

ICICI SECURITIES PRIMARY DEALERSHIP LIMITED

15TH ANNUAL REPORT AND ACCOUNTS 2007-2008

Directors

S. Mukherji, *Chairman*
Vishakha Mulye
Uday Chitale
A. Murugappan
Subir Saha
Nitin Jain, *Managing Director & CEO*

Auditors

S. R. Batliboi & Co.
Chartered Accountants

Ranjan Prabhu
Company Secretary

Registered Office

ICICI Centre
H. T. Parekh Marg,
Churchgate,
Mumbai - 400 020.

directors' report

to the members

The Directors are pleased to present the Fifteenth Annual Report of ICICI Securities Primary Dealership Limited (the Company) with the audited financial statements for the year ended March 31, 2008.

The Reserve Bank of India (RBI) had, vide its circular dated July 4, 2006, prohibited a Primary Dealer (PD) to have a step-down subsidiary in India and abroad. In view of this circular, the Company was required to restructure its ownership pattern. Accordingly, in May, 2007, the Company transferred its holdings in ICICI Securities Limited to ICICI Bank Limited. As a result, ICICI Securities Limited has ceased to be a subsidiary of the Company. During the year, the Company also transferred its holdings in ICICI Securities Holdings, Inc. to ICICI Securities Limited and, with this transfer, ICICI Securities Holdings, Inc. ceased to be a subsidiary of the Company. With this the Company has no subsidiary in India or abroad.

As part of the RBI approved restructuring plan, the Merchant Banking business of the Company was to be carried on by ICICI Securities Limited. Accordingly, ICICI Securities Limited obtained the Merchant Banking licence from the Securities & Exchange Board of India (SEBI) on July 9, 2007 and the Company thereby surrendered its Merchant Banking licence to SEBI. After completion of the aforesaid reorganisation, the Company is now engaged in the following activities:

- Primary Dealership
- Portfolio Management Services
- Underwriting

Employees associated with the Institutional Broking and Merchant Banking businesses as well as certain other employees working in various departments have been transferred from the Company to ICICI Securities Limited.

INDUSTRY OVERVIEW

India's economy showed signs of slowing in FY2008 on account of higher interest rates, an appreciating currency, turmoil in global financial markets and a marked slowdown in the US economy. The domestic economy is estimated to have expanded 8.70% (CSO advance estimates), followed by 9.60% growth previous year. Investment demand continued to drive overall growth even as domestic consumption and external demand softened. Moderation in domestic growth along with deep cuts in US Federal Funds Target Rate (FFTR) prompted expectations that RBI may end its tightening stance. However, the spike in inflation towards end fiscal has clouded the picture on interest rates.

Inflation moderated in the first half of the year, with headline WPI inflation declining to 3.1% in October 2007 from 6.40% in April 2007. The fall in headline was aided by favourable base effects, limited pass-through of global fuel prices and moderation in manufacturing inflation. Post bottoming out in October 2007, inflation edged up gradually to 4.10% by early February 2008, whence headline inflation shot up within two months to 7% on the back of hike in domestic fuel prices and rising prices of minerals, metals and food articles. Among other indicators, non-food credit growth decelerated to 22% in March 2008 from 28% YoY at beginning-fiscal. Liquidity remained surplus through the first half of the year before tightening from November 2007 onwards due to seasonal effects and sterilisation efforts by the RBI.

With Balance of Payment surplus more than doubling from previous year, the RBI maintained focus on liquidity management and eschewed tightening via rate hikes on account of earlier actions and slowing down of credit growth during the year. In fact, the Central Bank hiked CRR 100 bps in the policy reviews of July and October 2007,

to suck out excess liquidity. Further, the RBI stepped up issuances of MSS securities during the year. As a result of active liquidity management, money market conditions remained orderly during advance tax payment periods and fiscal year-end in sharp contrast to previous year.

With inflation in a declining trend in the first half and remaining within the RBI's stated comfort zone in Q3, expectations of RBI softening its stance were built up prior to the policy review of January 2008. Expectations were underpinned by deterioration in global financial conditions, worsening of US outlook and 125 bps cut in FFTR by the US Federal Reserve (Fed). However, the Central Bank stuck to its stance of vigilance on inflation and maintained *status quo* on rates. With WPI inflation spiking ~200 bps in four readings in March 2008, the Central Bank has noted that current inflation level is 'much more than anticipated'. With the Government taking a number of steps to contain inflation, it remains to be seen whether RBI follows up with monetary measures in the April 2008 annual policy.

Government bond yields changed direction four times during the year. Broadly yields went up in the first quarter on the back of lingering effects of the RBI tightening measures in previous quarter and additional supply of Government paper to fund the SBI stake transfer. The rise in yields was in sharp contrast to the prevailing situation in money markets, where excess liquidity and cap on the reverse repo window saw overnight rates drop to 0%. Yields dropped from these highs prior to the policy of July 2007 and then moved up a tad, after the RBI hiked CRR and withdrew the cap on reverse repo window. From August till December 2007, yields remained range bound before dropping ~ 50 bps in the run up to the policy of January 2008, post which yields edged up before spiking on account of upside surprise in WPI inflation. Over the year, the benchmark 10Y yield fell by just 4 bps from 7.97% to 7.93%; intra-year the yield ranged between 7.37% and 8.40%. The 1Y-10Y spread widened marginally from 42 bps to 44 bps. During the year, however, it had dipped to as low as 7 bps.

Globally, the Fed cut FFTR by 300 bps to 2.25% starting from September 2007. Apart from monetary easing, the Fed took several other steps to enhance provision of liquidity to market participants against variety of collateral in order to ease strains in money and credit markets. The European Central Bank (ECB) hiked its policy rates by 25 bps in Q1 before maintaining *status quo* through the fiscal year. The Bank of Japan (BoJ) held its policy rate unchanged at 0.5%. The People's Bank of China (PBoC) continued tightening monetary conditions through a combination of higher reserve requirements and rate hikes.

FINANCIAL HIGHLIGHTS

	(Rs. in million)	
	Fiscal 2008	Fiscal 2007
Gross Income	5,172.36	4,246.75
Profit before Tax	2,107.43	1,901.05
Provision for Tax	710.58	575.59
Profit after Tax	1,396.85	1,325.46

Profit after tax (PAT) for the year ended March 31, 2008 was at Rs. 1,396.85 mn (previous year Rs. 1,325.46 mn). After taking into account the balance of Rs. 263.46 mn (previous year Rs. 396.16 mn) brought forward from the previous year, the profit available for appropriation is Rs. 1,660.31 mn (previous year Rs. 1,721.62 mn) of

which Rs. 139.69 mn (previous year Rs. 132.55 mn) and Rs. 279.37 mn (previous year Rs. 265.09 mn) have been transferred to General Reserve and Special Reserve respectively.

DIVIDEND

During the year, the Company declared four interim dividends aggregating 42% and amounting to Rs. 680.82 mn. The Directors are pleased to recommend the aggregate of interim dividends at Rs. 680.82 mn as final dividend for the year.

OPERATIONAL REVIEW

The Company continued to perform well in a competitive environment, despite unfavourable market conditions. During the year, the Company's networth increased to Rs. 4.71 bn in FY2008 from Rs. 4.11 bn in FY2007, a 14.6% increase; after-tax return on networth was 31.66%.

During the year, the Company listed debentures worth Rs. 650 mn in the F Group – Debt Instruments on the Bombay Stock Exchange Limited (BSE). With these issues, the Company has debentures worth Rs1,300 mn listed on the BSE.

Fixed Income

During the past year, the Company continued to maintain its leadership in the fixed income market despite operating in an uncertain environment. The key differences in the operating environment compared to the previous year was long period of stability interspersed with bouts of volatility and a significant increase in supply of Government Securities due to higher MSS issuances, State Government bonds and special securities.

The Company's PD business enjoyed another profitable year. The Company successfully met its underwriting and bidding commitments in the primary market and traded actively in the secondary market to achieve an overall turnover in excess of Rs. 1 trn. In the non-Government securities market, the year started off with historic high credit spreads of 300 bps at the short end due to monetary tightening measures carried out towards the end of the previous year. Spreads narrowed as overnight rates fell from double-digit levels to –0% in Q1. However, spreads bottomed out by July 2007, with the RBI withdrawing the cap and the Government tightening ECB norms. The Company's non-government securities trading activity was able to capture nearly the entire movement in spreads and yields during these volatile times. The turnover achieved was Rs. 137.51 bn in corporate bonds.

In interest rate swaps, the emphasis was on enhancing profitability, facilitating hedging by other books and reducing usage of capital. The uncertain rate outlook necessitated significant recourse to derivatives this year and the Company recorded unprecedented volumes.

The Company maintained its high level of performance in the debt capital markets business, with volumes of more than Rs. 370 bn and significant revenue share in the domestic market. The Company is ranked as number 2 in Prime league tables for FY2008. The Company is the only non-bank entity among the top 5 players in the market. Highlights of the year include syndication of India's first distressed debt fund, SBI bonds issue and corporate deals such as JSW Steel Limited, Alembic Limited and Deccan Chronicle Holdings Limited. The Company was awarded 'Domestic Bond House in India' by Asiamoney and 'Best Bond House in India' by FinanceAsia for CY2007.

Portfolio Management Services

In addition to managing the funds belonging to the Coal Mines Provident Fund Organisation (CMPFO), under the Ministry of Coal, the Company was awarded the mandate to manage funds belonging to the Kendriya Vidyalaya Sangathan Employees Provident Fund under the Ministry of Human Resource Development, effective July 2007. This is the second discretionary fund management mandate that the Company has secured.

Overall Gross Assets Under Management (AUM, on discretionary basis) stand at Rs. 363.97 bn as at March 31, 2008. The Company is proactively targeting new clients to increase the AUM.

Corporate Finance

Corporate Finance activities including Merchant Banking were carried out by the Company during the period from April 1, 2007 to August 14, 2007. During this period, several prestigious transactions like public offerings of DLF Limited, ICICI Bank Limited, BEML, HDIL, Omaxe and Advisory for Raipur Alloys & Steel Limited and advisory to Rave Entertainment Limited in its sale of exhibition business to Adlabs were managed by the Company. Post August 14, 2007, the Merchant Banking activities were carried on by ICICI Securities Limited.

