXPENSES

Subscriptions	0.44	**
Printing and stationery	3.29	0.43
Books and periodicals	0.08	0.10
Postage, telephone and telex	8.51	2.86
Conveyance	1.58	0.22
Miscellaneous expenses	0.51	0.04
Bank charges	0.19	0.12
Cross-sell bank	0.33	—
Membership fees	0.13	0.25
Legal & professional charges	0.52	0.03
Travelling expenses	3.17	0.35
Directors' sitting fees	**	0.01
Marketing expenses	1.69	0.67
Recruitment expenses	1.57	**
Training expenses	2.37	0.04
Software expenses	0.06	—
Processing charges	0.32	—
Advertisement expenses	0.01	0.04
Seminar expenses	0.06	**
Auditors' remuneration:		
Audit fees	0.10	0.05
Tax audit fees	0.02	0.02
Company law and other matters	0.07	0.10
Out of pocket expenses and service charges	0.01	**
	<u>0.20</u>	<u>0.17</u>
Decrease in investments held as stock-in-trade	—	1.75
	<u>25.03</u>	<u>7.08</u>

\*\* Less than Rs. 5,000.00

## L. NOTES FORMING PART OF THE ACCOUNTS

1. The investments are shown in Balance Sheet at cost. In the case of quoted investments, provision for diminution in value of investments is made, if such diminution is of a permanent nature in the opinion of the management.
2. Since the Company was predominantly engaged in the business of broking, the deposits made by it with National Stock Exchange of India Limited (NSE) and Over The Counter Exchange of India (OTCEI) towards acquiring the membership of these exchanges, were considered as fixed assets and no depreciation is provided on the same. The secondary market broking business has since been discontinued but the membership cards are retained for other activities of the Company.

	<b>As at March 31, 2000 (Rs. in million)</b>	<i>As at March 31, 1999 (Rs. in million)</i>
3. Contingent liabilities on account of:		
Bank guarantee	2.50	2.50
Tax demand in appeals	0.50	0.13
4. Expenditure in foreign currency	Nil	Nil
5. Earnings in foreign currency	Nil	Nil
6. Salaries (including contributions to Provident Fund, Gratuity, and Leave encashment) of the Managing Director and eight other senior executives, is borne by ICICI Limited, the Holding Company.		
7. The figures of the previous year have been regrouped, wherever necessary, so as to make them comparable with those of the current year.		

## M. SIGNIFICANT ACCOUNTING POLICIES

The accounts are prepared in accordance with the accounting principles generally accepted in India and are in line with the relevant laws as well as the guidelines prescribed by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Reserve Bank of India and the Institute of Chartered Accountants of India.

### 1. System of Accounting

- a) Revenue Recognition
  - i. Brokerage income on primary market subscriptions, issue marketing fees and placement commission are recognized based on the stage of completion of assignments and the terms of the related agreements.
  - ii. Interest income is accounted for on accrual basis.
  - iii. Profit or loss on sale of investments and stock-in-trade is recognized on contract dates on weighted average cost basis.
  - iv. Income from ICICI Centre management fees is accounted for on accrual basis.
- b) Expenses  
All expenses are provided for on accrual basis.

### 2. Fixed Assets

Fixed Assets are capitalized at cost inclusive of expenses. Depreciation on fixed assets is provided on written down value method in terms of Section 350 of the Companies Act, 1956, at the rates prescribed in Schedule XIV to the Companies Act, 1956, except in respect of stock exchange membership on which no depreciation has been charged.

The fixed assets of ICICI Centres do not belong to the Company but belong to ICICI Limited. As such depreciation on such fixed assets is provided by them and not by the Company, though these assets are used by the Company.

### 3. Investments

Investments are capitalized at cost. In terms of the Reserve Bank of India guidelines to Non-Banking Financial Companies, all investments are bifurcated into current investments and long term investments. Unquoted shares are valued at cost or break-up value, whichever is less. Other unquoted securities are valued at cost. However, quoted investments, are valued at cost and provision for diminution, if any, is made to recognize a decline, other than temporary, in the value of the investments.

### 4. Retirement benefits

The Company has framed Provident Fund Rules and has applied to the Commissioner of Income Tax and the Commissioner of Provident Fund. Pending receipt of recognition of the Provident Fund Commissioner, the provident fund dues are deposited in a separate Bank Account opened for this purpose by the Company.

For the employees of the Company it has an Employee's Group Gratuity-cum-Life Assurance Scheme with Life Insurance Corporation of India. It contributes annually by way of premium as demanded by them.

Provision against the leave encashment liability is based on actuarial valuation basis.

### 5. Miscellaneous expenditure

Preliminary expenses have been amortized over 10 years from the year in which the expenses are incurred.

Market development expenses relating to advertisement have been amortized over 5 years from the year in which the expenses are incurred. Market development expenses relating to printing have been amortized over 3 years from the year in which the expenses are incurred.

