

**Directors**  
Chairman K. Mohandas, IAS  
C.S. Damle  
Dr. G.C. Gopala Pillai  
S. K. Maheshwari  
Neeta Mukerji  
R. Vedaagar

Chief Executive Officer Sarath Chandran

**Auditors**  
M/s. Mohan & Mohan Associates  
Chartered Accountants  
A-21, Jawahar Nagar,  
Thiruvananthapuram 695 041

**Registered Office**  
KINFRA House  
TC 14/1026, Vellayambala  
Thiruvananthapuram 695 041  
Kerala, India

**Administrative Office**  
TC 2/3598, Lakshmi Nivas, Pattom  
Thiruvananthapuram 695 004  
Kerala, India

# directors' report



## To the Members

Your Directors are pleased to present the Fourth Annual Report of the Company with the audited statement of Accounts for the year ended March 31, 2000.

### FINANCIAL RESULTS

Your Directors are pleased to report that your Company earned an income of Rs. 107.56 lakhs from operations for the year ended 31st March, 2000. The brief summary of the financial results of your Company are as under:

(Rs. in lakhs)

	March 31, 2000	March 31, 1999
Profit before Depreciation and Tax	8.24	6.58
Depreciation	2.11	1.18
Profit before Tax	6.13	5.84
Less: Provision for Tax	2.28	2.04
Profit after Tax	3.85	3.79
Appropriations	4.38	0.59
Balance carried to Balance Sheet	8.23	4.38

Your Company has completed its fourth year of operation. With this the Company has completed its third full financial year in operations. The Company during this financial year has demonstrated the success of the first BOT project in Kerala State through the competitive bidding route in the Roads & Bridges sector. Implementation of the "success linked fee" concept was a commendable achievement.

The BOT Bridge is now under construction at the navigation canal at Wellington Island, Cochin. During the year your Company has focused on diverse areas like water management, environmental infrastructure, industrial parks and IT. Your Company is also being considered by Government to develop a large bulk water supply project for Cochin area. During the year, your Company has made inroads to municipal and urban area development.

Your Company is now undertaking the prestigious mandate of developing an integrated infrastructure master plan for the state, which

will, among other things, generate a sheaf of viable projects, that can be taken up with private participation. Development of a few select projects from the above would be able to fulfil your Company's vision of becoming a project developer and take up promotional equity in select projects.

### Dividend

Your Directors do not recommend payment of dividend for the current year.

### Directors

In terms of the provisions of the Articles of Association, Shri R. Vedaasagar and Shri K. Bharathan would retire at the forthcoming Annual General Meeting and both being eligible, offer themselves for re-appointment.

### Auditors

M/s. Mohan S. Mohan Associates, Chartered Accountants, Thiruvananthapuram, 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. Your are requested to consider their appointment.

### Acknowledgement

The Board wishes to acknowledge the advice and the assistance rendered by Sri M. Mohankumar, IAS, Chief Secretary, Government of Kerala and other senior Government officials. The Company also acknowledges with thanks the co-operation extended by the Department of Finance, Department of Local Administration, Department of Tourism, Department of IT, Department of Irrigation, KSIDC, KINFRA, KWA and above all the Department of Industries. The Company is grateful for the guidance and advice received from ICICI Limited, the parent organization, as also from other ICICI group companies.

For and on behalf of the Board

K. MOHANDAS, IAS  
Chairman

Thiruvananthapuram  
April 17, 2000

# auditors' report

## To the Members of ICICI Kinfra Limited

We have audited the attached Balance Sheet of ICICI-KINFRA 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 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, 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 it appears from our examination of those books;
  - c. The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account.

- d. In our opinion, the Profit & Loss Account and Balance Sheet are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211.
- e. In our opinion and to the best of our information and according to the explanations given to us, the said Accounts read with the notes appearing thereon, 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 31st March, 2000.
  - ii) In the case of the Profit and Loss Account, of the Profit of the Company for the period ended that date.