Risk Management

As a financial services company, risk management forms the core of its various business operations. The Corporate Risk Management Group is committed to framing effective and contemporary risk management policies addressing areas such as market and

credit risks. The Group has developed comprehensive risk management policies, which seek to minimise risks generated by the activities of the Company. The Group continuously enhances its risk management and control procedures to better identify and monitor risks and to proactively take appropriate actions to mitigate the same. The Company has constituted an internal Risk Management Committee comprising of the Managing Director & CEO and Senior Executives from cross-functional areas. The Committee debates on various aspects of risk management and, among other things, decides risk and investment policies for its various businesses and ensures compliance with regulatory guidelines on risk management as well as with all the prudential and exposure limits sanctioned by the Board of Directors.

OUTLOOK

Fixed Income

In the year ahead, the Central Bank will need to carefully calibrate monetary stance in an uncertain macro environment in India as well as globally. Rise in domestic inflation and elevated levels of global commodity prices pose a threat to inflation expectations. With the Government and the RBI reiterating the importance of containing inflation, the monetary policy will be weighted towards that objective. However, the Central Bank will also be mindful of the fact that aggregate demand conditions have softened and may continue to remain so in the current year, in the face of weak global demand and moderation in domestic consumption demand. In this milieu, the RBI is likely to adopt a risk minimisation strategy and focus on modulating liquidity and eschew rate hikes unless inflation numbers continue to surprise on the upside. Globally, the Fed is likely to pause its easing campaign by the middle of the year while the ECB may start to ease rates by the last quarter of CY2008. The tightening of credit conditions in global markets, elevated levels of oil prices and slowdown in domestic growth foreshadow moderation in capital inflows into India and absence of any appreciating pressure on the rupee. Bond yields are likely to firm up in the first quarter of FY2009 before likely declining towards the end of the calendar year. However, volatility may pick up this year compared to last year reflecting the uncertain macro-economic environment.

PUBLIC DEPOSITS

During the year, the Company has not accepted any deposit under Section 58A of the Companies Act, 1956.

DIRECTORS

During the year K. V. Kamath, Kalpana Morparia and Nachiket Mor resigned from the Board. The Board places on record its appreciation for the valuable services rendered by them. On the resignation of K. V. Kamath, S. Mukherji was appointed as the Chairman of the Board, effective July 17, 2007. Nitin Jain was appointed as an Additional Director, effective June 21, 2007 and was appointed as Director in the Annual General Meeting of the Company held on June 29, 2007. Later, he was appointed as the Managing Director & CEO of the Company, effective August 29, 2007 in place of S. Mukherji. During the year, A. Murugappan, Subir Saha and Vishakha Mulye were appointed as Additional Directors.

In terms of Section 260 of the Companies Act, 1956, A. Murugappan, Subir Saha and Vishakha Mulye hold office as Additional Directors up to the forthcoming Annual General Meeting of the Company, but are eligible for appointment as Director.

In terms of the provisions of the Articles of Association of the Company, Uday Chitale will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment.

AUDITORS

The Statutory Auditors, S. R. Batliboi & Co., Chartered Accountants, Mumbai, will retire at the ensuing Annual General Meeting. The Board at its Meeting held on April 22, 2008 has proposed their re-appointment as Auditors to audit the accounts of the Company for the financial year ending on March 31, 2009. S. R. Batliboi & Co, the retiring Auditors, have indicated their willingness to be re-appointed. You are requested to consider their re-appointment.

FOREIGN EXCHANGE EARNING AND EXPENDITURE

During FY2008, expenditure in foreign currencies amounted to Rs. 4.13 mn (previous year: Rs. 2.64 mn) and earnings in foreign currencies amounted to Rs. 10.12 mn (previous year: Rs. 34.36 mn).

PERSONNEL AND OTHER MATTERS

As required by the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report.

Since the Company does not own any manufacturing facility, disclosure of information relating to conservation of energy and technology absorption 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, are not applicable and, hence, not given.

directors' report

AUDIT COMMITTEE

The Audit Committee comprises of Uday Chitale, S. Mukherji, Nitin Jain and Vishakha Mulye as its members. Uday Chitale, an Independent Director, is the Chairman of the Audit Committee. During the year, Kalpana Morparia and Nachiket Mor resigned from the Committee upon their ceasing to be Directors. The Committee met to review the accounts, internal control systems and significant accounting policies of the Company and to discuss the audit findings and recommendations of the internal and statutory auditors.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000, the Directors of the Company confirm-

1. that the applicable accounting standards have been followed in preparation of final accounts and that there are no material departures;
2. that such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2008 and of the profit of the Company for the period ended on that date;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. that the annual accounts have been prepared on a going concern basis.

CORPORATE PHILOSOPHY AND COMPLIANCE

The Company firmly believes that corporate governance and compliance practices are of paramount importance to maintain the trust and confidence of stakeholders, clients, good reputation of the Company and the unquestioned integrity of all personnel involved

in the Company. To ensure transparency, fairness and objectivity in an organisation's functioning, the Company has proactively adopted best practices as regards corporate governance and compliance. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, *inter alia*, priority to clients' interests over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

ACKNOWLEDGEMENTS

The Directors thank the clients for the confidence reposed, which has enabled the Company to successfully deliver well structured solutions through timely execution in a preferred way.

The Directors also thank the Company's bankers, lenders, Government of India, Securities and Exchange Board of India, the Reserve Bank of India and other statutory authorities for their continued support to the Company.

The Directors express their gratitude for the unstinted support and guidance received from its shareholder, ICICI Bank Limited and other group companies.

The Directors also express their sincere thanks and appreciation to all the employees for their commendable teamwork, professionalism and contribution during the year.

For and on behalf of the Board

S. MUKHERJI
Chairman

Mumbai, April 22, 2008

auditors' report

to the members of ICICI Securities Primary Dealership Limited (formerly known as ICICI Securities Limited)

1. We have audited the attached Balance Sheet of ICICI Securities Primary Dealership Limited (formerly known as ICICI Securities Limited) ('the Company') as at March 31, 2008 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 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.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. 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;
 - ii. 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 those books;
 - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
- v. On the basis of the written representations received from the directors, as on March 31, 2008, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. 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 in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2008;
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For S. R. BATLIBOI & CO.
Chartered Accountants

per VIJAY MANIAR
Partner

Membership No.: 36738

Mumbai, April 22, 2008

annexure to the auditors' report

Annexure referred to in paragraph 3 of our report of even date

Re: ICICI Securities Primary Dealership Limited (formerly known as ICICI Securities Limited)

- (i) (a) The fixed assets of the Company comprise leased fixed assets and other fixed assets. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets, except leased assets, were physically verified by the management in the year in accordance with a planned program of verifying them which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The securities held as stock in trade and in custody of the Company have been physically verified by the management at reasonable intervals while securities held by the custodian are verified with the confirmation statement received from them on a regular basis. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no discrepancies were noticed on comparing the statement from custodian with book records.
- (iii) As informed, the Company has not granted nor taken any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of securities and fixed assets and for the sale of securities and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The provision of clause (viii) of the Order is not applicable to the Company in the year under audit and hence not reported upon.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, wealth tax, service tax and other material statutory dues applicable to it. The provisions of Investor Education and Protection Fund, customs duty, excise duty and cess are not applicable to the Company in the current year.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, sales-tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in thousand)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of expenses U/s 14A and Sec 73	11,960 290	AY 1998-99 AY 2005-06	ITAT CIT (A)
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

annexure to the auditors' report

- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In respect of dealing/trading in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company, in its own name.
- (xv) According to the information and explanations given to us, the Company has given counter guarantee for loans taken by subsidiary from bank, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.
- (xvi) The Company did not have any term loans outstanding during the year. For this purpose loans with repayment periods beyond 36 months are considered as long term loans.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding secured debentures during the year.
- (xx) The Company has not raised any money through a public issue.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For S. R. BATLIBOI & CO.
Chartered Accountants

per VIJAY MANIAR
Partner

Membership No.: 36738

Mumbai, April 22, 2008

schedules



forming part of the Accounts

	March 31, 2008	(Rs. in 000's) March 31, 2007
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SCHEDULE "A" – SHARE CAPITAL

Authorized:

50,000 Equity Shares of Rs. 1,00,000 each (Previous year 50,000 Equity Shares of Rs. 1,00,000 each)	5,000,000.00	5,000,000.00
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Issued, Subscribed & Paid Up:

16,210 Equity Shares (Previous year 16,210) of Rs. 1,00,000 (Previous year - Rs. 1,00,000) each	1,621,000.00	1,621,000.00
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Notes:

Of the above, 16,210 Equity Shares of Rs. 100,000 each (Previous year - 16,201 Equity Shares of Rs. 1,00,000) each are held by ICICI Bank Limited (the Holding company) and its nominees.

