ICICI Venture

ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED

21ST ANNUAL REPORT AND ANNUAL ACCOUNTS 2008-2009

Directors
Lalita D. Gupte, *Chairperson*
K. N. Memani
S. Mukherji *(w.e.f May 8, 2009)*
K. Ramkumar *(w.e.f May 8, 2009)*
H. N. Sinor
Vishakha Mulye, *Managing Director & CEO (w.e.f April 21, 2009)*
Rajeev Bakshi, *Joint Managing Director*

Auditors
Deloitte Haskins & Sells,
Chartered Accountants

Anselm Pinto
Company Secretary

Registered Office
ICICI Venture House
Ground Floor
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400025

Regional Office
Prestige Obelisk, 10th Floor
No. 3, Kasturba Road
Bangalore 560001

directors' report

to the members

Your Directors have pleasure in presenting the Twenty First Annual Report of ICICI Venture Funds Management Company Limited with the Statement of Accounts for the year ended March 31, 2009.

1. **FINANCIAL HIGHLIGHTS**

(Rupees in million)

	Fiscal 2008	**Fiscal 2009**
Profit before taxation	*1,271.2*	**2,020.8**
Profit after taxation	*904.0*	**1,480.5**
Appropriations :		
General Reserve	*90.5*	**148.1**
Interim Dividend	*725.0*	**950.0**
Corporate tax on Dividend	*123.2*	**161.5**
Balance carried forward to next year	*80.3*	**301.2**

The Company earned profit after tax of Rs.1,480.5 million for the year. After taking into account profit of Rs. 80.3 million brought forward, the Company's disposable profit stands at Rs.1,560.8 million. During fiscal 2009, your Company transferred Rs.148.1 million to General Reserve and paid three interim dividends aggregating to Rs. 950.0 per share.

Analysis of Financial Performance:

During the year, your Company earned a fee income of Rs. 1,830.3 million as compared to Rs. 2,000.2 million in the previous year. Income from investments in venture capital fund was Rs. 112.4 million during the year, as compared to the previous year's income of Rs. 530.7 million. Operating expenses were at Rs. 1,422.4 million as compared to Rs. 1,288.2 million in the previous year.

Your Company's profit before tax for the year under review was Rs. 2,020.8 million, a substantial increase of over 59% over the previous year's profit before tax of Rs. 1,271.2 million. The increase was primarily due to one time non recurring profit of Rs. 1,370.7 million arising from the Company's divestment of its holdings in TSI Ventures (India) Pvt. Limited. After providing for tax, including deferred tax for the current year, profit after tax has increased to Rs. 1,480.5 million from Rs.904.0 million, an increase of over 64% as compared to the previous year. The Earnings per Share of your Company was Rs.1,480.5 per share during fiscal 2009 as compared with Rs. 904 per share during the previous year.

2. **OPERATIONAL REVIEW**

Year in Retrospect:

In view of the global economic and capital market conditions, Private Equity (PE) investments in India (including Real Estate investments) declined from the peak level of US$ 19.4 billion witnessed in calendar year 2007 to US$ 14 billion in calendar year 2008. Global PE fund raising witnessed a slowdown. Aggregate capital raised by PE funds declined from a level of US$ 617 billion in calendar year 2007 to US$ 583 billion in calendar year 2008 and to just US$ 46 billion in the first quarter of calendar year 2009.

Despite the environmental challenges and increased competition in the Indian PE market, your Company was able to sustain its leadership position in India. Your Company was conferred the award of Best Private Equity Firm in India for the second successive year i.e. 2008 by PEI Group (UK). The award is a source of pride for any winner as it is determined on the basis of views gathered from the global financial investor community and therefore represents a form of global recognition for your Company.

Portfolio and Fund Strategy:

As of March 31, 2009, your Company was Manager/Advisor to Funds aggregating Rs.100.73 billion.

India Advantage Fund Series 1 (IAF Series 1)

During financial year 2008-2009, the overall objective of your Company was to build further on the success of the Rs. 10.90 billion Fund. The Fund has already realized Rs. 19.80 billion from the complete sale of 9 investments costing Rs. 4.90 billion and partial sale of 5 investments costing Rs. 0.80 billion, thereby translating to an overall Multiple on Capital of 3.4 times and an IRR of 69% on the exited investments. Your Company continued to explore exit opportunities in the other investments held by the Fund.

India Advantage Fund III and IV (Real Estate Funds):

The Real Estate Funds raised by your Company have been fully committed in various projects. These projects are diversified across cities and asset classes with niche developer-partners. The current focus is on project monitoring and implementing appropriate risk mitigation strategies like optimizing the product mix, design, phasing of implementation etc., along with tight cost control to counter the economic slowdown.

India Advantage Fund Series 2 (IAF Series 2):

As of March 31, 2009, the Fund has approved investments in 20 companies for an aggregate amount of Rs. 26.80 billion, including investment options to the tune of Rs. 1.27 billion, on an overall corpus of Rs. 37.40 billion. The Fund exited one investment during the year, and made another partial exit. The new investments made during the year were identified from a plethora of investment opportunities presented to your Company during the year. Your Company identified its investments very judiciously and was able to effectively and quickly adapt its investment strategy and pace to the sudden, rapid and adverse changes in the global business scenario during the year, thus continuing to retain a significant amount of uncommitted capital in the Fund.

Mezzanine Fund:

During financial year 2008-2009, India Advantage Fund VII (Mezzanine Fund–I) achieved its final closing with an aggregate corpus of Rs. 2.06 billion. To date, the Fund has made 3 investments with cumulative investments of Rs. 920 million. One of its investments has been redeemed. The Fund evaluated over 50 investment opportunities during the year, but has been cautious in making investments due to uncertainties in the global and Indian economy.

Fund Raising:

During the year, your Company undertook fund raising initiatives for successor funds in Private Equity (India Advantage Fund Series 3) and Real Estate (India Strategic Assets Fund or ISAF). A new Infrastructure fund raising initiative was also planned after substantial completion of the Private Equity fund raising. These initiatives were an outcome of the "multi-fund" strategy which was finalized at the end of the previous fiscal year.

Your Company faced significant challenges in its fund raising initiatives as a result of adverse developments in global financial markets during the year. The Real Estate (ISAF) fund raising exercise was particularly affected and received limited interest from domestic as well as international investors. In general, global fund raising for Private Equity funds became very challenging during the year on various counts: (a) decline in the pace and quantum of fresh allocations from institutional investors due to allocation issues faced by many of them (between public and private markets) as a result of significant decline in public market valuations, (b) decline in performance of many leading fund managers – especially large Leveraged Buy Out specialists, and (c) entry of a large number of funds looking to raise capital.

Your Company was able to achieve some traction during the year in the Private Equity fund raising initiative. Your Company continues to focus on the successful completion of this initiative.