For MOHAN & MOHAN ASSOCIATES  
*Chartered Accountants*

R. SURESH MOHAN  
*Partner*

*Thiruvananthapuram, April 17, 2000*

## annexure to the auditors' report

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

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. We are informed that all the fixed assets have been physically verified by the management at reasonable intervals and that no material discrepancies have been noted on such verification.
2. The fixed assets of the Company have not been revalued during the period.
3. The Company has not taken any loans, secured or unsecured, from companies listed in the Register maintained under Section 301 of the Companies Act, 1956 and from any companies under the same management as defined under sub-section (1B) of Section 370 of the Companies Act, 1956.
4. The Company has not granted any loans, secured or unsecured, to companies, Firms or Other Parties listed in the Register maintained under Section 301 of the Companies Act, 1956 and to any companies under the same management as defined under sub-section (1B) of Section 370 of the Companies Act, 1956.
5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures laid down in the Company commensurate with the size and nature of its business for the purchase of Equipment and Other Assets.
6. According to the information and explanations given to us, there are no transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts and arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956, and aggregating during the period to Rs. 50,000 or more in respect of each party.
7. As far as we have been able to ascertain, the Company has not accepted during the year any deposits from the public and therefore the directives issued by the Reserve Bank of India and the provisions of Section 58 A of the Companies Act, 1956 and the rules framed thereunder are not applicable.
8. We are informed that the provisions of Provident Fund Scheme and Employees' State Insurance Scheme are not applicable to the Company during the period under audit.
9. There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty which have remained outstanding as at 31st March, 2000, for a period of more than six months from the date they became payable.
10. According to the information and explanations given to us, and the records examined by us, no personal expenses of employees or Directors have been charged to revenue account other than those payable under contractual obligations or in accordance with generally accepted business practice.
11. We are informed that no provisions of any special statute applicable to chit funds, nidhi and mutual benefit society apply to the Company.
12. The sub-clauses (iv), (v), (vi), (xii), (xiv), (xv), (xvi) and (xx) of clause 4(A) of the Order are not applicable to the Company during the period under audit.

For MOHAN & MOHAN ASSOCIATES  
*Chartered Accountants*

R. SURESH MOHAN  
*Partner*

*Thiruvananthapuram, April 17, 2000*

# balance sheet      profit & loss account



as at March 31, 2000

for the year ended March 31, 2000

	Schedule	(Rupees)	March 31, 1999		Schedule	(Rupees)	March 31, 1999
<b>SOURCES OF FUNDS</b>				<b>NET INCOME FROM OPERATIONS</b>			
(1) Shareholders' Funds:				Income from Operations		<b>10,756,047</b>	4,501,133
Share Capital	1	<b>3,007,000</b>	3,007,000	<b>Total Income from Operations</b>		<b>10,756,047</b>	4,501,133
Profit & Loss Account		<b>823,684</b>	438,388	<i>Less: Operating Expenditure</i>			
Total		<b>3,830,684</b>	3,445,388	Payments to and Provisions			
<b>APPLICATION OF FUNDS</b>				for Employees	4	<b>1,522,374</b>	733,211
(1) Fixed Assets				Administrative and Other Expenses	5	<b>2,919,241</b>	1,935,343
Gross Block		<b>1,428,006</b>	1,026,665	Loss on disposal of Asset		<b>9,237</b>	—
<i>Less: Depreciation</i>		<b>382,605</b>	186,637	Professional Service Charges		<b>5,418,446</b>	1,107,485
Net Block	8	<b>1,045,401</b>	840,028	Preliminary Expenses Written Off	6	<b>67,100</b>	67,100
(2) Current Assets, Loans & Advances	2			Depreciation	8	<b>210,882</b>	118,001
A. Current Assets		<b>8,403,203</b>	3,236,406	Total		<b>10,147,279</b>	3,961,140
B. Loans & Advances		<b>777,836</b>	292,376	<b>Profit from operations</b>		<b>608,768</b>	539,993
		<b>9,181,039</b>	3,528,782	<b>Other Income</b>			
<i>Less: Current Liabilities</i>	3	<b>6,798,308</b>	1,393,074	Miscellaneous Receipts	7	<b>4,428</b>	4,074
Net Current Assets		<b>2,382,731</b>	2,135,708	Previous years exp. written back		<b>—</b>	39,826
(3) Miscellaneous Expenditure				<b>Profit before Taxation</b>		<b>613,196</b>	583,893
(to the extent not written off or adjusted)	6	<b>402,552</b>	469,652	<i>Less: Provision for Taxation</i>		<b>227,900</b>	204,362
Total		<b>3,830,684</b>	3,445,388	<b>Profit after Tax</b>		<b>385,296</b>	379,531
Notes forming part of Accounts	9			Profit/(Loss) b/f from previous year		<b>438,389</b>	58,857
				<b>Profit carried to Balance Sheet</b>		<b>823,684</b>	438,388
				Notes forming part of Accounts	9		