As per our report attached  
For S.B. BILLIMORIA & CO.  
Chartered Accountants

S.J. MERCHANT  
Partner

R.K. SAXENA  
Company Secretary

DILEEP N. LONDHE  
Senior Vice President

For and on behalf of the Board  
LALITA D. GUPTA  
Chairperson

MADHABI PURI BUCH  
Managing Director

Mumbai, April 20, 2000



# schedules



Annexure to Schedule D forming part of the Accounts

Continued

(Rupees in million)

## Investments as at March 31, 2000

Name of the Company	Number of Shares/Debs./ Bonds/Units	Face Value Per Share/Deb./ Bond/Unit (Rs.)	Cost		
			As at March 31, 2000	As at March 31, 1999	
<b>Equity Shares (Unquoted and fully paid up)</b>					
ICICI Realty Ltd.	500	10	<u>0.01</u>	<u>0.01</u>	
			<u>0.01</u>	<u>0.01</u>	
<b>* Non-Convertible Debentures (Quoted and fully paid up)</b>					
14.0%	Ashok Leyland Ltd.	357	30	0.01	0.02
15.0%	Ballarpur Industries Ltd.	138	60	0.01	0.01
14.5%	Bharat Forge Ltd.	119	50	**	**
16.0%	Bharat Forge Ltd.	89	100	0.01	0.01
15.0%	Carborundum Universal Ltd.	117	47	**	0.01
12.5%	Ceat Ltd.	—	—	—	**
17.0%	DCM Shriram Consolidated Ltd.	3	67	**	**
13.0%	DCM Shriram Consolidated Ltd.	439	100	0.03	0.03
16.5%	DCM Shriram Industries Ltd.	4	60	**	**
15.0%	DCM Shriram Industries Ltd.	120	50	**	**
15.0%	EID Parry (India) Ltd.	—	—	—	0.01
16.0%	East India Hotels Ltd.	21	100	**	**
15.0%	East India Hotels Ltd.	58	67	**	0.01
15.0%	Electrosteel Castings Ltd.	195	40	0.01	0.01
15.0%	Escorts Ltd.	120	80	0.01	0.01
12.5%	Escorts Ltd.	125	25	**	0.01
16.0%	Essar Shipping Ltd.	855	30	0.02	0.04
14.0%	Finolex Industries Ltd.	—	—	—	0.06
16.0%	Garware Polyester Ltd.	5	32	**	**
15.0%	Herbertsons Ltd.	110	50	**	0.01
12.5%	Herdillia Unimers Ltd.	20	100	**	**
14.0%	Hindusthan Development Corporation Ltd.	892	40	0.03	0.03
12.5%	Hindusthan Development Corporation Ltd.	25	40	**	**
14.0%	Hotel Leelaventure Ltd.	100	150	0.01	0.01
15.0%	Hyderabad Industries Ltd.	96	100	0.01	0.01
17.0%	ITC Hotels Ltd.	125	170	0.02	0.03
12.5%	J.K. Synthetics Ltd.	74	180	0.01	0.01
14.0%	J.M. Share & Stock Brokers Ltd.	280	20	**	0.01
14.0%	Jain Irrigation System Ltd.	1,603	70	0.09	0.09
12.5%	Jindal Iron and Steel Ltd.	—	—	—	0.01
16.0%	JK Corp Ltd.	257	90	0.02	0.03
14.0%	JK Corp Ltd.	300	120	0.03	0.04
15.0%	Kirloskar Oil Engines Ltd.	20	30	**	**
12.5%	Kirloskar Pneumatic Co. Ltd.	—	—	—	**
16.0%	Kothari Sugars & Chemicals Ltd.	34	33	**	**
14.5%	Mahindra & Mahindra Ltd.	—	—	—	**
16.0%	Mangalore Refinery & Petrochemicals Co. Ltd.	550	57	0.02	0.03
16.0%	Mukand Ltd.	370	130	0.05	0.07
12.5%	Nicholas Piramal India Ltd.	500	50	0.02	0.02
15.0%	Pal-Peugeot Ltd.	78,600	40	3.14	3.14
12.5%	Rallis India Ltd.	99	80	0.01	0.01
16.0%	Raymond Ltd.	91	67	0.01	0.01
15.0%	Reinz-Talbro Ltd.	83	90	0.01	0.01
15.0%	Siel Ltd.	30	60	**	**
12.5%	Tata Chemicals Ltd.	400	75	0.02	0.02
12.5%	Tata Chemicals Ltd.	567	50	0.02	0.02
12.5%	Tata Timken Ltd.	—	—	—	0.01
12.0%	Textool Company Ltd.	50	100	**	**
12.5%	The Arvind Mills Ltd.	288	11	**	0.01
16.0%	The Indian Seamless Metal Tubes Ltd.	15	190	**	**
15.0%	The Lakshmi Mills Co. Ltd.	10	110	**	**
15.0%	The Supreme Industries Ltd.	75	100	0.01	0.01
17.0%	United Phosphorus Ltd.	224	75	0.02	0.02
13.0%	Vardhman Polytext Ltd.	128	150	0.01	0.02
14.0%	Vardhman Spinning & General Mills Ltd.	33	150	**	**
				<u>3.66</u>	<u>3.91</u>