Outlook:

Over the last five years, the Private Equity industry has matured in India and gained widespread acceptance among various constituencies i.e. promoters, investors, regulators, etc. This has attracted significant interest from the global Private Equity industry as well as new aspirants to the industry such as Indian business houses, many of whom decided to enter the Indian market in 2008. Consequently, this has increased competition in both fund raising and making investments. For your Company to retain the leadership position in the Indian market, it will need to sharpen both its asset management and fund raising strategies. Your Company would continue to adopt an opportunistic and alert stance towards new investments during the coming year and consider a judicious mix of follow-on investments in existing portfolio companies alongside new investments as a means of managing portfolio risks in an uncertain business environment. On the fund raising side, your Company would continue to actively monitor the fund-raising environment and be ready to tap the pool of domestic and international investors, at the earliest conducive opportunity. Your Company envisages an opportunity for successor funds across different practices and is confident that its management team's track record and reputation would enable it to capture these opportunities successfully.

3. PUBLIC DEPOSITS

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

4. DIRECTORS

Gopal Srinivasan, who was on the Board of the Company, tendered his resignation effective July 28, 2008. With regret, the Board accepted the resignation of Gopal Srinivasan and placed on record its gratitude for the valuable services rendered by Gopal Srinivasan.

Renuka Ramnath, who was the Managing Director & CEO of the Company, tendered her resignation effective April 20, 2009. The Board accepted the resignation of Renuka Ramnath and placed on record its gratitude for the valuable services rendered by Renuka Ramnath.

In place of Renuka Ramnath, the Board appointed Vishakha Mulye as Managing Director & CEO of the Company effective April 21, 2009. Vishakha Mulye is not liable to retire by rotation.

As per Section 255 of the Companies Act, 1956, H. N. Sinor and K. N. Memani retire by rotation at the ensuing Annual General Meeting and being eligible to continue to serve as Directors of the Company, offer themselves for reappointment.

5. AUDITORS

M/s. Deloitte, Haskins & Sells, Chartered Accountants were appointed as statutory auditors of the Company for the financial year 2009-2010 to hold office till the conclusion of the ensuing Annual General Meeting of the Company. The Board of Directors recommend your approval for re-appointment of M/s. Deloitte, Haskins & Sells, Chartered Accountants, as statutory auditors of the Company for the financial year 2009-2010.

6. FOREIGN EXCHANGE EARNING AND EXPENDITURE

The foreign exchange earnings during the year amounted to Rs.1552.92 million. Expenditure in foreign currency amounted to Rs. 295.01 million.

7. PERSONNEL AND OTHER MATTERS

Information required to be disclosed in accordance with Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, forming part of the Directors' Report for the year ended March 31, 2009 is enclosed as an Annexure to this Report.

Since your Company does not own any manufacturing facility, the disclosure of information on other matters required to be disclosed in terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable and hence have not been given.

8. AUDIT COMMITTEE

Your Company has constituted an Audit Committee, though not mandatory, under the provisions of the Companies Act, 1956. The Audit Committee comprises of K. N. Memani as Chairman, Lalita D. Gupte and H. N. Sinor as members of the Committee.

9. DIRECTORS RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. that they have taken proper and sufficient care 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 they have prepared the annual accounts on a going concern basis.

10. ACKNOWLEDGEMENTS

The Board of Directors of your Company wishes to acknowledge and place on record its sense of appreciation for the commitment, dedication, and professionalism of the employees of the Company. The Board also wishes to thank the shareholders, regulatory authorities and the Government for their excellent co-operation and support. The Board is also grateful to the investors of the Funds managed and advised by the Company for their continued trust and support.

For and on behalf of the Board of Directors

Lalita D. Gupte
Chairperson

April 20, 2009

auditors' report

to the Members of ICICI Venture Funds Management Company Limited

We have audited the attached Balance Sheet of ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED as at March 31, 2009, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance 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 the Management as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Government of India 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.

Further to our comments in the Annexure referred to above, we report that:

(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 the books;

(c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;

(e) on the basis of the written representations received from the directors, as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009, from being appointed as a director under Section 274 (1)(g) of the Companies Act, 1956;

(f) 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:

(i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;

(ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For DELOITTE HASKINS AND SELLS
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Mumbai, April 20, 2009

annexure to the auditors' report

(Referred to in our report of even date)

1. The provisions of clauses i (c), ii, iii (b) to (d), (f) and (g), iv (in so far as it relates to purchase of inventory and sale of goods), vi, viii, ix (b), x, xii, xiii, xv, xviii, xix and xx of paragraphs 4 and 5 of the Companies (Auditor's Report) Order, 2003 are not applicable for the current year.

2. In respect of its fixed assets:

   (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   (b) The fixed assets of the Company have been physically verified by the Management in accordance with a programme of verification, the frequency whereof is reasonable. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

3. The Company has not taken/granted any loans, secured or unsecured from/to Companies, firms or other parties in the register maintained under section 301 of the Companies Act 1956.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and the sale of services and we have not observed any continuing failure to correct major weaknesses in such internal controls.

5. To the best of our knowledge and belief and according to the information and explanation given to us, there were no contracts or arrangements that were needed to be entered in the register maintained in pursuance of Section 301 of the Companies Act 1956.

6. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.

7. According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other material statutory dues with the appropriate authorities during the year.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks, except in the case of repayment of one instalment of principal Rs. 5,750 Thousands wherein there was a delay of 4 days.

9. Based on our examination of records and evaluation of the related internal controls, in respect of its investment in shares, securities and other investments:

   (a) The Company has maintained proper records of transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein.

   (b) The aforesaid securities have been held by the Company in its own name.

10. To the best of our knowledge and belief, and according to the information and explanations given to us, in our opinion, the term loans availed by the Company were *prima facie*, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.

11. According to information and explanations given to us, and on an overall examination of the balance sheet of the Company, funds on a short-term basis have, prima facie not been used during the year for long term investment.

12. To the best of our knowledge and belief, and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For DELOITTE HASKINS AND SELLS
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685

Mumbai, April 20, 2009

balance sheet

as at March 31, 2009

(Rs. in 000's)

	Schedule		March 31, 2009	March 31, 2008
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	I	10,000.00		*10,000.00*
Reserves and Surplus	II	737,470.00		*368,420.00*
			747,470.00	*378,420.00*
Loan Funds				
Secured Loan	III		1,316,760.00	*1,709,680.00*
TOTAL			2,064,230.00	*2,088,100.00*
APPLICATION OF FUNDS				
Fixed Assets	IV			
Gross Block		1,626,480.00		*1,524,030.00*
Less: Depreciation		278,810.00		*273,080.00*
Net Block		1,347,670.00		*1,250,950.00*
Add: Capital Work in Progress		67,700.00		*41,040.00*
			1,415,370.00	*1,291,990.00*
Investments	V		851,780.00	*319,680.00*
Deferred Tax Asset (Net)			17,620.00	*30,020.00*
Current Assets, Loans and Advances	VI			
– Sundry Debtors		174,090.00		*557,190.00*
– Cash & Bank Balances		40,050.00		*109,840.00*
– Loans & Advances		1,169,260.00		*1,128,770.00*
		1,383,400.00		*1,795,800.00*
Less: Current Liabilities and Provisions	VII			
– Current Liabilities		528,820.00		*467,680.00*
– Provisions		1,075,120.00		*881,710.00*
		1,603,940.00		*1,349,390.00*
Net Current Assets			(220,540.00)	*446,410.00*
TOTAL			2,064,230.00	*2,088,100.00*
Operations & Significant Accounting Policies	XIV A			
Notes Forming Part of Accounts	XIV B			

profit and loss account

for the year ended March 31, 2009

(Rs. in 000's)