Schedules 1 to 9 hereto form part of the Balance Sheet and Profit and Loss Account.

As per our Report attached

For ICICI KINFRA LIMITED

For MOHAN & MOHAN ASSOCIATES  
Chartered Accountants

DR. G. C. GOPALA PILLAI  
Director

R. SURESH MOHAN  
Partner

C. S. DAMLE  
Director

Thiruvananthapuram, April 17, 2000

Thiruvananthapuram, April 17, 2000

# schedules

## forming part of the Balance Sheet and Profit & Loss Account

(Rupees) March 31, 1999

<b>1. SHARE CAPITAL</b>				<b>4. PAYMENT TO &amp; PROVISIONS FOR EMPLOYEES</b>			
(1,50,00,000 Equity Shares of Rs. 10 each)	<b>150,00,000</b>	<i>150,00,000</i>		Administrative & Service Charges	<b>471,550</b>	<i>222,800</i>	
Issued, Subscribed and Paid-up Capital	<b>3,007,000</b>	<i>3,007,000</i>		Staff Welfare Expenses	<b>210,824</b>	<i>25,369</i>	
(3,00,700 Equity Shares of Rs. 10 each)				Bonus to Employees	<b>150,000</b>	<i>—</i>	
[Of the above, 2,28,500 (previous year 2,28,000) shares are held by ICICI Limited, the holding company, or its nominees]				Remuneration to CEO	<b>690,000</b>	<i>485,042</i>	
	<b>3,007,000</b>	<i>3,007,000</i>			<b>1,522,374</b>	<i>733,211</i>	
<b>2. CURRENT ASSETS, LOANS AND ADVANCES</b>				<b>5. ADMINISTRATIVE &amp; OTHER EXPENSES</b>			
<b>A. Current Assets</b>				Advertisement & Publicity	<b>25,600</b>	<i>27,603</i>	
Work completed but not billed (as certified by Management)	<b>550,000</b>	<i>—</i>		Audit Fees	<b>25,000</b>	<i>20,000</i>	
Sundry Debtors: (Unsecured, considered good)				Bank Charges	<b>9,078</b>	<i>1,697</i>	
Outstanding for a period less than six months	<b>2,859,309</b>	<i>2,086,875</i>		Books & Periodicals	<b>14,355</b>	<i>19,216</i>	
Others	<b>4,333,750</b>	<i>426,675</i>		Business Promotion & Other Expenses	<b>232,557</b>	<i>103,310</i>	
Cash & Bank Balances:				Conveyance and car hire charges	<b>384,078</b>	<i>322,717</i>	
Cash in Hand	<b>11,040</b>	<i>6,961</i>		Data Collection	<b>89,130</b>	<i>3,200</i>	
Cheques in Hand	<b>—</b>	<i>105,000</i>		Filing Fee	<b>1,080</b>	<i>840</i>	
Balance with Scheduled Bank:				Income Tax 97-98	<b>37,412</b>	<i>—</i>	
In Current Account	<b>604,203</b>	<i>565,867</i>		Meeting Expenses	<b>42,565</b>	<i>68,907</i>	
In Fixed Deposit Account (interest accrued on above Rs. 690)	<b>44,901</b>	<i>45,028</i>		Membership Fees	<b>3,000</b>	<i>6,500</i>	
	<b>8,403,203</b>	<i>3,236,406</i>		Miscellaneous Expenses	<b>7,362</b>	<i>582</i>	
				Office Expenses	<b>61,197</b>	<i>52,260</i>	
<b>B. Loans &amp; Advances</b>				Postage & Telegram	<b>15,622</b>	<i>5,595</i>	
(Unsecured, considered good)				Printing & Stationery	<b>168,739</b>	<i>155,310</i>	
Advances recoverable in cash or in kind or for value to be received	<b>160,581</b>	<i>37,551</i>		Rates & Taxes	<b>10,419</b>	<i>3,550</i>	
Deposit with Government	<b>43,000</b>	<i>43,000</i>		Rent, Electricity & Security Charges	<b>207,619</b>	<i>131,909</i>	
Deposit with other parties	<b>23,000</b>	<i>45,500</i>		Repairs & Maintenance Expenses (Equipment)	<b>131,084</b>	<i>3,445</i>	
Self-Assessment Tax 98-99	<b>75,575</b>	<i>—</i>		Repairs & Maintenance Expenses (Others)	<b>32,638</b>	<i>69,996</i>	
Advance Tax 2000-01	<b>88,279</b>	<i>—</i>		Tax Audit Fees	<b>7,500</b>	<i>7,500</i>	
Tax deducted on Fee Income 97-98	<b>—</b>	<i>30,550</i>		Telephone Charges	<b>270,727</b>	<i>264,506</i>	
Tax deducted on Fee Income 98-99	<b>135,775</b>	<i>135,775</i>		Travelling Expenses	<b>1,142,479</b>	<i>666,700</i>	
Tax deducted on Fee Income 99-2000	<b>251,626</b>	<i>—</i>			<b>2,919,241</b>	<i>1,935,343</i>	
	<b>777,836</b>	<i>292,376</i>		<b>6. MISCELLANEOUS EXPENDITURE</b>			
				Amount as on 31.03.1999	<b>469,652</b>	<i>536,752</i>	
<b>3. CURRENT LIABILITIES</b>				Less: Written off this year	<b>67,100</b>	<i>67,100</i>	
For Expenses & Services	<b>5,095,667</b>	<i>953,119</i>			<b>402,552</b>	<i>469,652</i>	
For Supplies	<b>209,891</b>	<i>32,750</i>		<b>7. MISCELLANEOUS RECEIPTS</b>			
Other Liabilities	<b>830,209</b>	<i>194,093</i>		Interest on Fixed Deposit	<b>3,756</b>	<i>3,241</i>	
Provision for Taxation	<b>432,262</b>	<i>211,862</i>		Interest on Income Tax Refund	<b>672</b>	<i>—</i>	
Tax Deducted at Source	<b>230,279</b>	<i>1,250</i>		Miscellaneous Income	<b>—</b>	<i>833</i>	
	<b>6,798,308</b>	<i>1,393,074</i>			<b>4,428</b>	<i>4,074</i>	
<b>8. FIXED ASSETS</b>							