SCHEDULE "B" – RESERVES AND SURPLUS

	Balance as on April 1, 2007	Additions/transfer during the year	Deductions/transfer during the year	Balance as at March 31, 2008	Balance as at March 31, 2007
General Reserve	132,550.00	139,690.00	—	272,240.00	132,550.00
Special Reserve (maintained under Section 45 IC of the RBI Act, 1935)	1,686,060.00	279,370.00	—	1,965,430.00	1,686,060.00
Capital Redemption Reserve	409,030.00	—	—	409,030.00	409,030.00
Profit and Loss Account	263,460.00	1,396,850.00	1,215,590.00	444,720.00	263,460.00
Total	<u>2,491,100.00</u>			<u>3,091,420.00</u>	<u>2,491,100.00</u>

SCHEDULE "C" – SECURED LOANS

	(Rs. in 000's)	
	March 31, 2008	March 31, 2007
Borrowings under LAF (Secured by pledge of Govt. securities of Face Value Rs.Nil) (Previous year Rs.1,482,000.00 thousands)	—	1,400,000.00
Collateralised Borrowings (Secured by pledge of Govt. securities of Face Value Rs. 3,120,000.00 thousands) (Previous year Rs. 2,115,400.00 thousands)	3,139,050.00	139,850.00
Total	<u>3,139,050.00</u>	<u>1,539,850.00</u>

SCHEDULE "D" – UNSECURED LOANS (Continued)

	(Rs. in 000's)	
	March 31, 2008	March 31, 2007
11.05% Debentures 2008 (Redeemable at par by April 2008)	1,000,000.00	—
8.50% Debentures 2008 (Redeemable at par by April 2008)	1,000,000.00	—
Floating Rate Debentures (Redeemable at par by December 2007)	—	150,000.00
Floating Rate Debentures (Redeemable at par by April 2007)	—	1,000,000.00
Floating Rate Debentures (Redeemable at par by May 2007)	—	500,000.00
Floating Rate Debentures (Redeemable at par by June 2007)	—	1,229,000.00
16.00% Debentures 2007 (Redeemable at par by June 2007)	—	750,000.00
12.00% Debentures 2007 (Redeemable at par by April 2007)	—	250,000.00
16.00% Debentures 2007 (Redeemable at par by April 2007)	—	500,000.00
15.10% Debentures 2007 (Redeemable at par by April 2007)	—	217,000.00
15.00% Debentures 2007 (Redeemable at par by April 2007)	—	598,500.00
Total	<u>14,130,050.00</u>	<u>9,578,670.00</u>

SCHEDULE "D" – UNSECURED LOANS

Subordinated Bonds issued as Tier III Capital	1,400,000.00	1,600,000.00
Subordinated Bonds issued as Tier II Capital	500,000.00	250,000.00
Inter-Corporate Borrowings	—	1,150,000.00
Money at Call and Short Notice		
– From Banks	6,800,000.00	—
– From Others	—	—
Commercial Paper Borrowings	996,050.00	1,384,170.00
Floating Rate Debentures (Redeemable at par by June 2008)	2,284,000.00	—
10.15% Debentures 2008 (Redeemable at par by April 2008)	150,000.00	—

schedules

forming part of the Accounts

Continued

SCHEDULE "E" – FIXED ASSETS

(Rs. in 000's)

	Gross Block (at Cost)				Accumulated Depreciation				Net Block	
	April 1, 2007	Additions	Sale/Adj.	March 31, 2008	April 1, 2007	Additions	Sale/Adj.	March 31, 2008	March 31, 2008	March 31, 2007
TANGIBLE										
Plant & Machinery/Electrical Installation	5,510.00	—	—	5,510.00	630.00	420.00	—	1,050.00	4,460.00	4,880.00
Office Equipment	32,350.00	2,000.00	5,640.00	28,710.00	13,180.00	3,060.00	2,190.00	14,050.00	14,660.00	19,170.00
Computers	48,780.00	2,930.00	1,950.00	49,760.00	35,100.00	10,190.00	1,960.00	43,330.00	6,430.00	13,680.00
Furniture & Fixtures	10,140.00	420.00	270.00	10,290.00	1,870.00	1,510.00	270.00	3,110.00	7,180.00	8,270.00
Vehicles	5,020.00	—	30.00	4,990.00	2,070.00	1,090.00	30.00	3,130.00	1,860.00	2,950.00
INTANGIBLE										
Software	17,070.00	1,940.00	100.00	18,910.00	10,820.00	3,360.00	80.00	14,100.00	4,810.00	6,250.00
Total	118,870.00	7,290.00	7,990.00	118,170.00	63,670.00	19,630.00	4,530.00	78,770.00	39,400.00	55,200.00
Assets Given on lease (Plant & Machinery)	210,000.00	—	—	210,000.00	210,000.00	—	—	210,000.00	—	—
Total	328,870.00	—	—	328,170.00	273,670.00	19,630.00	4,530.00	288,770.00	39,400.00	55,200.00
Capital Work-in-Progress	960.00	3,920.00	960.00	3,920.00	—	—	—	—	3,920.00	—
Previous year	112,940.00	25,600.00	19,670.00	118,870.00	66,280.00	14,240.00	16,850.00	63,670.00	55,200.00	—

SCHEDULE "F" – INVESTMENTS - LONG TERM

(Rs. in 000's)

Name of the Company	Quantity in thousands	Face Value per unit (Rs.)	March 31, 2008	March 31, 2007
In Equity Shares of Subsidiary Company - Unquoted and fully paid up				
ICICI Securities Limited (Formerly known as ICICI Brokerage Services Limited)	Nil (4,500.7)	10.00	—	45,010.00
ICICI Securities Holdings Inc.	Nil (7,700.0)	*	—	343,720.00
Total			—	388,730.00

Notes:

* Face Value of US Dollar 1.00 per unit

SCHEDULE "G" – INTEREST ACCRUED

On Stock-in-Trade	234,260.00	67,950.00
On Loans & Advances	21,100.00	42,440.00
Total	255,360.00	110,390.00

SCHEDULE "H" – SECURITIES HELD AS STOCK-IN-TRADE

(Rs. in 000's)

(at lower of cost or market value categorywise) (Quoted unless otherwise stated)	Total Face Value Rs. in 000's	March 31, 2008	March 31, 2007
Government of India Securities & Deemed Government of India Securities			
11.90% Government of India 2007	Nil (52,000)	—	52,210.00
12.00% Government of India 2008	Nil (295,600)	—	307,420.00
7.37% Government of India 2014	Nil (7,000)	—	6,750.00
8.07% Government of India 2017	Nil (1,408,000)	—	1,408,830.00
11.83% Government of India 2014	Nil (5,500)	—	6,660.00
7.95% Jammu And Kashmir Sdl 2017	Nil (50)	—	50.00
8.38% Uttaranchal Sdl 2017	Nil (50)	—	50.00
8.45% Jammu And Kashmir Sdl 2017	Nil (80)	—	80.00
7.99% Government of India 2017	1,971,400 (Nil)	1,977,320.00	—
8.03% Government of India Fci Spl Bonds 2024	4,500 (Nil)	4,170.00	—
8.15% Government of India Fci Special Bonds 2022	60,000 (Nil)	56,690.00	—
8.20% Government of India 2022	350,000 (Nil)	349,480.00	—
8.35% Government of India 2022	150,000 (Nil)	151,800.00	—
7.95% Oil Market Co Government of India 2025	100,000 (Nil)	91,940.00	—
12.25% Government of India 2010	2,100,000 (Nil)	2,298,250.00	—

SCHEDULE "H" – SECURITIES HELD AS STOCK-IN-TRADE (Continued)

(Rs. in 000's)

(at lower of cost or market value categorywise) (Quoted unless otherwise stated)	Total Face Value Rs. in 000's	March 31, 2008	March 31, 2007
5.87% Government of India 2010	350,000 (Nil)	340,170.00	—
8.43% Madhya Pradesh Sdl 2017	98,700 (Nil)	99,590.00	—
11.50% Andhra Pradesh Sdl 2008	250,000 (Nil)	254,000.00	—
11.50% Bihar Sdl 2008	250,000 (Nil)	254,000.00	—
11.50% Orissa Sdl 2008	77,300 (Nil)	78,540.00	—
11.50% Uttar Pradesh Sdl 2008	695,456 (Nil)	706,590.00	—
12.15% Haryana Sdl 2008	213,000 (Nil)	213,450.00	—
12.15% Himachal Pradesh Sdl 2008	45,000 (Nil)	45,090.00	—
12.15% Maharashtra Sdl 2008	47,200 (Nil)	47,300.00	—
12.15% Rajasthan Sdl 2008	50,000 (Nil)	50,110.00	—
7.87% West Bengal Sdl 2018	12,830 (Nil)	12,480.00	—
8.45% Andhra Pradesh Sdl 2018	601,500 (Nil)	608,130.00	—
8.58% Jammu And Kashmir Sdl 2017	3,840 (Nil)	3,900.00	—
		7,643,000.00	1,782,050.00

Treasury Bills

182 Day Treasury Bill 01-06-2007	Nil (220,000)	—	217,300.00
182 Day Treasury Bill 07-09-2007	Nil (960,000)	—	928,970.00
182 Day Treasury Bills 06-04-2007	Nil (30,000)	—	29,960.00
364 Day Treasury Bill 07-12-2007	Nil (100,000)	—	95,010.00
364 Day Treasury Bill 23-11-2007	Nil (250,000)	—	238,190.00
364 Day Treasury Bill 25-05-2007	Nil (38,200)	—	37,780.00
364 Day Treasury Bill 28-09-2007	Nil (50,000)	—	48,180.00
91 Day Treasury Bill 01-06-2007	Nil (67,225)	—	66,390.00
91 Day Treasury Bill 06-04-2007	Nil (100,000)	—	99,860.00
91 Day Treasury Bill 08-06-2007	Nil (500,000)	—	492,970.00
91 Day Treasury Bill 11-05-2007	Nil (44,400)	—	44,040.00
91 Day Treasury Bill 19-05-2007	Nil (50,000)	—	49,520.00
91 Day Treasury Bill 20-04-2007	Nil (230,000)	—	229,030.00
91 Day Treasury Bill 25-05-2007	Nil (960,000)	—	949,440.00
182 Day Treasury Bill 04-04-2008	3,000 (Nil)	3,000.00	—
		3,000.00	3,526,640.00