	Schedule	March 31, 2009	March 31, 2008
INCOME			
Income From Operations	VIII	1,942,760.00	*2,557,470.00*
Profit on Sale of Investments		1,450,950.00	*58,760.00*
Other Income	IX	62,760.00	*116,760.00*
		3,456,470.00	*2,732,990.00*
EXPENDITURE			
Staff Expenses (See Note 6 of Schedule XIV B)	X	612,430.00	*323,280.00*
Establishment Expenses	XI	96,710.00	*41,410.00*
Finance Charges	XII	208,850.00	*212,330.00*
Other Expenses	XIII	504,480.00	*711,210.00*
Depreciation		115,290.00	*173,610.00*
Excess provision for Depreciation reversed on account of change in the Accounting Policy (See Note-5 in Schedule XIV B)		(102,070.00)	—
		1,435,690.00	*1,461,840.00*
Profit Before Tax		2,020,780.00	*1,271,150.00*
Less: Provision For Current Tax (See Note 11 of Schedule XIV B)		520,000.00	*380,000.00*
Add: Reversal of excess provision in previous years		2,240.00	—
Less: Provision for Deferred Tax (See Note 11 of Schedule XIV B)		12,400.00	*(18,890.00)*
Less : Provision for Fringe Benefit Tax		10,120.00	*6,000.00*
Profit After Tax		1,480,500.00	*904,040.00*
Add: Balance Brought Forward From Previous Year (See Note No. 16 of Schedule XIV)		80,260.00	*114,930.00*
DISPOSABLE PROFIT		1,560,760.00	*1,018,970.00*
APPROPRIATIONS			
General Reserve		148,100.00	*90,500.00*
Interim Dividend		950,000.00	*725,000.00*
Corporate Tax on Dividend		161,450.00	*123,210.00*
Balance Carried to Balance Sheet		301,210.00	*80,260.00*
		1,560,760.00	*1,018,970.00*
Operations & Significant Accounting Policies	XIV A		
Notes Forming Part of Accounts	XIV B		
Earnings per share			
Basic and Diluted (Rs.) [See Note 15 of Schedule XIV B]		1,480.50	*904.04*

The above Schedules form an integral part of the accounts.

As per our report attached
For DELOITTE HASKINS & SELLS
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685
Mumbai, April 20, 2009

For and on behalf of the Board

LALITA D. GUPTE
Chairperson

RENUKA RAMNATH
Managing Director & CEO

BEENA M. CHOTAI
Sr. Director & Chief Financial Officer

ANSELM PINTO
Company Secretary

Mumbai, April 20, 2009

(Rs. in 000's)

	March 31, 2009	March 31, 2008
SCHEDULE I		
SHARE CAPITAL		
Authorised		
20,000,000 Equity Shares of Rs. 10 each	**200,000.00**	*200,000.00*
Issued, Subscribed and Paid-up	**10,000.00**	*10,000.00*
1,000,000 Equity Shares of Rs.10 each		
{Out of 1,000,000 equity shares issued by the company, 999,994 Shares		
are held by ICICI Bank, Limited, the holding company.		
(Year ended March 31, 2008 - 999,994 Equity Shares of Rs. 10 each)}		
	10,000.00	*10,000.00*

	March 31, 2009	March 31, 2008
SCHEDULE II		
RESERVES AND SURPLUS		
i) Capital Redemption Reserve	**7,810.00**	*7,810.00*
	7,810.00	*7,810.00*
ii) General Reserve		
Opening Balance	**280,350.00**	*189,850.00*
Add: Transfer from Profit & Loss Appropriation account	**148,100.00**	*90,500.00*
	428,450.00	*280,350.00*
iii) Surplus in Profit and Loss Account Opening Balance	**80,260.00**	*114,930.00*
Add/(Less) : Additions/(Deletions) during the period/year	**220,950.00**	*(34,670.00)*
	301,210.00	*80,260.00*
	737,470.00	*368,420.00*

(Rs. in 000's)

	March 31, 2009	March 31, 2008
SCHEDULE III		
SECURED LOAN		
Vehicle Loans from ICICI Bank Limited	**45,510.00**	*36,930.00*
(Secured by Hypothecation of Vehicles) (Amount Repayable within one year - Rs. 10,930 Thousands) (Year ended March 31, 2008 - Rs. 7,820 Thousands)		
Term Loan from ICICI Bank Limited (Secured by First Mortage/Charge on all immoveable assets & parri passu charge on moveable & current assets)	**571,250.00**	*722,750.00*
(Amount Repayable within one year - Rs1,60,000 Thousands) (Year ended March 31, 2008 - Rs.1,51,500 Thousands)		
Working Capital Term Loan from HDFC Bank	**325,000.00**	*450,000.00*
(Secured by Second Mortage/Charge on immoveable assets of Company at Stanrose House 1st & 3rd Floor and parri passu charge on moveable & current assets)		
(Amount Repayable within one year - Rs. 1,25,000 Thousands) (Year ended March 31, 2008 - Rs.1,25,000 Thousands)		
Term Loan from Housing Development Finance Corporation (Secured by Second Mortage/Charge on immoveable assets of Company at Stanrose House Ground & Second Floor and parri passu charge on moveable & current assets)	**375,000.00**	*500,000.00*
(Amount Repayable within one year - Rs.1,25,000 Thousands) (Year ended March 31, 2008 - Rs. 1,25,000 Thousands)		
	1,316,760.00	*1,709,680.00*

SCHEDULE IV

FIXED ASSETS

(Rs. in 000's)

	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at April 1, 2008	Additions	Deductions	**As at March 31, 2009**	*Upto April 1, 2008*	*Adjustment (Refer Note)*	For the Year	On Deletions	**Up to March 31, 2009**	**As at March 31, 2009**	*As at 31 March, 2008*
NATURE OF ASSETS											
Land - Freehold	*108,270.00*	—	—	**108,270.00**	—	—	—	—	**0.00**	**108,270.00**	*108,270.00*
Building	*1,251,720.00*	*33,270.00*	—	**1,284,990.00**	*207,550.00*	*97,260.00*	*82,120.00*	—	**192,410.00**	**1,092,580.00**	*1,044,170.00*
Equipment	*51,750.00*	*34,660.00*	*520.00*	**85,890.00**	*20,700.00*	*2,430.00*	*7,530.00*	190.00	**25,610.00**	**60,280.00**	*31,050.00*
Computers	*30,850.00*	*5,990.00*	*2,270.00*	**34,570.00**	*19,630.00*	*(460.00)*	*7,510.00*	2,250.00	**25,350.00**	**9,220.00**	*11,220.00*
Furniture & Fixtures	*31,280.00*	*17,190.00*	*620.00*	**47,850.00**	*13,000.00*	*2,240.00*	*6,410.00*	140.00	**17,030.00**	**30,820.00**	*18,280.00*
Vehicles	*50,160.00*	*22,900.00*	*8,150.00*	**64,910.00**	*12,200.00*	*600.00*	*11,700.00*	4,890.00	**18,410.00**	**46,500.00**	*37,960.00*
Total	*1,524,030.00*	*114,010.00*	*11,560.00*	**1,626,480.00**	*273,080.00*	*102,070.00*	*115,270.00*	7,470.00	**278,810.00**	**1,347,670.00**	*1,250,950.00*
As at Mar 31, 2008	*1,447,350.00*	*86,370.00*	*9,690.00*	**1,524,030.00**	*103,250.00*		*173,610.00*	3,780.00	**273,080.00**	**1,250,950.00**	*1,344,100.00*