(Rupees)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 1999	Deletion	Additions	As at March 31, 2000	Up to March 31, 1999	Provided during the year	Up to March 31, 2000	Deletions	As at March 31, 2000	As at March 31, 1999
a. Furniture & Fixtures	616,358	—	109,442	725,800	150,646	91,538	242,184	—	483,616	465,712
b. Office Equipment	214,735	—	78,667	293,402	18,990	31,026	50,016	—	243,386	195,745
c. Mobile Telephone	10,950	10,950	13,500	13,500	2,716	2,213	723	4,206	12,777	8,234
d. Computer & Accessories	182,667	40,000	250,681	393,348	13,601	85,850	88,744	10,707	304,604	169,066
e. Vehicle	1,955	—	—	1,955	684	254	938	—	1,017	1,271
Total	1,026,665	50,950	452,290	1,428,005	186,637	210,881	382,605	14,913	1,045,401	840,028
Previous Year	411,523	—	615,142	1,026,665	68,636	118,001	186,637	—	840,028	

# schedules



## Notes forming part of Accounts

### 9. NOTES FORMING PART OF ACCOUNTS

- The Company's nature of business is consultancy and allied services and hence the provision contained in Part II Schedule VI as to licensed capacities, installed capacities and quantitative particulars of consumption of raw material, etc., are not applicable.
- In the opinion of the Directors, current assets, loans and advances have the value as stated on the balance sheet date if realized in the ordinary course of business.
- Sundry debtors include Rs. 5,823,059 due from M/s. Kerala Industrial Infrastructure Development Corporation, Bekal Resorts Development Corporation, and Kerala State Industrial Development Corporation (under the management of Government of Kerala) on account of consultancy service rendered by the Company.
- Claims against the Company not acknowledged as debts:
 