Commercial Papers & Certificates of Deposit

Abn Amro Bank 19-09-2007 Cd	Nil (250,000)	—	237,570.00
Allahabad Bank 12-03-2008 Cd	Nil (500,000)	—	451,780.00
Canara Bank 04-03-2008 Cd	Nil (250,000)	—	226,900.00
Idbi Limited 10-03-2008 Cd	Nil (450,000)	—	406,830.00
Punjab National Bank 26-03-2008 Cd	Nil (500,000)	—	451,130.00
State Bank of Mysore 19-03-2008 Cd	Nil (250,000)	—	225,950.00
Union Bank of India 21-03-2008 Cd	Nil (1,000,000)	—	903,270.00

schedules

AICICI Securities
Primary Dealership Limited

forming part of the Accounts

Continued

		(Rs. in 000's)				(Rs. in 000's)	
		March 31, 2008	March 31, 2007			March 31, 2008	March 31, 2007
Abn Amro Bank 21-10-2008 Cd	250,000 (Nil)	235,560.00	—	Debentures (Unquoted)			
Allahabad Bank 09-02-2009 Cd	250,000 (Nil)	228,220.00	—	17.50% Grapco Granites Limited 1998	20,000 (20,000)	18,250.00	18,250.00
Canara Bank 23-03-2009 Cd	250,000 (Nil)	228,340.00	—	17.50% Grapco Granites Limited 2000	15,000 (15,000)	13,100.00	13,100.00
Canara Bank 26-03-2009 Cd	250,000 (Nil)	228,040.00	—	17.50% Grapco Mining Limited 1995	10,000 (10,000)	9,310.00	9,310.00
Icici Bank Limited 10-03-2009 Cd	750,000 (Nil)	680,980.00	—	18.00% Parasrampuriah Synthetics Limited 1999	20,000 (20,000)	17,620.00	17,620.00
Icici Bank Limited 17-02-2009 Cd	250,000 (Nil)	228,240.00	—	19.50% Grapco Granites Limited 1998	20,000 (20,000)	18,920.00	18,920.00
Icici Bank Limited 27-02-2009 Cd	250,000 (Nil)	227,180.00	—	20.00% Das Lagerwey 1996	30,000 (30,000)	30,000.00	30,000.00
Icici Bank Limited 02-03-2009 Cd	500,000 (Nil)	455,550.00	—	22.00% GTV Spinners Limited 1996	4,529 (4,529)	4,480.00	4,480.00
Icici Bank Limited 10-03-2009 Cd	500,000 (Nil)	454,700.00	—				
Icici Bank Limited 26-02-2009 Cd	500,000 (Nil)	454,480.00	—			111,680.00	111,680.00
Icici Bank Limited 26-03-2009 Cd	500,000 (Nil)	455,540.00	—	Equity (Face Value Rs.10 unless specified otherwise)			
Indian Bank 17-03-2009 Cd	750,000 (Nil)	684,130.00	—	Aldrich Pharmaceuticals Limited	2,400 (2,400)	—	—
Oriental Bank of Commerce 25-03-2009 Cd	1,000,000 (Nil)	911,370.00	—	Andhra Bank Limited	200 (Nil)	1,470.00	—
Punjab National Bank 05-03-2009 Cd	250,000 (Nil)	228,200.00	—	Bank of Baroda	Nil (168)	—	3,610.00
Punjab National Bank 06-01-2009 Cd	1,000,000 (Nil)	924,060.00	—	Bharat Forge Co. Limited - Fv Rs. 2	19 (19)	2,500.00	2,960.00
Punjab National Bank 10-03-2009 Cd	250,000 (Nil)	228,770.00	—	Biochem Synergy Limited	635 (635)	—	—
Punjab National Bank 24-02-2009 Cd	1,000,000 (Nil)	909,420.00	—	Cadbury India Limited	* (*)	—	—
State Bank of Bikaner & Jaipur 26-11-2008 Cd	250,000 (Nil)	234,570.00	—	Dataline & Research Technologies	* (*)	—	—
Uco Bank 12-03-2009 Cd	250,000 (Nil)	228,520.00	—	Hiralal Print Works	1,935 (1,935)	—	—
Uco Bank 26-03-2009 Cd	250,000 (Nil)	227,770.00	—	Iaer Industries Limited	1,500 (1,500)	—	—
		8,453,640.00	2,903,430.00	India Containers Limited	934 (934)	—	—
				Infosys Technologies Limited - Fv Rs. 5	Nil (5)	—	1,820.00
Bonds & Debentures				Inland Printers Limited	7,992 (7,992)	—	—
Frb (5.78%) Sundaram Finance Limited 25-08-2008	Nil (250,000)	—	233,030.00	Jsw Steel Limited	Nil (2,772)	—	136,660.00
Frb (5.781%) Cifco 10-06-2008 (P/C 10-06-2007)	Nil (150,000)	—	148,140.00	Kallam Spinning Mills Limited	4,634 (4,634)	8,180.00	10,190.00
Frb (7.682%) Lic Hsg Fin Limited 11-08-2012P/C11-08-10	Nil (300,000)	—	283,200.00	Knoll Pharmaceuticals Limited	* (*)	—	—
Frb (12.15%) Mukand Limited 15-12-2011	Nil (250,000)	—	258,680.00	Lanco Industries Limited	* (*)	—	—
Frb Deccan Chronicle Limited 19-01-2008 Dpc Nmb+0.25%Nil (1,000,000)	—	—	1,000,000.00	Maruti Udyog Limited	15 (15)	2,480.00	2,460.00
9.83% Shriram Transport Finance Co Limited 18-01-2009440,000 (440,000)		40.00	40.00	Mil Industries Limited	350 (350)	—	—
10.10% Hdfc Limited 20-03-2017	Nil (375,000)	—	375,000.00	Nucent Finance Limited	1 (1)	—	—
10.55% Sundaram Finance Limited 15-04-2008	Nil (1,000)	—	990.00	Orissa Lamp Limited	7,215 (7,215)	—	—
10.55% Sundaram Finance Limited 15-04-2008 A	Nil (99,000)	—	98,270.00	Otis Elevator Company (India) Limited	* (*)	—	—
8.50% Hdfc Limited 29-08-2009	Nil (108,000)	—	104,220.00	Parakaram Tehcnofab Limited	1,910 (1,910)	—	—
9.85% Export Import Bank of India 15-03-2017	Nil (37,000)	—	33,300.00	Parasrampuriah Synthetics Limited	1,246 (1,246)	10.00	10.00
10.10% United Bank of India 27-04-2017	Nil (100,000)	—	99,000.00	Parasrampuriah Synthetics Limited	905 (905)	—	—
9.45% Union Bk of India Perptl Call 10-10-2016	Nil (19,000)	—	17,100.00	Philips India Limited	* (*)	—	—
9.98% Icici Bank Tier I Perpetual Call 13-09-2016	Nil (18,000)	—	16,200.00	Premier Explosives Limited	Nil (400)	—	1,650.00
8.00% Exim Bank 27-09-2009 P/C 27-09-2008 A	150,000 (Nil)	148,510.00	—	Rayban Sun Optics India Limited	* (*)	—	—
8.95% Idfc 07-01-2013	50,000 (Nil)	49,000.00	—	Reckitt & Cleman India Limited	* (*)	—	—
9.01% Power Finance Corporation 15-02-2011	250,000 (Nil)	246,500.00	—	State Bank of India	25 (1,733)	4,000.00	172,290.00
9.07% Rural Electrification Corp 28-02-2018	307,000 (Nil)	298,940.00	—	Subex Systems Limited	* (*)	—	—
9.40% Power Finance Corporation 25-03-2013	426,000 (Nil)	424,950.00	—	Sunshield Chemicals Limited	2 (2)	—	—
Frb (5.179%) Cifco 10-06-2008 (P/C 10-06-2007)	150,000 (Nil)	146,340.00	—	Tasc Pharmaceuticals Limited	Nil (1,000)	—	5,100.00
Frb (7.799%) Lic Hsg Fin Limited 11-08-2012P/C11-08-10	100,000 (Nil)	97,180.00	—	Videocon Industries Limited	Nil (100)	—	4,480.00
Frb (12.07%) Mukand Limited 15-12-2011	200,000 (Nil)	202,070.00	—	Whirlpool India Limited	* (*)	—	—
9.00% Canara Bank 09-01-2018	8,000 (Nil)	7,750.00	—	Widia India Limited	* (*)	—	—
9.35% Pnb 05-03-2023 Tier Ii Call 05-03-2018	15,000 (Nil)	14,520.00	—	Canara Bank Limited	Nil (96)	—	1,870.00
9.35% Sbh 19-03-2023 Call 19-03-2018	100,000 (Nil)	96,800.00	—	Cesc Limited	Nil (1,276)	—	48,100.00
9.78% Sbjj 15-10-2022 Call 15-10-2017	12,000 (Nil)	11,880.00	—	Gmr Infrastructure Limited	Nil (60)	—	2,160.00
9.85% Sbjj Perpetual Call 20-03-2018	10,000 (Nil)	10,000.00	—	Industrial Finance Corporation Limited	420 (14,569)	1,850.00	48,950.00
9.90% Syndicate Bank Perpetual Call 25-03-2018	50,000 (Nil)	50,000.00	—	Parsvnath Developers Limited	Nil (1,557)	—	40,330.00
0% Nabard 01-01-2018 Zcb	179,200 (Nil)	73,500.00	—	Praj Industries Limited	Nil (792)	—	30,030.00
8.40% Hdfc 13-11-2009	100,000 (Nil)	98,380.00	—	Cadbury India Limited	* (*)	—	—
9.10% Idfc 08-02-2018	269,000 (Nil)	262,030.00	—	Dataline & Research Techno	* (*)	—	—
9.50% Hdfc 10-12-2017	96,000 (Nil)	95,980.00	—	Ismt Limited	1,250 (1,250)	6,930.00	8,690.00
9.51% Mah & Mah Fin 12-11-2010 Call 12-11-2007	250,000 (Nil)	247,510.00	—	Knoll Pharmaceuticals Limited	* (*)	—	—
9.80% Lic Housing Finance Limited 22-10-2017	44,000 (Nil)	44,730.00	—	Lanco Industries Limited	* (*)	—	—
9.18% State Bank of Travancore 08-01-2018	158,000 (Nil)	154,680.00	—	Otis Elevator Company (I).	* (*)	—	—
9.80% Icici Bank Limited 10-02-2013 Tier Ii	30 (Nil)	30.00	—	Philips India Limited	* (*)	—	—
		2,781,320.00	2,667,170.00	Rayban Sun Optics India Limited	* (*)	—	—
				Whirlpool India Limited	* (*)	—	—