Note: Refer Note - 5 of Schedule XIV B

SCHEDULE V
INVESTMENTS

(Rs. in 000's)

Particulars		**As at March 31, 2009** Quantity	Face value Rs. (per unit)	At Cost	*As at March 31, 2008* Quantity	Face value Rs. (per unit)	At Cost
I.	**Long-term (Unquoted)**						
	Trade Investment						
1.	ICICI Venture Value Fund Trust Units of Rs. 100 fully paid {(Units Purchased/acquired during the Year-114,265) (Year ended March 31, 2008 - Nil)} {(Units redeemed during the Year - 2,522) (Year ended March 31, 2008 - 2,123)}	**120,274**	**100**	**12,030.00**	*8,531*	*100*	*853.00*
2.	India Advantage Fund I Units of Rs. 100 fully paid {(Units Purchased/acquired during the Year - Nil) (Year ended March 31, 2008 - Nil)} {(Units sold during the Year - Nil) (Year ended March 31, 2008 - Nil)}	**5,000**	**100**	**500.00**	*5,000*	*100*	*500.00*
3.	India Advantage Fund II Units of Rs. 100 fully paid {(Units Purchased/acquired during the Year - Nil) (Year ended March 31, 2008 - Nil)} {(Units sold during the Year - Nil) (Year ended March 31, 2008 - Nil)}	**5,000**	**100**	**500.00**	*5,000*	*100*	*500.00*
4.	India Advantage Fund VII (Mezzanine Fund 1) Units of Rs. 100 fully paid {(Units Purchased/acquired during the Year -281,524) (Year ended March 31, 2008 - 1,055,964)} {(Units redeemed during the Year - Nil) (Year ended March 31, 2008 - 527,709)}	**809,779**	**100**	**80,970.00**	*528,255*	*100*	*52,826.00*
5.	TSI Ventures (India) Private Limited Shares of Rs. 10 each fully paid {(Shares Purchased/acquired during the Year - Nil) (Year ended March 31, 2008 - Nil)} {(Shares sold during the Year - 436,050) (Year ended March 31, 2008 - Nil)}	**—**	**—**	**—**	*436,050*	*10*	*4,360.00*
6.	TSI Ventures (India) Private Limited Cumulative Redeemable Preference Shares of Rs. 10 each fully paid {(Shares Purchased/acquired during Year - Nil) (Year ended March 31, 2008 - 1,543,850)} {(Shares sold during the Year - 9,054,886) (Year ended March 31, 2008 - Nil)}	**—**	**—**	**—**	*9,054,886*	*10*	*90,552.00*
	Total (A)			**94,000.00**			*149,591.00*
	Non Trade Investment						
1.	Industrial Development Bank of India 11.5 % IDBI Bonds 2010 (Fifty Fifth Series)			**9.00**	—	—	*9.00*
	Total (B)			**9.00**			*9.00*
	Total - (A+B)=(I)			**94,009.00**			*149,600.00*
II.	**Current Investments (unquoted)**						
1.	Units of Birla Cash Plus	**5,978,436**	**10**	**61,912.00**	—		—
2.	Units of DWS Insta Cash Plus-Growth	**5,607,980**	**10**	**75,000.00**	—		—
3.	Units of HDFC Cash Management-Savings Plan - Growth	**7,001,080**	**10**	**127,886.00**	—		—
4.	Units of HDFC Cash Management-Treasury Advantage	**9,728,756**	**10**	**185,122.00**	—		—
5.	Units of HSBC Floating Rate	**5,853,858**	**10**	**80,000.00**	—		—
6.	Units of Kotak Floating Rate - Longterm Growth	**5,729,310**	**10**	**79,100.00**	—		—
7.	Units of Lotus India Liquid Fund - Institutional Plan - Growth	**—**	**—**	**—**	*10,000,000*	*10*	*100,000.00*
8.	Units of ICICI Prudential Liquid Plan - Growth	**1,625,676**	**10**	**20,943.00**	*6,034,735*	*10*	*70,000.00*
9.	Units of Standard Chartered Liquidity Manager Plus Plan - Growth	**—**	**—**	**—**	*71*	*1,000*	*80.00*
10.	Units of TATA Mutual Fund Institutional Plan-Growth	**80,593**	**1,000**	**127,808.00**	—		—
	Total - (II)			**757,771.00**			*170,080.00*
	Total - {(I)+(II)}			**851,780.00**			*319,680.00*

SUMMARY	**Current Year (Rs. in 000's)**	*Previous Year (Rs. in 000's)*
Aggregate Value of Investments:		
Quoted (Net)	**—**	—
Unquoted	**851,780.00**	*319,680.00*

1) Investments have been classified as Long-term and Current Investments in accordance with Accounting Standard 13, issued under the relevant provision of Companies Act, 1956.
2) Purchases of Units of Mutual Funds held as Investments - 379,288,186 units amounting to Rs. 54,09,720 Thousands (Year ended March 31, 2008 - 174,811,644 units, amounting Rs. 24,03,120 Thousands.)
3) Sales of units of Mutual Funds held as Investments - 353,717,364 units amounting to Rs. 4,822,030 Thousands. (Year ended March 31, 2008 - 197,712,527 units, amounting Rs. 2,720,980 Thousands.)
4) NAV of Units of Mutual Fund held as at Mar 31, 2009 - Rs 7,68,070 Thousands. (As at Mar 31, 2008 - Rs 1,73,180 Thousands.)