Expenditure in foreign currency	:	NIL
CIF value of imports	:	NIL
- Auditor's remuneration provided during the year consists of the following:

Particulars	As on 31.03.2000	As on 31.03.1999
a) Audit Fee	<b>Rs. 25,000</b>	<i>Rs. 20,000</i>
b) Company Law matters	<b>NIL</b>	<i>NIL</i>
c) Tax Audit Fees	<b>Rs. 7,500</b>	<i>Rs. 7,500</i>

- Amounts due to Small Scale Industrial Undertaking in excess of Rs. 1 lakh and outstanding for more than 30 days: NIL

#### SIGNIFICANT ACCOUNTING POLICIES

**Accounting Convention:** The financial statements have been prepared in accordance with the historical cost convention on the going concern concept.

**Method of Accounting:** The Company adopts accrual basis in the preparation of the accounts.

**Rounding of Figures:** Figures are rounded off wherever required.

**Fixed Assets:** Fixed assets are stated at cost less depreciation. Expenditure which is of capital nature is capitalized at a cost which comprises purchase cost, levies and any directly attributable cost of bringing the asset to its working condition for the intended use.

**Depreciation:** Depreciation has been provided on the written down value method in accordance with the provision of Schedule XIV of the Companies Act, 1956 on assets which have been installed and put to use. Depreciation on addition is provided on pro-rata basis.

**Revenue Recognition:** Income is recognized on the basis of invoices raised for completed assignment and/or to the portion of the assignment completed as certified by the management.

**Contingent Liabilities:** All known liabilities have been provided for in the accounts except liabilities of a contingent nature, which have been disclosed at the estimated value in the notes on accounts (Rupees NIL).

**Preliminary Expenses:** Preliminary and pre-operative expenses are amortized over a period of 10 years.

**Others:** No provision has been made in the accounts for provident fund, gratuity and retirement benefits for the employees since no such scheme has been introduced in the Company.

Previous year's figures have been regrouped/recast wherever necessary so as to suit the current year layout.

#### Signatories to Schedules 1 to 9

As per our Report attached For ICICI KINFRA LIMITED

For MOHAN & MOHAN ASSOCIATES  
*Chartered Accountants*

R. SURESH MOHAN  
*Partner*

DR. G. C. GOPALA PILLAI  
*Director*

C. S. DAMLE  
*Director*

Thiruvananthapuram, April 17, 2000

Thiruvananthapuram, April 17, 2000

**Statement pursuant to Part IV, Schedule VI to the Companies Act, 1956  
Balance Sheet Abstract and Company's General Business Profile**

**1. Registration Details**

Registration No.     0 9 8 4 8  
 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

3 8 3 0 6 8 4

**Sources of Funds**

Paid-up Capital

3 0 0 7

Secured Loan

N I L

**Application of Funds**

Net Fixed Assets

1 0 4 5

Net Current Assets

2 3 8 2

Total Assets

3 8 3 0 6 8 4

Reserves & Surplus

8 2 3

Unsecured Loan

N I L

Investments

N I L

Miscellaneous Expenditure

4 0 2

**4. Performance of the Company**

(Amount in Rupees Thousand)

Turnover

1 0 7 5 6

Profit before Tax

6 1 3

Earnings per Share in Rupees

1 . 2 1

Total Expenditure

1 0 1 3 8

Profit after Tax

3 8 5

Dividend Rate %

N I L

**5. Generic Names of Principal Services of the Company**

(as per monetary terms)

Item Code No. (ITC Code) : Service

Product Description : Consultancy Services

As per our Report attached

For ICICI KINFRA LIMITED

For MOHAN & MOHAN ASSOCIATES  
Chartered Accountants

R. SURESH MOHAN  
Partner

DR. G. C. GOPALA PILLAI  
Director

Thiruvananthapuram, April 17, 2000

C. S. DAMLE  
Director