\*\* Less than Rs. 5,000.00

# schedules

## Annexure to Schedule D forming part of the Accounts

Continued

(Rupees in million)

Name of the Company	Number of Shares/Debs./ Bonds/Units	Face Value Per Share/Deb./ Bond/Unit (Rs.)	Cost	
			As at March 31, 2000	As at March 31, 1999
<b>* Non-Convertible Debentures (Unquoted and fully paid up)</b>				
17.0% Apollo Tyres Ltd.	—	—	—	**
15.0% DCM Shriram Consolidated Ltd.	69	60	**	**
16.5% DCW Ltd.	—	—	—	**
14.0% DCW Ltd.	—	—	—	**
17.0% J.K. Synthetics Ltd.	6	40	**	**
16.0% J.M. Share & Stock Brokers Ltd.	—	—	—	0.01
12.5% Jindal Steel & Power Ltd	42	104	**	0.01
16.0% Kalyani Steels Ltd.	45	134	0.01	0.01
14.0% Kalyani Steels Ltd.	—	—	—	**
12.5% Procter & Gamble India Ltd.	—	—	—	**
14.0% Reinz-Talbro Ltd.	45	60	**	**
12.5% Reliance Industries Ltd.	—	—	—	0.04
17.5% Standard Industries Ltd.	30	12.5	**	**
14.0% The Andhra Valley Power Supply Co. Ltd.	—	—	—	0.03
14.0% The Tata Engineering & Locomotive Co. Ltd.	—	—	—	**
12.5% The Tata Engineering & Locomotive Co. Ltd.	—	—	—	0.05
The Tata Iron & Steel Co. Ltd. (SPN)	—	—	—	0.03
14.0% The Tata Power Co. Ltd.	—	—	—	0.01
14.0% Voltas Ltd.	—	—	—	0.01
			<b>0.01</b>	<b>0.20</b>
<b>Total Investments in Debentures</b>			<b>3.67</b>	<b>4.11</b>
Less: Provision against Non-performing investments			<b>0.97</b>	<b>0.96</b>
			<b>2.70</b>	<b>3.15</b>
<b>* Non-Convertible PSU Bonds (Quoted and fully paid up)</b>				
9.0% (Tax free) Housing & Urban Development Corporation Ltd.	—	—	—	12.96
10.5% (Tax free) Housing & Urban Development Corporation Ltd.	3000	1000	2.73	2.73
10.5% (Tax free) Konkan Railway Corporation Ltd.	—	—	—	11.94
			<b>2.73</b>	<b>27.63</b>
<b>* Units of Mutual Fund (Quoted)</b>				
Prudential ICICI Gilt Fund - Investment Plan - Growth	1,038,709.231	10	10.50	—
K Gilt Unit Scheme 98 - Investment Plan - Dividend	790,991.997	10	8.50	—
Templeton India Government Securities Fund - Dividend Plan	1,238,850.347	10	12.50	—
Prudential ICICI Gilt Fund - Treasury Plan - Dividend	295,432.612	10	3.00	—
			<b>34.50</b>	—
<b>Total Investments</b>			<b>39.94</b>	<b>30.79</b>

\* Percentage indicates Coupon Rate.

\*\* Less than Rs. 5,000.00

# schedules



forming part of the Accounts

## N. Balance Sheet Abstract and Company's General Business Profile

### 1. Registration Details

Registration No.

State Code

Balance Sheet Date

Date

Month

Year

### 2. Capital raised during the Year

(Amount in Rupees Thousand)

Public Issue

Rights Issue

Bonus Issue

Private Placement

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

(Amount in Rupees Thousand)

Total Liabilities

Total Assets

Sources of Funds

Paid up Capital

Reserves & Surplus

Secured Loans

Unsecured Loans

Application of Funds

Net Fixed Assets

Investments

Net Current Assets

Miscellaneous Expenditure

Accumulated Losses

### 4. Performance of Company

(Amount in Rupees Thousand)

Turnover

Total Expenditure

Profit/Loss before Tax

Profit/Loss after Tax

Earnings per Share in Rupees

Dividend Rate %

### 5. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Product Description

Item Code No.

Broking Services

Not Applicable

Placement of Securities

Not Applicable

Distribution of Securities

Not Applicable

As per our report attached  
For S.B. BILLIMORIA & CO.  
Chartered Accountants

S.J. MERCHANT  
Partner

R.K. SAXENA  
Company Secretary

DILEEP N. LONDHE  
Senior Vice President

For and on behalf of the Board  
LALITA D. GUPTA  
Chairperson

MADHABI PURI BUCH  
Managing Director

Mumbai, April 20, 2000