	March 31, 2009	(Rs. in 000's) March 31, 2008
SCHEDULE – VI		
CURRENT ASSETS, LOANS AND ADVANCES		
Current Assets		
Sundry Debtors (Unsecured, Considered good)		
- Debts - outstanding for a period exceeding six months	82,110.00	—
- Other Debts	91,980.00	557,190.00
Total - A	174,090.00	557,190.00
Cash on hand	50.00	120.00
Balance with Scheduled Banks – In Current Accounts	40,000.00	109,720.00
Total - B	40,050.00	109,840.00
Loans and Advances		
Advance tax and tax deducted at source	944,410.00	901,570.00
Advances Recoverable in cash or in kind or for value to received	98,440.00	39,030.00
Deposits	49,840.00	41,040.00
Prepaid Marketing & Distribution Expenses	76,570.00	147,130.00
Total - C	1,169,260.00	1,128,770.00
Of the above Advances – Unsecured, Considered Good	1,169,260.00	1,128,770.00
	1,169,260.00	1,128,770.00
Current Assets & Loans and Advances (A+B+C)	1,383,400.00	1,795,800.00
SCHEDULE VII		
CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors:		
Dues to Others	517,590.00	459,390.00
Income received in advance	—	1,470.00
Other Liabilities	11,230.00	6,820.00
Total (A)	528,820.00	467,680.00
Provisions For Taxation	933,510.00	787,640.00
For Leave Encashment	81,780.00	55,680.00
For Gratuity	59,830.00	38,390.00
Total (B)	1,075,120.00	881,710.00
Current Liabilities & Provisions (A+B)	1,603,940.00	1,349,390.00
SCHEDULE VIII		
INCOME FROM OPERATIONS		
Fee Income [Tax Deducted at Source - Rs. 2,17,920 Thousands] (Year ended March 31, 2008 - Rs.2,47,500 Thousands)	1,830,360.00	2,000,210.00
Income From Investment in Venture Capital Fund	112,400.00	530,700.00
Dividend Income	—	26,560.00
	1,942,760.00	2,557,470.00
SCHEDULE IX		
OTHER INCOME		
Rent Income	22,540.00	48,550.00
Provisions Written Back	15,570.00	17,550.00
Gain on Foreign Exchange Fluctuation	610.00	12,380.00
Profit on Sale of Assets	270.00	—
Miscellaneous Income	23,770.00	38,280.00
	62,760.00	116,760.00

	March 31, 2009	(Rs. in 000's) March 31, 2008
SCHEDULE X		
STAFF EXPENSES		
Salaries, Wages and Bonus	547,860.00	290,920.00
Contribution to Provident and Other Funds	48,430.00	24,210.00
Staff Welfare Expenses	16,140.00	8,150.00
	612,430.00	323,280.00
SCHEDULE XI		
ESTABLISHMENT EXPENSES		
Insurance	780.00	900.00
Electricity Charges	6,420.00	4,100.00
Rates and Taxes	26,500.00	10.00
Repairs and Maintenance -- Building	15,750.00	11,420.00
Repairs and Maintenance -- Others	6,310.00	4,170.00
Communication Expenses	10,520.00	8,750.00
Rent - Office	30,430.00	12,060.00
	96,710.00	41,410.00
SCHEDULE XII		
FINANCE CHARGES		
Interest on Term Loan	203,310.00	209,540.00
Interest on Vehicle Loan	5,070.00	2,390.00
Bank Charges	470.00	400.00
	208,850.00	212,330.00
SCHEDULE XIII		
OTHER EXPENSES		
Advertisement & Business Promotion	6,740.00	15,610.00
Donations	26,720.00	—
Seminar Expenses	15,720.00	20,320.00
Travel, Conveyance and Motor Car Expenses	53,470.00	51,200.00
Marketing & Distribution Expenses	163,070.00	251,620.00
Legal and Professional Charges	188,310.00	333,080.00
Recruitment & Training Expenses	31,900.00	16,790.00
Printing and Stationery	2,720.00	3,060.00
Memberships and Subscriptions	7,660.00	6,480.00
Miscellaneous expenses	8,170.00	13,050.00
	504,480.00	711,210.00

SCHEDULE XIV A

OPERATIONS & SIGNIFICANT ACCOUNTING POLICIES

The following paragraphs describe the nature of operations, the basis of presentation and the main accounting policies adopted by the company.

1. **Nature of Operations**

   The Company is an Asset Management Company and provides venture capital assistance to a wide spectrum of industrial sectors. The assistance is extended through the Venture Funds and the Private Equity Funds managed/advised by the Company. The accounts of these Funds are maintained separately and do not form part of the Company's financial statements.

2. **Basis of Presentation**

   ICICI Venture Funds Management Company Limited maintains the Books of Account in accordance with Section 209 of the Companies Act, 1956. The accounting and reporting policies of the company are in conformity with the provisions of the Companies Act, 1956 and the Accounting Standards issued under section 211 (3C) of the Companies Act 1956. The Company's assets and liabilities are principally recorded on the historical cost basis and the accrual method of accounting is followed, except where otherwise noted. The principal accounting policies followed are consistent with those followed in the previous year except in respect of Depreciation, where the Company has changed its policy from written down value method to straight line method.

3. Income Recognition

i. As Fund Manager, the Company is entitled to an annual management fee and a performance fee, which is contingent on the payouts to the Fund investors. In respect of the Private Equity Funds advised by the Company, the Company is entitled to an advisory fee. The annual management fee, performance fee and the advisory fee are recognized as revenue when they contractually accrue except where the management believes that the collectability is in doubt.

ii. Dividend income from investment in units of Mutual Fund is recognized on accrual basis. Dividend from shares of corporate bodies is accrued when such dividend has been declared by the corporate body in its Annual General Meeting and the Company's right to receive the dividend payment is established.

iii. Rental Income is recognized as per contractual terms.

4. Foreign Exchange Transactions

Transactions in foreign currency, to the extent not covered by forward contracts, are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign currency transactions are recognized as income or expense in the period in which they arise.

Monetary items (other than those relating to fixed assets) are restated at the rates prevailing at the year end. The difference between the year end rate and the exchange rate at the date of the transaction is recognized as income or expense in the profit and loss account.

5. Investments

Long-term Investments are carried at cost. Provision for diminution, if any, in the value of long-term investments is made, to recognize a decline, which is not temporary. The said diminution is determined for each investment individually. Current Investments are stated at lower of cost or fair value.

6. Fixed Assets and Depreciation

Fixed Assets are stated at cost less accumulated depreciation. Additions, major renewals and improvements are capitalized, while maintenance and repairs are expensed. Upon disposition, the net book value of assets is removed and resultant gains and losses are reflected in the Profit and Loss Statement.

Effective April 1, 2008, the Company has changed its method of charging depreciation from written down value method to straight line basis. The basis of depreciation is as follows:

a) In respect of assets taken on lease & any improvements thereat, depreciation is provided over the lease period on straight line basis.

b) In respect of other assets, depreciation is provided over the estimated useful life on straight line basis. The rates of depreciation and the estimated useful life are as under:

Nature of Asset	Depreciation Rate	Estimated Useful Life
Building	6.33% to 12.50%	9 years to 14 Years
Equipment:		
Cell Phones	100%	
Others	10%	10 Years
Computers	33%	3 Years
Furniture & Fixtures	15% to 19%	6 Years
Vehicles	20%	5 Years

Assets individually cost less than Rs. 5,000 are written off in full in the year of purchase.

7. Impairment of Assets:

The carrying values of assets of the cash-generating units at each balance sheet date are reviewed for impairment. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor.

8. Employee Benefits

Post Employment Benefit Plans:

Payments to defined contribution plans, such as provident fund and super annuation, are charged as expense as they fall due. In cases where the actuarial risk vest with the Company, the shortfall in the fund balance against the present value of defined benefit obligation is expensed in the year the short fall arises.