	(Rs. in 000's)		(Rs. in 000's)	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
Widia India Limited	*(*)	—	—	—
Aegis Logistics Limited	Nil (451)	—	5,330.00	—
Akruti Nirman Limited	Nil (100)	—	4,070.00	—
Associated Cement Co. Limited	Nil (85)	—	6,250.00	—
Bajaj Auto Limited	Nil (53)	—	12,870.00	—
Dewan Housing Fin Corp Limited	Nil (500)	—	3,060.00	—
Dwarikesh Sugar Industries Limited	Nil (200)	—	1,490.00	—
Era Constructions (India)	Nil (50)	—	1,600.00	—
Great Offshore Limited	Nil (90)	—	5,480.00	—
House of Pearl Fashions Limited	165 (127)	2,270.00	4,290.00	—
India Cements Limited	Nil (100)	—	1,630.00	—
J B Chemicals And Pharma.	Nil (500)	—	3,930.00	—
Mahindra & Mahindra Limited	Nil (50)	—	3,900.00	—
Murudeshwar Ceramics Limited	Nil (700)	—	5,760.00	—
Omax Autos Limited Eq	Nil (400)	—	3,680.00	—
Royal Orchid Hotels Limited	755 (400)	6,930.00	8,290.00	—
Software Solution Int Limited	Nil (400)	—	7,280.00	—
Tanla Solutions Limited	Nil (20)	—	3,500.00	—
Technocraft Industries (India) Limited	700 (1,771)	3,620.00	16,660.00	—
Usha Martin Limited	Nil (135)	—	5,190.00	—
V B C Ferro Alloys	Nil (305)	—	2,160.00	—
Welspun Gujarat Stahl Rohren Limited	Nil (100)	—	2,080.00	—
Wockhardt Pharma Limited.	Nil (200)	—	7,960.00	—
Wyeth Limited Eq	Nil (100)	—	4,550.00	—
Heg Limited	Nil (100)	—	1,660.00	—
Alok Textile Industries Limited	400 (Nil)	2,290.00	—	—
Jaiprakash Associates Limited	105 (Nil)	2,380.00	—	—
Man Industries (I) Limited	175 (Nil)	4,330.00	—	—
Oriental Bank of Commerce	215 (Nil)	3,810.00	—	—
Patni Computer Systems Limited	25 (Nil)	2,780.00	—	—
Raymonds Limited	150 (Nil)	4,540.00	—	—
Reliance Communications Limited	25 (Nil)	2,550.00	—	—
Reliance Industries Limited	75 (Nil)	17,000.00	—	—
Tech Mahindra Limited	80 (Nil)	5,640.00	—	—
Ultratech Cemco Limited	62 (Nil)	4,860.00	—	—
Zylog Systems Limited	158 (Nil)	2,900.00	—	—
Oil And Natural Gas Corp.	30 (Nil)	2,940.00	—	—
		96,260.00	644,030.00	
Equity Unquoted (Face Value Rs. 10 unless specified otherwise)				
Jocil Ind Limited	2,371 (2,371)	17,780.00	17,780.00	—
Shri Renuga Textiles Limited	1,000 (1,000)	4,500.00	4,500.00	—
	—	22,280.00	22,280.00	—
Units of Mutual Funds				
Kotak Twin Advantage Ser Ili-Gr 422282/71	Nil (50,000)	—	50,000.00	—
Birla Sun Life Cash Mgr-Inst Ph-Gr 10135448/47	Nil (79,939)	—	100,000.00	—
Principal Cash Mngt Fd-Liq Opt-Inst Pre Pl Gr	791,998 (Nil)	1,000,000.00	—	—
		1,000,000.00	150,000.00	—
Total		20,111,180.00	11,807,280.00	
Less : Provision against Non-performing Assets/ Bad debts written off		111,680.00	111,680.00	
Grand Total		19,999,500.00	11,695,600.00	

Notes:

- Certain Debentures which have defaulted for payment on maturity date have been written off. However, the same have been continued to be disclosed as Stock-in-trade to reflect existence of the claim on the Issuer/ Seller.
- The aggregate carrying value and market value of quoted securities as at March 31, 2008 is Rs. 19,977,220.00 thousands and Rs. 19,977,220.00 thousands respectively (previous year Rs. 11,673,230.00 thousands and Rs. 11,671,760.00 thousands respectively).

SCHEDULE "I" – SUNDRY DEBTORS (Unsecured)

(A) Receivables outstanding for a period exceeding six months:

Considered good	57,080.00	88,150.00
Considered Doubtful	72,730.00	36,230.00

(B) Receivables outstanding for a period not exceeding six months:

Considered good	36,900.00	364,710.00
Considered doubtful	—	—
Trades executed but not settled	725,910.00	2,258,160.00
	892,620.00	2,747,250.00

Less: Provision for Doubtful Debts

	72,730.00	36,230.00
Total	819,890.00	2,711,020.00

Included in sundry debtors are:

- Dues from Companies under same management within the meaning of section 370 (1B).
ICICI Bank Limited Rs. 61,980.00 thousands (Previous year – Rs. 42,870.00 thousands).
ICICI Securities Limited Rs. Nil (Previous year – Rs. 7,870.00 thousands).
ICICI Securities Holdings Inc. Rs. Nil (Previous year – Rs. 90.00 thousands).

SCHEDULE "J" – CASH AND BANK BALANCES

Cash & Cheques on hand	40,170.00	90.00
In Current Accounts with Scheduled Banks	23,520.00	32,440.00
In Current Accounts with Reserve Bank of India	56,140.00	8,240.00
Fixed Deposits with Scheduled Banks	390.00	1,701,890.00
	120,220.00	1,742,660.00

Fixed Deposits with Scheduled Banks (Under Lien)

	250,000.00	801,600.00
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Under lien with ICICI Bank Rs. 250,000.00 thousands (previous year Rs.801,600.00 thousands)

Total	370,220.00	2,544,260.00
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SCHEDULE "K" – OTHER CURRENT ASSETS

Assets held for Sale	—	57,220.00
	—	57,220.00

SCHEDULE "L" – LOANS AND ADVANCES

(Unsecured and considered good unless otherwise stated)

(A) Loans:

Call Money Lent	—	—
Collateralised Lendings	1,471,080.00	—

Total (A)	1,471,080.00	—
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Advances:

(Recoverable in cash or in kind or for value to be received)

Security Deposit for Leased Premises	—	4,260.00
Other Advances and Deposits*	517,780.00	875,760.00
Application Money for Securities	410,000.00	1,000,000.00
Advance Tax (net of Provisions)	193,090.00	121,130.00
	1,120,870.00	2,001,150.00

Total	2,591,950.00	2,001,150.00
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Included in loans and advances are:

- Dues from Companies under same management within the meaning of section 370 (1B).
ICICI Lombard General Insurance Company Limited Rs. 1,140.00 thousands (Previous year – Rs. 3,160.00 thousands).
ICICI Securities Holdings Inc. Rs. 90.00 thousands (Previous year – Rs. Nil).
ICICI Securities Inc. Rs. 1,690.00 thousands (Previous year – Rs. Nil).
ICICI Prudential Life Insurance Company Limited Rs. 100.00 thousands (Previous year – Rs. Nil).

schedules

	(Rs. in 000's)		(Rs. in 000's)	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
SCHEDULE "M" – CURRENT LIABILITIES AND PROVISIONS				
(A) Current Liabilities:				
Interest Accrued but not due	126,680.00	140,080.00		
Sundry Creditors*	1,436,720.00	1,749,650.00		
Sundry Creditors for Expenses	11,080.00	51,950.00		
Other Liabilities	504,560.00	2,350,390.00		
Unclaimed Dividends	100.00	200.00		
Total (A)	2,079,140.00	4,292,270.00		
(B) Provisions:				
Proposed Dividend	—	48,630.00		
Employee Benefits	72,170.00	10,080.00		
Total (B)	72,170.00	58,710.00		
Includes amount payable to Micro, Small and Medium Enterprises Rs. Nil (Previous year Rs. Nil).				
SCHEDULE "N" – INCOME FROM SERVICES				
Issue Management Fees	158,390.00	326,810.00		
Financial Advisory Services	65,610.00	510,790.00		
Syndication Fees	129,670.00	139,070.00		
Underwriting Commission	21,800.00	5,990.00		
Brokerage and Commission	133,780.00	1,440.00		
Total	509,250.00	984,100.00		
SCHEDULE "O" – INTEREST INCOME:				
Interest on Securities Held As Stock in Trade	2,011,500.00	1,227,710.00		
Interest on Securities Held As Investments	—	192,990.00		
Income on Discounted Instruments				
- Stock in Trade	312,350.00	283,170.00		
Interest on Repo and Call Lendings	72,010.00	37,910.00		
Interest on Deposits For Leased Premises	—	8,020.00		
Interest on Other Loans and Advances	264,640.00	222,690.00		
Total	2,660,500.00	1,972,490.00		
SCHEDULE "P" – PROFIT ON SECURITIES (NET)				
Profit on Sale of Investments	—	5,990.00		
Profit on Stock In Trade	1,899,700.00	427,760.00		
Net Gain/(Loss) from interest rate derivatives	62,960.00	623,960.00		
Total	1,962,660.00	1,057,710.00		
SCHEDULE "Q" – OTHER INCOME				
Dividend Income from Mutual Funds/Companies*	18,210.00	208,180.00		
Recovery against Bad Debts Written Off	14,000.00	7,150.00		
Miscellaneous Income	7,650.00	17,120.00		
Profit on Sale of Fixed Assets	90.00	—		
Total	39,950.00	232,450.00		
* Includes an amount of Rs. Nil towards dividend from Subsidiary Companies (Previous year – Rs.189,030.00 thousands).				
SCHEDULE "R" – FINANCIAL CHARGES AND OPERATING EXPENSES				
Interest on Fixed Loans and Debentures			1,053,250.00	813,210.00
Interest on Borrowings from Reserve Bank of India			2,540.00	4,640.00
Interest on Repo and Call Borrowings			978,120.00	669,340.00
Procurement Expenses			201,530.00	105,570.00
Rating Agency Fees			6,450.00	3,830.00
Brokerage and Stamp Duty			57,070.00	32,890.00
Bank Charges			3,130.00	8,870.00
Custodial and Depository Charges			42,080.00	26,460.00
Doubtful Debts Written Off/Provided			183,150.00	55,300.00
Less: Opening Provision			45,990.00	45,990.00
Total			137,160.00	9,310.00
SCHEDULE "S" – PAYMENTS TO AND PROVISIONS FOR EMPLOYEES				
Salaries, Wages and Incentive			326,310.00	409,990.00
Contribution to Provident and other Funds			79,070.00	18,790.00
Staff Welfare Expenses			10,930.00	14,870.00
Total			416,310.00	443,650.00
SCHEDULE "T" – ESTABLISHMENT AND OTHER EXPENSES				
Rent and Amenities			71,250.00	76,760.00
Insurance			140.00	330.00
Business Promotion, Travelling and Conveyance Expenses			15,390.00	40,420.00
Repairs, Maintenance and Upkeep			4,260.00	16,900.00
Rates and Taxes			50.00	60.00
Electricity Expenses			9,800.00	9,210.00
Loss on Sale of Fixed Assets			—	1,830.00
Communication Expenses			2,860.00	8,530.00
Printing and Stationery			3,270.00	4,980.00
Subscription and Periodicals			16,030.00	17,500.00
Professional Fees			8,310.00	13,810.00
Advertisement Expenses			70.00	5,990.00
Auditors' Remuneration			1,760.00	2,060.00
Miscellaneous Expenses			14,470.00	15,010.00
Total			147,660.00	213,390.00
SCHEDULE "U": NOTES FORMING PART OF THE ACCOUNTS AND ACCOUNTING POLICIES				
1. Significant Accounting Policies:				
(i) Basis of Preparation				
The financial statements have been prepared to comply in all material respects in respects with the Notified Accounting Standards by Companies Accounting Standards Rules, 2006 and relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.				
(ii) Use of Estimates				
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.				

