

INTELLIGENT COMMUNICATION SYSTEMS INDIA LIMITED

CHAPTER-X ORGANISATIONAL SETUP AND FINANCIAL MANAGEMENT

10.1 Introduction

Intelligent Communication Systems India Limited (Company) a joint venture of Telecommunications Consultants India limited (TCIL) and Delhi State Industrial Development Corporation (DSIDC) was incorporated in April 1987. The main objective of the Company was to manufacture computer based communication systems and equipment to meet the growing demand in communication and Information Technology sector. The Company also provided engineering, technical and management consultancy services for computers and communication systems in India and abroad.

However, the Company ceased to conduct manufacturing activities and surrendered its manufacturing license to excise authorities in April 1995 for manufacture of excisable goods. At present the Company is engaged in trading of computer and other telecommunication systems.

10.2 Organisational setup

The administrative and overall functional control is vested with the Board of Directors headed by the Managing Director on deputation from TCIL. He is assisted in managing the day to day affairs of the Company by Joint General Manager, General Manager (Finance) and Company Secretary on deputation from TCIL. The Board of Directors consists of eight Members (four from TCIL, two from DSIDC and two from Orison Infocom Pvt. Ltd.).

10.3 Investment and Returns

The authorised and paid up capital of the Company as on 31 March 2005 was Rs100.00 lakh contributed by the following Companies:

TCIL	36 per cent
DSIDC	25 per cent
Orison Infocom Pvt. Ltd.	24 per cent
Falcom Cable TV Ltd.	15 per cent
TOTAL	100 per cent

The Company earned a profit of Rs 8.24 lakh during the year 2004-05. As the Company had accumulated losses, it did not declare any dividend during the years 2000-01 to 2004-05. As of 31 March 2005, the accumulated loss of the Company was Rs 0.33 crore.

10.4 Physical Performance

The Company discontinued manufacturing business and is concentrating mainly on trading of computers and telecommunication systems, turnkey sales of cables, annual maintenance contracts, repairs of E-10-B and C-DOT cards, franchise business and Kuwait Project.

10.5 Financial Performance

The financial results of the Company for the five years ending 31 March 2005 were as follows:

Particulars	(Rs in lakh)				
	2000-01	2001-02	2002-03	2003-04	2004-05
i) Income from Projects (Sales and Services)	643.13	1082.56	1671.09	2286.40	2394.18
ii) Net Sales	643.13	1082.56	1671.09	2286.40	2394.18
iii) Other or Misc. Income	2.67	3.99	20.89	111.45	39.95
iv) Profit before tax and prior period adjustments and extraordinary items	6.76	36.37	12.03	5.37	15.58
v) Prior period adjustments*	0.86	0.60	(-) 0.01	(-) 0.19	(-) 0.07
vi) Extraordinary items (Net)	(-) 3.03	0.23	44.61	27.78	(-) 4.98
vii) Tax provision	(-) 0.23	(-) 1.65	(-) 1.47	0.57	(-) 2.29
viii) Profit after tax	4.36	35.75	55.16	33.46	8.24
ix) Dividend	-	-	-	-	-

During the year 2004-05, the profit was reduced to Rs 8.24 lakh from Rs 33.46 lakh (2003-04), mainly on account of writing back of provisions on debtors of Rs 30.29 lakh during 2003-04.

10.6 Manpower

The total manpower of the Company as on 31st March 2005 was 9 in 'C' and 'D' cadres other than those on deputation and contract basis.

* (Net) Credit (+) / Debit (-)