For defined benefit schemes, the cost of providing benefits is determined using Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date. Actuarial gains and losses are recognised in full in the Profit and Loss Account for the period in which they occur. Past Service Cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Short Term employee benefits:

The undiscounted portion of short-term employee benefits expected to be paid in exchange for the services rendered by the employees is recognised during the period when the employee renders service.

9. Income Tax

Income tax comprises the current tax provision and the net change in the deferred tax asset or liability during the year.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of the assets and liabilities and their respective tax bases. Deferred tax assets are recognized subject to the management's judgment that realization is reasonably certain.

Deferred tax assets and liabilities are measured using enacted tax rates applicable on the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the income statement in the period of enactment of the change.

10. Provisions & Contingencies:

The Company creates a provision where there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the outflow.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably may not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow or resources is remote, no provision or disclosure is made.

11. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

SCHEDULE XIV B

NOTES FORMING PART OF THE ACCOUNTS

1. Legal & Professional Charges include amounts paid/payable to the Auditors for:

(Rs. in 000's)

	2008-09	2007-08
Audit Fees	**300.00**	*300.00*
Tax Audit	**80.00**	*80.00*
Other Matters	**300.00**	*300.00*
Out-of pocket Expenses	**30.00**	*20.00*
Service Tax	**70.00**	*80.00*
Total	**780.00**	*780.00*

2. Earnings in Foreign Exchange

	2008-09	2007-08
Fee Income	**87,480.00**	*21,570.00*
Sale of Investments	**14,65,440.00**	-
Total	**15,52,920.00**	*21,570.00*

3. Expenditure in Foreign Currency

	2008-09	2007-08
Traveling Expenses	**4,260.00**	*6260.00*
Advertisement	**2,790.00**	*6010.00*
Legal & Professional Charges	**1,97,620.00**	*3,26,530.00*
Seminar Expenses	**2,530.00**	*410.00*
Membership & Subscription	**4,130.00**	*4,220.00*
Marketing & Distribution	**82,670.00**	*79,010.00*
Others	**1,010.00**	*1,550.00*
Total	**2,95,010.00**	*4,23,990.00*

4. a. Estimated amount of Contracts remaining to be executed on capital account not provided for (net of advances, if any) – Rs 26,440 Thousands (Previous Year – Rs.29,810 Thousands)

   b. The company has incurred expenditure on construction and other civil works for its premises. Based on the provisional work completion certificate issued by the architect, the company has capitalised the assets. Revisions, if any, to the construction cost would be recorded on receipt of final bill.

5. Effective April 1, 2008, the Company has changed the method of charging depreciation on fixed assets from the written down value method to straight line method to be in line with its Holding Company's Accounting Policy. This has resulted in write back of depreciation of Rs. 1,02,070 Thousands, charged in earlier years, which is shown under "Excess provision for depreciation written back" and depreciation expense for the period is lower by Rs. 53,590 Thousands. Consequent to the above the profit before tax for the year is higher by Rs. 1,55,660 Thousands.

6. Staff Expenses include provision towards unutilised leave salary of Rs. 28,880 Thousands. (Previous Year – Rs.8,980 Thousands.)

7. Dividend Income comprises of dividend from long term investments- Rs. Nil. (Previous Year – Rs.26,560 Thousands.)

8. Miscellaneous expenses include Rs. 1,920 Thousands. (Previous Year – Rs. 1,630 Thousands.), being the Company's share of various common overhead expenses incurred by ICICI Bank Limited, the holding company.

9. Staff Expenses include Managerial Remuneration to Managing Director amounting to Rs. 17,890 Thousands (Previous Year – Rs 15,170 Thousands) & Joint Managing Director amounting to Rs. 12,410 Thousands (Previous Year – Rs 8,400 Thousands), aggregating to Rs. 30,300 Thousands. (Previous Year Rs.23,570 Thousands). Details are given below;

(Rs. in 000's)

	2008-09	*2007-08*
Salary & Allowances	**25,640.00**	*21,230.00*
Company's contribution to Provident Fund	**1,170.00**	*570.00*
Company's contribution to Gratuity	**810.00**	*400.00*
Company's contribution to Superannuation Fund	**750.00**	*620.00*
Perquisites	**1,930.00**	*750.00*
Total	**30,300.00**	*23,570.00*

Director's sitting fees paid for the year ended March 31, 2009 is Rs.940 Thousands (Previous year Rs. 780 Thousands)

10. The Company has entered into operating leases in respect of office premises. The lease rentals charged to the Profit & Loss account in respect of these leases amount to Rs. 30,430 Thousands (Previous Year Rs. 12,060 Thousands).

    Future minimum lease payments in respect of non cancellable leases are as follows:

(Rs.000's)

Particulars	**2008-09**	*2007-08*
Not later than one year	**31,270.00**	*30,750.00*
Later than one year but not later than 5 years	**1,23,130.00**	*1,64,920.00*
Later than 5 years	**—**	*4,640.00*

11. Provision for income tax of Rs.5,30,160 Thousands for the year (Previous Year– Rs. 3,61,110 Thousands) includes provision for deferred tax amounting to Rs. 12,400 Thousands. (Previous Year – Rs. (18,890) Thousands) and reversal excess provision of previous years Rs. 2,240 Thousands.

    The net deferred tax Asset/ (liability) comprises the tax impact arising from timing differences on account of:

(Rs. in 000's)

	2008-09	*2007-08*
Accrued expenses	**1,41,740.00**	*94,190.00*
Net Depreciation difference	**(89,900.00)**	*(5,880.00)*
Total	**51,840.00**	*88,310.00*
Net Deferred tax Asset/ (Liability) on above	**17,620.00**	*30,020.00*

12. Transactions with related parties are disclosed as per Accounting Standard 18 "Related Party Disclosures", issued under section 211 (3C) of Companies Act 1956.

(Rs. in 000's)