(iii) Change in the Accounting Policy

In the current year, the Company changed (with retrospective effect) its method of providing depreciation on fixed assets from the Written Down Value ("WDV") method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line method (SLM) at the rates based on technical estimates of useful life. Had the Company continued to use the earlier basis of providing depreciation, the charge to the Profit and Loss account after taxation for the current year would have been lower by Rs. 890 thousand and the net block of fixed assets would correspondingly have been higher by Rs. 1,340 thousand. The net charge of Rs. 890 thousand (after adjusting deferred tax credit of Rs. 460 thousand) arising out of retrospective recomputation has been recognised in the current year's profit and loss account.

(iv) Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

- Revenue from issue management, loan syndication, financial advisory services etc., is recognized based on the stage of completion of assignments and terms of agreement with the client.
- Gains and losses on dealing with securities are recognized on trade date.
- Interest income is accounted on an accrual basis except for non performing / doubtful assets, interest in respect of which is recognized, considering prudential norms for income recognition issued by Reserve Bank of India (RBI) for Non-Banking Financial Companies on a cash basis.
- Dividend income is recognized when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognized even if the same are declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of schedule VI of the Companies Act, 1956.

(v) Stock-in-Trade

- The securities acquired with the intention of holding for short-term and trading are classified as stock-in-trade.
- The securities held as stock-in-trade are valued at lower of cost arrived at on weighted average basis or market/ fair value, computed category-wise. In case of investments transferred to stock-in-trade, carrying amount on the date of transfer is considered as cost. Commission earned in respect of securities acquired upon devolvement is reduced from the cost of acquisition. Fair value of unquoted shares is taken at break-up value of shares as per the latest audited balance sheet of the concerned company. In case of debt instruments, fair value is worked out on the basis of yield to maturity rate selected considering quotes, where available and credit profile of the issuer and market related spreads over the government securities.
- Discounted instruments like Commercial paper/Certificates of Deposit/ treasury bills/zero coupon instruments are valued at carrying cost or market price whichever is lower. The difference between the acquisition cost and the redemption value of discounted instruments is apportioned on a straight line basis for the period of holding and recognized as Interest income.
- Units of mutual fund are valued at lower of cost and net asset value.
- The secondary market short sale transactions in Government securities as permitted by RBI Circular no, RBI/2006-2007/243 IDMD. No./11.01.01(B)/2006-07 are classified under miscellaneous liabilities and are carried at carrying cost or market price whichever is lower.

(vi) Investments

- The securities acquired with the intention of holding till maturity or for a longer period are classified as investments.
- Investments are carried at cost arrived at on weighted average basis. Commissions earned in respect of securities acquired upon devolvement are reduced from the cost of acquisition. Appropriate provision is made for other than temporary diminution in the value of investments.

(vii) Repurchase and Resale Transactions (Repo)

Repo transactions are treated as purchase and sale of the securities as per RBI guidelines and accordingly disclosed in the financial statements. The difference between purchase and sale consideration is treated as interest income or expenditure, as the case may be, over the period of the contract.

The difference between the sale price of the security offered under repo and its book value are shown under current assets / liabilities in the balance sheet, as the case may be. In case, the sale price is lower than the book value the same is provided as loss on security. In case, the sale price is higher

than the book value, the differential gain is not recognised. Securities under repo/reverse repo are marked to market.

(viii) Fixed Assets and Depreciation

- Fixed assets are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for intended use.
- Depreciation on fixed assets is provided on straight line basis at specified rates or at the rates specified in Schedule XIV of the Companies Act, 1956 whichever is higher.
- The carrying amounts are reviewed at each balance sheet date when required to assets whether they are recorded in excess of their recoverable amounts and when carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.

(ix) Income Taxes

Tax expense comprises of current, deferred taxes and fringe benefit taxes. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

(x) Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

(xi) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short term investments with an original maturity of three months or less.

(xii) Provision for Doubtful Loans and Advances

The policy of provisioning against non performing loans and advances has been decided by the management considering prudential norms prescribed by the RBI for Non Banking Financial Companies except that amounts recovered subsequent to the balance sheet date have not been considered for provisioning. As per the policy adopted, the provision against sub standard assets are fixed on a conservative basis, taking into account management's perception of the higher risk associated with the business of the Company. Certain non performing loans and advances are considered as loss assets and full provision has been made against such assets.

(xiii) Foreign Currency Transactions

- Initial recognition: Foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- Conversion: Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- Exchange Differences: Exchange differences arising on settlement or restatement of monetary items are recognized as exchange gain/ loss in the profit and loss account.

(xiv) Retirement Benefits

- Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.
- The Company's employees are covered under the Employees' Gratuity Scheme & contribution is made to ICICI Prudential Life Insurance Company Limited. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year.
- Compensated absences are provided for on based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

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(xv) Derivatives Transactions

- All open positions are marked to market except hedge swaps which are accounted for on accrual basis.
- Gains are recognized only on settlement/expiry of the derivative instruments except for Interest Rate derivatives which are marked-to-market and the resulting gain or loss is accounted for in the profit & loss account.
- Receivables/payables on open position are disclosed as current assets/ current liabilities, as the case may be.

(xvi) Segment Reporting

The Company's primary business segments are reflected based on the principal business carried out, i.e. trading in securities.

The risk and returns of the business of the Company is not associated with geographical segmentation, hence there is no secondary segment reporting based on geographical segment.

(xvii) Earnings per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

(xviii) Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2. Deferred Tax

The break-up of deferred tax assets into major components as on the balance sheet date is as follows:-

Deferred Tax Assets	(Rs. in 000's)	
	March 31, 2008	March 31, 2007
Depreciation	3,370.00	1,360.00
Provision for Debtors	24,720.00	12,310.00
Provision for Retirement Benefits	24,500.00	3,400.00
Total	52,590.00	17,070.00

3. Contingent Liabilities

- Income tax matters disputed by the Company Rs. 183,130.00 thousands (Previous year – Rs. 181,780.00 thousands).
 - Outstanding Bank Guarantees taken by the company Rs. 390.00 thousands (Previous Year – Rs. 390.00 thousands).
 - Outstanding capital commitments as at March 31, 2008 are Rs. 2,020.00 thousands (Previous year – Rs. 2,170.00 thousands).
 - Outstanding credit enhancement through Corporate Guarantee and subscription agreement Rs. 892,000.00 thousands (Previous year – Rs. NIL).
4. Notional principal outstanding on account of Swaps/Forward Rate Agreements/ Foreign Currency Swaps aggregating to Rs. 1,589,513,970.00 thousands (previous year – Rs. 955,563,970.00 thousands).
5. Loans and advances availed by the Company inclusive of interest accrued thereon but not paid:

	(Rs. in 000's)	
	Amount outstanding	Amount overdue
a) Unsecured Debentures	4,444,200.00	NIL
b) CBLO Borrowing	3,139,520.00	NIL
c) Inter-corporate Loans and Borrowing	NIL	NIL
d) Commercial Paper	996,050.00	NIL
e) Other Loans		
– Liquidity Adjustment Facility (LAF) from RBI	NIL	NIL
– Subordinated Bonds issued as Tier II & III Capital	1,984,150.00	NIL
– Money at Call and Short Notice	6,831,850.00	NIL
Total	17,395,770.00	NIL

6. Managerial Remuneration

Salary, perquisites and bonus	28,170.00	24,300.00
Contribution to Provident Fund and other Funds	820.00	1,620.00
Total	28,990.00	25,920.00

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and, therefore, not included above.

