

TELECOMMUNICATION CONSULTANTS INDIA LIMITED

CHAPTER IX ORGANISATIONAL SETUP AND FINANCIAL MANAGEMENT

9.1 Introduction

Telecommunication Consultants India Limited (Company), with its registered and corporate office located in New Delhi, was incorporated in 1978 under the Companies Act, 1956 to provide consultancy and know-how in the area of expansion and modernisation of telecommunication networks. The Company has taken up consultancy services and turnkey projects not only in the field of telecommunication within the country and abroad but also in the hi-tech area of development of communication related software packages. The operations of the Company are carried out through three regional offices in the country and 23 foreign project offices in African, South East Asia and Middle East countries.

9.2 Organisational setup

The administrative and overall functional control is vested with the Board of Directors headed by the Chairman and Managing Director (CMD) who is assisted in day-to-day management of the Company by two functional Directors (Technical and Finance) and a Company Secretary. The Regional Offices are headed by General Managers.

9.3 Investment and Returns

The authorised equity share capital of the Company was Rs 30 crore as on 31 March 2005. The paid up capital was Rs 28.80 crore. The Government of India owned the entire paid up capital. The return on the above investment in the form of dividend paid by the Company was 300 per cent, 150 per cent, 150 per cent, 75 per cent and 75 per cent for each of the last five years ending 31 March 2005, respectively.

9.4 Financial Performance

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

(Rs in crore)

Particulars	2000-01	2001-02	2002-03	2003-04	2004-05
i) Income from projects (Sales)					
a) Foreign project	367.49	367.45	327.16	387.92	327.08

b) Indian projects	387.52	324.06	223.15	121.02	91.41
Total Income from Projects	755.01	691.51	550.31	508.94	418.49
ii) Other or Misc. Income	21.13	28.92	40.13	35.50	30.65
iii) Profit before tax and prior period adjustment	62.16	63.41	48.47	50.56	13.17
iv) Prior period adjustment	0.99	0.20	3.03	0.21	0.51
v) Profit before tax	63.15	63.61	51.50	50.77	13.68
vi) Tax provision	4.40	6.13	11.61	3.75	3.31
vii) Profit after tax	58.75	57.48	39.89	47.02	10.37
viii) Proposed Dividend	21.60	21.60	21.60	21.60	21.60
ix) Tax on proposed Dividend	2.20	--	0.46	2.82	3.03

The profit after tax declined by 78 *per cent* in 2004-05 as compared to 2003-04 due to fall in total income.

9.5 Manpower

The total manpower strength of the Company as at the end of each of the last four years ending on 31 March 2005 is given below:

Year	Executive	Non-executive	Total manpower
2001-02	481	1017	1498
2002-03	468	853	1321
2003-04	509	760	1269
2004-05	609	318	927

It may be seen from the above that though the total manpower was reduced by 38 *per cent* and there was reduction of 68 *per cent* in manpower of non-executives, there was increase in executive cadre by 26 *per cent* over last four years.