Sl. No.	**Name of the related party**	**Nature of relationship**	**Nature of transaction**	**2008-09**	*2007-08*
1.	ICICI Bank Limited.	Holding Company	Payment of Rent	**3,090.00**	*4,010.00*
			Common Corporate Expenses	**2,000.00**	*1,630.00*
			Marketing & Distribution Expenses	**1,59,750.00**	*247,200.00*
			Finance charges	**91,320.00**	*91,690.00*
			Salary for deputed staff	**—**	*3,090.00*
			Other Expenses	**—**	*620.00*
			Dividend Paid	**9,50,000.00**	*7,25,000.00*
			Balance in Current Accounts	**39,440.00**	*1,08,880.00*
			Share Capital	**10,000.00**	*10,000.00*
			Loan Funds	**6,16,760.00**	*7,59,680.00*
			Current Liabilities & provisions	**44,140.00**	*37,910.00*
			Fee Income	**—**	*11,920.00*
			Advances Recoverable	**76,570.00**	*1,46,720.00*
			Manager's Fee receivable	**—**	*4,910.00*
2.	ICICI International Limited	Fellow Subsidiary	Fee Income	**4,130.00**	*21,570.00*
			Fee Income receivables	**3,390.00**	*21,570.00*
3.	ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary	Insurance of Staff	**1,730.00**	*860.00*
			Advances Recoverable	**1,870.00**	*3,200.00*
			Rent Income	**22,540.00**	*21,420.00*
			Rent Deposit received	**5,050.00**	*5,050.00*
4.	ICICI Prudential Asset Management Company Limited	Fellow Subsidiary	Advances Recoverable	**—**	*420.00*
			Marketing & Distribution Expenses	**420.00**	*3,400.00*
5.	ICICI Lombard General Insurance Company Limited	Fellow Subsidiary	Insurance of Assets	**730.00**	*860.00*
			Insurance of Staff	**6,440.00**	*2,370.00*
			Advances Recoverable	**5,470.00**	*2,720.00*
6.	ICICI Securities Limited	Fellow Subsidiary	Rent Income	**—**	*27,130.00*
			Rent Deposit	**—**	*700.00*
7.	ICICI Equity Fund VCF	Other Related Party	Fee Income	**1,19,080.00**	*1,22,470.00*
			Advances Recoverable	**40.00**	*—*
8.	ICICI Eco-net Internet and Technology Fund	Other Related Party	Fee Income	**25,000.00**	*25,000.00*
9.	ICICI Emerging Sectors Fund	Other Related Party	Fee Income	**1,82,500.00**	*1,82,500.00*
			Advances Recoverable	**180.00**	*—*
10.	ICICI Strategic Investments Fund	Other Related Party	Fee Income	**70,500.00**	*70,500.00*
11.	ICICI Venture Value Fund	Other related Party	Investment outstanding at Balance Sheet date	**12,030.00**	*850.00*
			Purchase of Units	**11,430.00**	*—*
			Profit from sale of investments	**290.00**	*26,560.00*
			Sales Consideration	**500.00**	*26,770.00*
12.	TSI Venture (India) Private Limited	Other related Party	Investment outstanding at Balance Sheet date	**—**	*94,910.00*
13.	Renuka Ramnath	Key Managerial Personnel	Remuneration to Managing Director	**17,890.00**	*15,170.00*
14.	Rajeev Bakshi	Key Managerial Personnel	Remuneration to Joint Managing Director	**12,410.00**	*8,400.00*

13. The company is organized into two business segments. These are categorized as Asset Management Services and Other Activities. Financial information on business segment is provided in table below. The company operates only in one geographic segment.

(Rs. in 000's)

Particulars	March 31, 2009	March 31, 2008
Segment Revenue		
Asset Management Services	**33,13,780.00**	*25,87,400.00*
Others	**1,42,690.00**	*1,45,590.00*
Total Revenue	**34,56,470.00**	*27,32,990.00*
Segment Result		
Asset Management Services	**19,04,300.00**	*12,08,160.00*
Others	**1,16,480.00**	*62,990.00*
Total	**20,20,780.00**	*12,71,150.00*
Operating Profit	**20,20,780.00**	*12,71,150.00*
PBT	**20,20,780.00**	*12,71,150.00*
Income Taxes	**5,40,280.00**	*3,67,110.00*
Net Profit	**14,80,500.00**	*9,04,040.00*
Segment Assets		
Asset Management Services	**15,96,990.00**	*17,54,550.00*
Others	**11,09,150.00**	*7,51,350.00*
Deferred Tax Assets	**17,620.00**	*30,020.00*
Advance Tax & TDS	**9,44,410.00**	*9,01,570.00*
Total Assets	**36,68,170.00**	*34,37,490.00*
Segment Liabilities		
Asset Management Services	**17,11,930.00**	*18,27,730.00*
Others	**2,75,260.00**	*4,43,700.00*
Provision for Tax	**9,33,510.00**	*7,87,640.00*
Total Liabilities	**29,20,700.00**	*30,59,070.00*

As the company operates from a single geographical location, secondary disclosures are not applicable.

14. The Company's holding in TSI Ventures (India) Private Limited has been divested to TS 9 Mauritius on June 2008 for a total consideration of Rs. 14,65,640 Thousands. Hence the disclosure as required under the Accounting Standard 27 has not been made.

15. Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The computation of earnings per share is given below:

	March 31, 2009	March 31, 2008
Basic		
Weighted average no. of equity shares outstanding	**1,000,000**	*1,000,000*
Net Profit (Rs. in 000's)	**14,80,500.00**	*9,04,040.00*
Basic earnings per share (Rs.)	**1,480.50**	*904.04*
Diluted earning per share (Rs.)	**1,480.50**	*904.04*
Nominal Value Per Share (Rs.)	**10.00**	*10.00*

16. **Derivative Instruments**

i. During the year the company has not entered into any derivative contract and therefore no disclosure pertaining to the same is applicable for the current year.

ii. Foreign Currency exposures, that have not been hedged by a derivative instrument or otherwise:

Particulars	March 31, 2009 Amount (Rs. in 000's)	March 31, 2009 Amount (Foreign Currency)	March 31, 2008 Amount (Rs. in 000's)	March 31, 2008 Amount (Foreign Currency)
Assets:				
Balance in EEFC A/c	**18,820.00**	**USD 371,028**	*7,650.00*	*USD 186,606*
Current Assets	**89,800.00**	**USD 1,770,505**	*21,570.00*	*USD 526,206*
Liabilities				
Current Liabilities	**1,65,260.00**	**USD 3,258,256**	*50,930.00*	*USD 1,242,138*
Current Liabilities	**1,31,780.00**	**GBP 1,550,354**	*2,60,000.00*	*GBP 3,250,000*

17. **Employee Benefits**

a) Defined benefit cost and obligation under defined benefit plans as per acturial valuations as on March 31, 2009

		March 31, 2009	March 31, 2008
I	**Components of employer expense**		
1.	Current Service cost	**15,810.00**	*8,720.00*
2.	Interest cost	**5,730.00**	*4,110.00*
3.	Expected return on plan assets	**(1,600.00)**	*(1,280.00)*
4.	Curtailment cost/(credit)	—	—
5.	Settlement cost/(credit)	—	—
6.	Past Service Cost	—	—
7.	Actuarial Losses/(Gains)	**9,490.00**	*(1,120.00)*
8.	Total expense recognised in the Statement of Profit & Loss	**29,430.00**	*10,430.00*
II	**Actual Contribution and Benefits Payments**		
1.	Actual benefit payments	**(6,700.00)**	*(1,020.00)*
2.	Actual Contributions	**8,000 .00**	—
III	**Net asset/(liability) recognised in Balance Sheet**		
1.	Present value of Defined Benefit Obligation (DBO)	**80,380.00**	*54,740.00*
2.	Fair value of plan assets	**20,550.00**	*16,350.00*
3.	Funded status [Surplus/(Deficit)]	**(59,830.00)**	*(38,390.00)*
4.	Unrecognised Past Service Costs	—	—
5.	Net asset/(liability) recognised in Balance Sheet	**(59,830.00)**	*(38,390.00)*
IV	**Change in Defined Benefit Obligations**		
1.	Present Value of DBO at beginning of period	**54,740.00**	*42,660.00*
2.	Current Service cost	**15,810.00**	*8,720.00*
3.	Interest cost	**5,730.00**	*4,110.00*
4.	Curtailment cost/(credit)	—	—
5.	Settlement cost/(credit)	—	—
6.	Plan amendments	—	—
7.	Acquisitions	—	—
8.	Actuarial (gains)/ losses	**10,800.00**	*270.00*
9.	Benefits paid	**(6,700.00)**	*(1,020.00)*
10.	Present Value of DBO at the end of period	**80,380.00**	*54,740.00*
V	**Change in Fair Value of Assets**		
1.	Plan assets at beginning of period	**16,350.00**	*17,260.00*
2.	Acquisition Adjustment	—	—
3.	Expected return on plan assets	**1,590.00**	*(1,280.00)*
4.	Benefits paid	**(6,700.00)**	*(1,020.00)*
5.	Contribution by employer	**8,000.00**	—
6.	Actuarial Gain/(Losses)	**1,310.00**	*1,390.00*
7.	Plan assets at the end of period	**20,550.00**	*16,350.00*
VI	**Actuarial Assumptions for Gratuity**		
1.	Discount Rate	**7.55%**	*8.15%*
2.	Expected Return on plan assets	**7.50%**	*7.50%*