7. Auditors' Remuneration

(a) Audit Fees	1,100.00	1,300.00
(b) Tax Audit & Certification Fees	600.00	700.00
(c) Out of pocket expenses	60.00	60.00
Total	1,760.00	2,060.00

8. Expenditure in foreign currency (on accrual basis) 4,130.00 2,640.00

(Traveling & Other expenses)		
Receipts in foreign currency (on accrual basis) (Fees towards Advisory Services)	10,120.00	34,360.00

9. QUANTITATIVE DETAILS OF SECURITIES HELD AS STOCK IN TRADE

(a) OPENING AND CLOSING STOCK

Category	(Rs. in 000's)			
	Opening Stock		Closing Stock	
	Face Value	Value	Face Value	Value
Government Securities	1,760,280.00 (4,948,760.00)	1,782,050.00 (5,328,410.00)	7,430,730.00 (1,760,280.00)	7,643,000.00 (1,782,050.00)
Treasury Bills	3,599,830.00 (842,000.00)	3,526,640.00 (803,320.00)	3,000.00 (3,599,830.00)	3,000.00 (3,526,640.00)
Equity Shares	69,960.00 (74,730.00)	666,310.00 (1,458,160.00)	42,260.00 (69,960.00)	118,540.00 (666,310.00)
Debentures/Bonds & CPs / CDs	6,347,000.00 (2,951,000.00)	5,570,600.00 (2,873,030.00)	12,614,230.00 (6,347,000.00)	11,234,960.00 (5,570,600.00)
Others	129,940.00 —	150,000.00 —	792,000.00 (129,940.00)	1,000,000.00 (150,000.00)
Total	11,907,010.00 (8,816,490.00)	11,695,600.00 (10,462,920.00)	20,882,220.00 (11,907,010.00)	19,999,500.00 (11,695,600.00)

(b) PURCHASES AND SALES

Category	(Rs. in 000's)			
	Purchases		Sales	
	Face Value	Value	Face Value	Value
Government Securities	860,463,020.00 (442,705,510.00)	858,512,130.00 (442,632,540.00)	854,792,570.00 (445,893,990.00)	853,658,610.00 (446,331,160.00)
Treasury Bills	118,089,970.00 (125,171,880.00)	114,926,520.00 (121,713,660.00)	121,686,800.00 (122,414,050.00)	118,508,540.00 (118,996,400.00)
Equity Shares	1,130,230.00 (477,550.00)	31,660,030.00 (20,253,710.00)	1,157,930.00 (482,320.00)	33,064,900.00 (20,682,250.00)
Debentures/Bonds & CPs / CDs	79,246,840.00 (47,432,750.00)	76,673,450.00 (46,091,290.00)	72,979,610.00 (44,036,750.00)	71,203,800.00 (43,301,060.00)
Others	163,343,700.00 (5,034,320.00)	192,410,210.00 (3,400,000.00)	162,681,640.00 (4,904,380.00)	191,636,310.00 (3,251,890.00)
Total	1,222,273,760.00 (620,822,010.00)	1,274,182,340.00 (634,091,200.00)	1,213,298,550.00 (617,731,490.00)	1,268,072,160.00 (632,562,760.00)

Note: Figures in parenthesis pertain to previous year.

10. Derivatives

	(Rs. in 000's)	
	2008	2007
Notional Principal amount of IRS Contracts		
a. Hedging Contracts	—	—
b. Trading Contracts	1,589,513,970.00	955,563,970.00
(i) Fair Value of Trading IRS	376,630.00	707,640.00
(ii) Associated Credit Risk on Trading IRS*	376,630.00	707,640.00
(iii) Market Risk on trading IRS#	1,265,100.00	1527,000.00
(iv) Credit Risk Concentration@	2,302,740.00	937,800.00

Equity Derivatives – Trading Contracts

a. Futures Contracts

Open Quantity in units – Long	37,950	84,250
Short	109,422	2,291,025
Net Short	71,472	2,206,775

10. Derivatives (Continued) (Rs. in 000's)

	2008	2007
b. Option Contracts		
Open Quantity in units – Long	5,500	—
Short	10,000	11,500
Net Short	4,500	11,500
MTM Value of Trading Derivatives	570.00	6,910.00

* Associated Credit Risk is defined as the loss that the Company would incur in case all the counterparties to these swaps fail to fulfill their contractual obligations.

Market risk is monitored as the loss that would be incurred by the Company for a 100 basis point rise in the interest rates.

@ Credit risk concentration is measured as the highest net receivable under swap contracts from top three counterparties.

Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet date

Particulars	Amount
Receivables in foreign currency	Rs. 1,780.00 thousands (US\$ 44,386 @ closing rate of USD 1 = Rs. 40.12) [Previous Year Rs. 10,580.00 thousands (US\$ 243,423 @ closing rate of USD 1 = Rs. 43.47)]

11. Related Party Disclosures (Rs. in 000's)

Name of the Related Party	Type of Transactions	2007-08	2006-07	
ICICI Bank Limited- The Holding Company	Income from Services	121,440.00	54,540.00	
	Interest Income	180,880.00	150,770.00	
	Profit on Interest Rate Swaps	116,250.00	—	
	Payment of financial charges & operating expenses	173,970.00	74,130.00	
	Payment to and provisions for employees	—	3,440.00	
	Payment of Establishment & other expenses	51,000.00	100,890.00	
	Dividend paid	680,820.00	602,060.00	
	Bank Balance	22,780.00	31,300.00	
	Fixed Deposits	250,390.00	2,003,100.00	
	Interest Accrued	2,300.00	37,730.00	
	Sundry Debtors	61,980.00	42,870.00	
	Stock-in-trade	1,136,430.00	16,200.00	
	Share Capital	1,621,000.00	1,621,000.00	
	Current Liabilities	268,740.00	689,150.00	
	Notional Principal amount of Interest Rate Swaps outstanding	379,000,000.00	162,300,000.00	
	Deal Value of Purchase of Investments	12,598,720.00	7,740,900.00	
	Accrued Interest on Purchases	28,190.00	4,830.00	
	Deal Value of Sale of Investments	7,622,570.00	11,553,810.00	
	Accrued Interest on Sales	49,990.00	19,810.00	
	ICICI Securities Limited- Fellow Subsidiary	Other Income - Dividend received	—	189,030.00
Financial charges and other expenses		46,170.00	4,360.00	
Payment of Establishment & other expenses		28,940.00	—	
Investments		—	45,010.00	
Sundry Debtors		—	7,870.00	
Current Liabilities		6,460.00	79,080.00	
Deal Value of Purchase of Investments		2,537,500.00	—	
Accrued Interest on Purchases		19,570.00	—	
Deal Value of Sale of Investments		1,575,910.00	—	
Accrued Interest on Sales		6,120.00	—	
Sale of Fixed Assets		3,030.00	—	
ICICI Lombard General Insurance Company Limited- Fellow Subsidiary		Payment of establishment and Financial charges	10,530.00	8,730.00
		Loans and advances	1,140.00	3,160.00
	Unsecured Loans (Tier III Bonds)	100,000.00	100,000.00	
	Current Liabilities	5,810.00	5,790.00	
	Deal Value of Purchase of Investments	—	100,000.00	
	Accrued Interest on Purchases	—	130.00	
	Deal Value of Sale of Investments	698,840.00	1,351,220.00	
Accrued Interest on Sales	4,540.00	11,570.00		

11. Related Party Disclosures (Continued) (Rs. in 000's)

Name of the Related Party	Type of Transactions	2007-08	2006-07
ICICI Prudential Life Insurance Company Limited - Fellow Subsidiary	Unsecured Loans (Tier III Bonds)	200,000.00	150,000.00
	Current Liabilities	5,100.00	3,340.00
	Payment of establishment and Financial charges	7,250.00	14,190.00
	Loans and advances	100.00	—
	Deal Value of Purchase of Investments	1,450,840.00	2,605,150.00
ICICI Securities Holdings Inc.- Fellow Subsidiary	Accrued Interest on Purchases	43,340.00	21,930.00
	Deal Value of Sale of Investments	3,665,700.00	5,407,210.00
	Accrued Interest on Sales	28,460.00	33,590.00
ICICI Securities Inc.- Fellow Subsidiary	Investments	—	343,720.00
	Loans and Advances	90.00	90.00
	Deal Value of Purchase of Investments	—	184,470.00
ICICI Venture Funds Management Company Limited- Fellow Subsidiary	Income from services	—	15,220.00
	Loans and Advances	1,690.00	—
ICICI Venture Funds Management Company Limited- Fellow Subsidiary	Income from services	—	1,000.00

Key Management Personnel Disclosures

The Compensation (including contribution to Provident fund) for the year ended March 31, 2008 to S. Mukherji, Chairman and Nitin Jain, Managing Director & CEO was Rs. 23,690.00 thousands, Rs. 5,300.00 thousands respectively. (Previous year – Rs. 25,920.00 thousands and Rs. Nil respectively).

12. Leases

Operating Lease:

Office premises are obtained on operating lease. The lease is renewable on yearly basis and the rent is decided at the time of the renewal. There are no restrictions imposed by lease arrangements. There are no subleases.

	2007-2008	2006-2007
Lease payments for the year	69,400.00	90,930.00

13. Composition of investments in non Government securities (Debt):

No.	Issuer	Amount*	Extent of private placement	Extent of 'unlisted securities'
(1)	(2)	(3)	(4)	(5)
1	PSUs	—	—	—
2	FIs	1,164,750.00	1,164,750.00	—
3	Banks	9,021,310.00	9,021,310.00	—
4	Other PDs	—	—	—
5	Private corporates	1,048,900.00	1,048,860.00	40.00
6	Subsidiaries/ Joint ventures	—	—	—
7	Others	—	—	—
8	Provision held towards depreciation	—	—	—
Total		11,234,960.00	11,234,920.00	40.00

All the investments in the above non government securities are rated and are above investment grade securities.

* Represents amounts net of provision for depreciation if any.

14. Repo/Reverse repo transactions

	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As on March 31, 2008
Securities sold under repos	—	30,416,280.00	13,072,630.00	12,744,800.00
	(3,620,410.00)	(24,694,300.00)	(5,849,480.00)	(5,657,680.00)
Securities purchased under reverse repos	—	3,952,370.00	244,540.00	—
	(—)	(2,044,490.00)	(105,750.00)	(1,587,540.00)

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15. Earnings per Equity Share (EPS)

EPS has been calculated based on the net profit after taxation of Rs. 1,396,850 thousand (previous year Rs. 1,325,460 thousand) and the weighted average number of equity shares outstanding during the year of 16,210 (previous year 16,494).

16. Employee benefits (AS 15 Revised)

The following table summarises the components of net benefit expense recognised in the profit and loss account and the amounts recognised in the balance sheet.