3. Salary escalation : 20% p.a for First 4 Years, 15% p.a. for next 5 years, 10% p.a. for next five years and 7.5% p.a thereafter.
4. Mortality : Indian Assured Lives Mortality (1994-96) (Modified) Ultimate
5. Withdrawal Rates : Upto age 44 : 2% and above age 44 :1%

(Rs. in 000's)

Provident Fund	**16,210.00**	9,040.00
Superannuation fund	**2,780.00**	2,160.00

18. The information disclosure with regard to Micro, Small and Medium Industries is based on information collected by the management based on enquiries made with the creditors which have been relied upon by the auditors.

19. The figures for the previous year have been re-grouped wherever necessary so as to make them comparable with those of the current year.

Signatures to Schedules "I" to "XV", which form an integral part of the Accounts.

As per our report attached	For and on behalf of the Board	
For DELOITTE HASKINS & SELLS *Chartered Accountants*	LALITA D. GUPTE *Chairperson*	RENUKA RAMNATH *Managing Director & CEO*
V. BALAJI *Partner* *Membership No. 203685*	BEENA M. CHOTAI *Sr. Director &* *Chief Financial Officer*	ANSELM PINTO *Company Secretary*

Mumbai, April 20, 2009

cash flow statement

ICICI Venture

for the year ended March 31, 2009

			(Rs. in 000's) March 31, 2008
		March 31, 2009	*March 31, 2008*
Cash flows from operating activities			
Net profit before taxation	**2,020,780.00**		*1,271,150.00*
Adjustments for :			
Depreciation	**115,290.00**		*173,610.00*
Profit on sale of Investments	**(1,450,950.00)**		*(58,760.00)*
Dividend from Long term investments	**—**		*(26,560.00)*
Provisions written back	**(15,570.00)**		*(17,550.00)*
Gain on Exchange Fluctuation	**—**		*—*
Interest on Income Tax Refund	**(5,810.00)**		*(460.00)*
Rent Income	**(22,540.00)**		*(48,550.00)*
Finance charges	**208,380.00**		*212,330.00*
Gain on reversal of Depreciation provision	**(102,070.00)**		*—*
(Profit)/Loss on sale of Assets	**(270.00)**		*(50.00)*
Operating profit before working capital changes	**747,240.00**		*1,505,160.00*
Decrease/(Increase) in debtors	**383,100.00**		*(556,870.00)*
Decrease/(Increase) in other current assets	**2,350.00**		*143,570.00*
Increase/(Decrease) in Creditors	**124,250.00**		*229,990.00*
Cash from operations	**1,256,940.00**		*1,321,850.00*
Less : Income taxes paid	**(419,050.00)**		*(443,390.00)*
Net cash from operating activities		**837,890.00**	*878,460.00*
Cash flows from investing activities			
Purchase of Fixed Assets	**(114,010.00)**		*(86,370.00)*
Dividend from Long term Investments	**—**		*26,560.00*
Rent Income	**22,540.00**		*48,550.00*
Sale of Fixed Assets	**4,360.00**		*5,960.00*
Purchase of Investments	**(5,449,290.00)**		*(2,508,700.00)*
Decrease / (Increase) in Capital Advances	**(26,660.00)**		*(18,550.00)*
Sale of Investments	**6,368,130.00**		*2,799,620.00*
Net cash from investing activities		**805,070.00**	*267,070.00*
Cash flows from financing activities			
Proceeds from long term borrowings	**21,010.00**		*116,920.00*
Payment of long term borrowings	**(413,930.00)**		*(136,170.00)*
Payment of finance charges	**(208,380.00)**		*(214,740.00)*
Payment of dividend & tax thereon	**(1,111,450.00)**		*(848,210.00)*
Net Cash from financing activities		**(1,712,750.00)**	*(1,082,200.00)*
Net increase/(decrease) in cash & cash equivalents		**(69,790.00)**	*63,330.00*
Cash & cash equivalents at the beginning of the year		**109,840.00**	*46,510.00*
Cash & cash equivalents at the end of the year		**40,050.00**	*109,840.00*

The above schedules form an integral part of the accounts.

As per our report attached

For DELOITTE HASKINS & SELLS
Chartered Accountants

V. BALAJI
Partner
Membership No. 203685
Mumbai, April 20, 2009

For and on behalf of the Board

LALITA D. GUPTE
Chairperson

BEENA M. CHOTAI
Sr. Director & Chief Financial Officer

RENUKA RAMNATH
Managing Director & CEO

ANSELM PINTO
Company Secretary

ICICI Venture

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. Registration details

Registration No. 80/10099 State Code 08

Balance Sheet Date 31 (Date) 03 (Month) 2009 (Year)

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

Public Issue	NIL
Bonus Issue	NIL
Rights Issue	NIL
Private Placement	NIL

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

Total Liabilities	2064230.00
Total Assets	206423.00

Sources of Funds

Paid-up Capital	10000.00
Reserves and Surplus	737470.00
Secured Loans	1316760.00
Unsecured Loans	NIL
Deffered Tax Liability	NIL

Application of Funds

Net Fixed Assets	1415370.00
Investments	851780.00
Net Current Assets	—220540.00
Miscellaneous Expenditure	NIL
Accumulated Losses	NIL

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

Turnover (Gross Income inclg. other income)	3456470.00
Total Expenditure	1435690.00
Profit Before Tax (+ √ / -)	2020780.00
Profit After Tax (+ √ / -)	14805000.00
Earnings Per Share in Rupees	1480.50
Dividend Rate %	95000 %

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

Item Code: NOT APPLICABLE

Product Description: FINANCIAL SERVICES

For and on behalf of the Board of Directors

LALITA D. GUPTE
Chairperson

RENUKA RAMNATH
Managing Director & CEO

BEENA M. CHOTAI
Sr. Director & Chief Financial Officer

ANSELM PINTO
Company Secretary

Mumbai, April 20, 2009