Particulars	(Rs. in 000's)	
	Period ended March 31, 2008 Gratuity	Period ended March 31, 2007 Gratuity
Defined benefit obligation liability		
Opening obligations	20,700.00	
Service cost	67,700.00	
Interest cost	1,700.00	
Actuarial (gain) / loss	4,500.00	
Liability extinguished on settlement	(17,900.00)	
Benefits paid	(3,900.00)	
Obligations	72,800.00	20,700.00
Plans assets at fair value		
Opening plans assets, at fair value	16,400.00	
Expected return on plan assets	1,400.00	
Actuarial gain / (loss)	1,900.00	
Asset distributed on settlement	(17,900.00)	
Contributions	6,400.00	
Benefits paid	(3,900.00)	
Plans assets at fair value	4,300.00	16,500.00
Fair value of plan assets at the end of the period	4,300.00	16,500.00

16. Employee benefits (AS 15 Revised) (Continued)

Particulars	(Rs. in 000's)	
	Period ended March 31, 2008 Gratuity	Period ended March 31, 2007 Gratuity
Present value of the defined benefit obligations at the end of the period	72,800.00	20,700.00
Asset/(liability)	(68,500.00)	(4,200.00)
Cost for the period		
Service cost	67,700.00	—
Interest cost	1,700.00	—
Expected return on plan assets	(1,400.00)	—
Actuarial (gain) / loss	2,700.00	—
Net cost	70,700.00	—
Investment details of plan assets		
Assumptions		
Interest rate	8.57%	8.35%
Salary escalation rate	10%	7.00%
Estimated rate of return on plan assets	8%	7.50%

17. Segment Reporting

The Company's primary operations fall under single business segment of trading in securities. Further, all the transactions and the assets of the Company are recorded/located in India. Since the Company's business activity primarily falls within a single business and geographical segment, no additional disclosure is to be provided under AS 17-Segment Reporting, other than those already provided in the financial statements.

18. For the purpose of comparison, figures for the previous year have been given, which have been regrouped / reclassified wherever necessary.

Per our Report attached.

For S. R. BATLIBOI & CO.
Chartered Accountants

per VIJAY MANIAR
Partner
Membership No. 36738

Mumbai, April 22, 2008

Signature to schedules A to U

ABHIJEET GUIN
Vice President & Head - Financials

RANJAN PRABHU
Company Secretary

For and on behalf of the Board

S. MUKHERJI
Chairman

NITIN JAIN
Managing Director & CEO

cash flow statement

for the year ended March 31, 2008

	March 31, 2008	(Rs. in 000's) March 31, 2007
A. Cash Flow From Operating Activities		
Profit Before Tax	2,107,430.00	1,901,050.00
– (Profit)/Loss on Sale of Fixed Assets	(90.00)	1,830.00
– Depreciation	19,630.00	14,540.00
– Provision for Wealth Tax	2,890.00	—
– Provision for Interest Tax	—	—
– Income from investment	—	—
– Bad and Doubtful Debts (Net)	36,500.00	(9,760.00)
Operating Profit before Changes in Operating Assets and Liabilities	2,166,360.00	1,907,660.00
Adjustments for net change in Operating Assets and Liabilities		
– Current Assets excluding Cash and Cash equivalents	(6,537,020.00)	(1,819,940.00)
– Fixed Deposits under Lien	551,600.00	(441,500.00)
– Loans and advances relating to Operations	(518,840.00)	(1,647,710.00)
– Current Liabilities relating to Operations	(2,150,910.00)	2,133,450.00
	(8,655,170.00)	(1,775,700.00)
Cash generated from Operations	(6,488,810.00)	131,960.00
Payment of Taxes (Net)	(805,300.00)	(544,160.00)
Net Cash from Operating Activities	(7,294,110.00)	(412,200.00)
B. Cash Flow From Investment Activities		
– (Acquisition) /Sale of Equity Investments in Subsidiary Companies	388,730.00	178,560.00
– (Purchase) / Sale of Investments (Net)	—	—
– Income from investment	—	—
– (Purchase) / Sale of Fixed Assets (Net)	(9,720.00)	(25,510.00)
Net cash used in Investment Activities	379,010.00	153,050.00
C. Cash Flow From Financing Activities		
– Increase/ (Decrease) in Borrowings (Net)	6,861,080.00	(6,071,870.00)
– Issue/ redemption of Debentures (Net)	(710,500.00)	7,044,500.00
– Buy Back	—	(577,550.00)
– Dividends & Dividend Tax paid	(857,920.00)	(689,900.00)
Net Cash used in Financing Activities	5,292,660.00	(294,820.00)
Net Change in Cash & Cash Equivalents	(1,622,440.00)	(553,970.00)
Cash and Cash Equivalents at the beginning of the year	1,742,660.00	2,296,630.00
Cash and Cash Equivalents at the end of the year	120,220.00	1,742,660.00
Cash and cash equivalents at the end of the year does not include fixed deposits under Lien Rs. 250,000.00 thousand (Previous year Rs. 801,600.00 thousands)		

This is the Cash Flow Statement referred to in our report of even date.

For S. R. BATLIBOI & CO.
Chartered Accountants

per VIJAY MANIAR
Partner
Membership No. 36738

Mumbai, April 22, 2008

ABHIJEET GUIN
Vice President & Head - Financials

RANJAN PRABHU
Company Secretary

NITIN JAIN
Managing Director & CEO

For and on behalf of the Board

S. MUKHERJI
Chairman

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
AS PER PART IV OF THE COMPANIES ACT, 1956**

I. Registration details

Registration No.

0	1	3	1	9	0	0
---	---	---	---	---	---	---

 State Code

1	1
---	---

Balance Sheet Date

3	1
---	---

0	3
---	---

2	0	0	8
---	---	---	---

Date Month Year

II. Capital raised during the Year (Rs. in thousands)

Public Issue

							N	I	L
--	--	--	--	--	--	--	---	---	---

 Rights Issue

							N	I	L
--	--	--	--	--	--	--	---	---	---

Bonus Issue

							N	I	L
--	--	--	--	--	--	--	---	---	---

 Private Placement

							N	I	L
--	--	--	--	--	--	--	---	---	---

III. Position of mobilisation and deployment of funds (Rs. in thousands)

Total Liabilities and Shareholder's funds

	2	1	9	8	1	5	2	0
--	---	---	---	---	---	---	---	---

 Total Assets

	2	1	9	8	1	5	2	0
--	---	---	---	---	---	---	---	---

Sources of Funds

Paid-up Capital

		1	6	2	1	0	0	0
--	--	---	---	---	---	---	---	---

 Reserves and Surplus

		3	0	9	1	4	2	0
--	--	---	---	---	---	---	---	---

Secured Loans

		3	1	3	9	0	5	0
--	--	---	---	---	---	---	---	---

 Unsecured Loans

	1	4	1	3	0	0	5	0
--	---	---	---	---	---	---	---	---

Application of Funds

Fixed Assets

			4	3	3	2	0
--	--	--	---	---	---	---	---

 Investments

							N	I	L
--	--	--	--	--	--	--	---	---	---

Net Current Assets

	2	1	8	8	5	6	1	0
--	---	---	---	---	---	---	---	---

 Deferred Tax Asset

				5	2	5	9	0
--	--	--	--	---	---	---	---	---

Miscellaneous Expenditure

							N	I	L
--	--	--	--	--	--	--	---	---	---

IV. Performance of the Company (Rs. in thousands)

Turnover

		5	1	7	2	3	6	0
--	--	---	---	---	---	---	---	---

 Total Expenditure

		3	0	6	4	9	3	0
--	--	---	---	---	---	---	---	---

Profit Before Tax

		2	1	0	7	4	3	0
--	--	---	---	---	---	---	---	---

 Profit After Tax

		1	3	9	6	8	5	0
--	--	---	---	---	---	---	---	---

Earnings Per Share in Rupees

	8	6	1	7	2	.	1	2
--	---	---	---	---	---	---	---	---

 Dividend Rate %

			4	2	.	0	0
--	--	--	---	---	---	---	---

V. Generic names of principal products/services of the Company

(as per monetary terms)
Securities Investment and Trading
Underwriting
Portfolio Management Service

For and on behalf of the Board

S. MUKHERJI
Chairman

ABHIJEET GUIN
Vice President & Head Financials

RANJAN PRABHU
Company Secretary

NITIN JAIN
Managing Director & CEO

schedules

Schedule to the Balance Sheet as at March 31, 2008

(as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in 000's)

Particulars	Amount outstanding	Amount overdue
Liabilities side :		
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured		
: Unsecured	6,428,350.00	—
(Other than falling within the meaning of public deposits)	—	—
(b) Deferred Credits	—	—
(c) Term Loans	—	—
(d) Inter-corporate loans and borrowing	—	—
(e) Commercial Paper	996,050.00	—
(f) Other Loans -CBLO - Secured	3,139,520.00	—
Call Money - Unsecured	6,831,850.00	—
Assets side :		
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		Amount outstanding
(a) Secured		1,471,080.00
(b) Unsecured		1,120,870.00
(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		—
(b) Operating lease		—
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire		—
(b) Repossessed Assets		—
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed		—
(b) Loans other than (a) above		—
(4) Break-up of Investments		
Current Investments		
1. Quoted		
(i) Shares : (a) Equity		96,260.00
(b) Preference		—
(ii) Debentures and Bonds		11,234,960.00
(iii) Units of mutual funds		1,000,000.00
(iv) Government Securities		7,646,000.00
(v) Others (please specify)		—
2. Unquoted		
(i) Shares : (a) Equity		22,280.00
(b) Preference		—
(ii) Debentures and Bonds		—
(iii) Units of mutual funds		—
(iv) Government Securities		—
(v) Others (please specify)		—
Long Term Investments		
1. Quoted		
(i) Shares : (a) Equity		—
(b) Preference		—
(ii) Debentures and Bonds		—
(iii) Units of mutual funds		—
(iv) Government Securities		—
(v) Others (please specify)		—
2. Unquoted		
(i) Shares : (a) Equity		—
(b) Preference		—
(ii) Debentures and Bonds		—
(iii) Units of mutual funds		—
(iv) Government Securities		—
(v) Others (please specify)		—

schedules

(5) Borrower group-wise classification of assets financed as in (2) and (3) above :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			—
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	3,070.00	3,070.00
(c) Other related parties	—	—	—
2. Other than related parties	1,471,080.00	1,117,800.00	2,588,880.00
Total	1,471,080.00	1,120,870.00	2,591,950.00

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value / Break up or fair value or NAV	Book Value (Net of provisions)
1. Related Parties		
(a) Subsidiaries		
(b) Companies in the same group	1,136,440.00	1,136,440.00
(c) Other related parties		
2. Other than related parties	18,887,630.00	18,863,060.00
Total	20,024,070.00	19,999,500.00

(7) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	47,550.00
(b) Other than related parties	95,710.00
(ii) Net Non-Performing Assets	
(a) Related parties	46,360.00
(b) Other than related parties	24,170.00
(iii) Assets acquired in satisfaction of debt	—