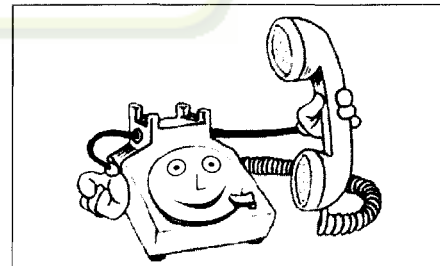
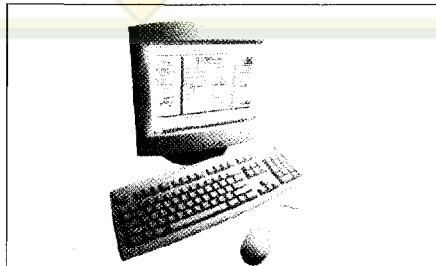
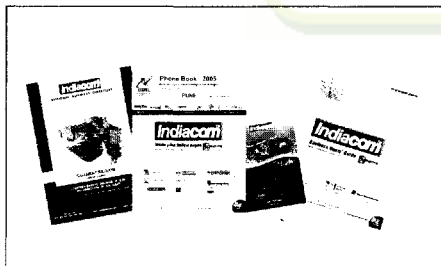




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BOARD OF DIRECTORS

Mr. Natalino Duo	Chairman
Mr. Abhey Yograj	Director
Dr. Madanmohan Rao	Director
Mr. Ashok Mandore	Managing Director
Mr. V. Srinivasa Rao	Whole Time Director & Company Secretary

AUDITORS

M/s. Patankar & Associates
Chartered Accountants,
'Ameya', 4 Anandbaug Co-op. Hsg. Soc.Ltd.,
Navi Peth, Pune - 411 030.

BANKERS

Canara Bank
Citibank N. A.

REGISTERED OFFICE

Hermes Heritage (Phase I), Commercial, Shastri Nagar,
Pune-Nagar Road,
Pune - 411 006.
Telephone (020) 2660 3600

REGISTRARS AND SHARE TRANSFER AGENTS

M/s. Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka, Andheri (E)
Mumbai - 400 072.
Telephone : (022) 28470652

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ANNUAL REPORT 2004-2005**DIRECTORS' REPORT**

To the Members of
INDIACOM LIMITED,

Your Directors take pleasure in presenting the Seventeenth Annual Report together with the Audited Statements of Accounts for the Financial Year ended 30th June 2005.

1. FINANCIAL RESULTS

	2004-05	(Rs. in lacs) 2003-04
Turnover	2463.50	2325.15
Gross Profit before Interest and Depreciation	255.30	183.95
Less: Interest	44.32	40.85
Profit / (Loss) Before Depreciation	210.99	143.10
Less: Depreciation for the year	29.85	123.57
Profit Before Taxation	181.14	19.53
Provision for Taxation		
Current Tax	14.00	1.50
Deferred Tax Charge	15.59	8.77
Fringe Benefit Tax	1.75	--
Profit for the year	149.80	9.26
Less: Loss brought forward from previous year	(98.15)	(107.41)
Balance Profit/(Loss) Carried to Balance Sheet	51.65	(98.15)

2. DIVIDEND

The Directors regret their inability to recommend dividend for the Financial year 2004-05.

3. OPERATIONS

The Company has extended the financial year from 31st March 2005 to 30th June 2005 taking into account, inter alia, the cycle of publication of its Directories. Therefore the results for the financial year ending 30th June 2005 have been for 15 months period as against 12 months period for the previous financial year. The Company has been offering a range of products and services in Print, Internet and Voice media. The Company recorded a turnover of Rs. 2464 Lacs for the financial year ended 30th June 2005 representing an increase of 6% over the previous year's turnover of Rs. 2325 lacs. The net profit after taxes is Rs. 150 lacs as against the profit of Rs. 9 lacs for the previous financial year. The focus on performance improvement and Key market have contributed to the improvement in profitability of the Company.

The Company has also been working on improving the processes and operating systems to optimise efficiency & productivity and to cope up with the changing requirements of the Trade and Industry.

4. SCHEME OF ARRANGEMENT U/S 391 OF THE COMPANIES ACT, 1956

During the financial year 2004-05 the Company carried out a Scheme of Arrangement u/s 391 of the Companies Act, 1956 which provided, inter alia, for;

- Writing off of the Intangible asset of the web Development Cost of Rs. 99.67 lacs against the balance lying in the share premium account w.e.f. from 1st April 2004.
- Buy-back of the Equity Shares of the Company up to 25% of the Paid-up Capital of the Company, i.e. 9,49,750 shares of Rs. 10 each.

After approval from the shareholders and the Creditors of the Company, the scheme was sanctioned by the Honorable High Court of Mumbai by its order dated 24th June 2005. Accordingly, the Web Development Cost was written off against the balance in the Share Premium Account with effect from 1st April 2004. The Audited accounts have been drawn up after giving effect to the same. On the date of this report, the Company has initiated the process of carrying out the Buy-back offer. Since, the Buy-back process did not conclude before 30th June 2005, no effect has been given in the books of accounts.

5. FUTURE OUTLOOK

The Telecommunications sector has gone through rapid changes and advancements in the recent past. An exponential growth, both in number of Telephones plus the Value Added Services is forecast. The Internet penetration has also been increasing steadily. All these developments in the industry bring with them new opportunities and challenges. Your Company is keeping a close watch on the changing scenario and your Directors are evaluating strategies to leverage Company's strengths and resources to tap opportunities, which are synergetic to its present operations and also consolidate the present areas of operation.

6. EQUITY CAPITAL AND ITS LISTING

There was no change in the paid up and issued equity share capital of the Company during the period under report. The equity shares of the Company are listed on OTC Exchange of India, 92 Maker Towers, 'F' Cuffe Parade, Mumbai 400 005. The Company has paid the annual listing fees for the financial year 2005-2006.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars as prescribed under Section 217 (1) (e) of the Companies Act, 1956 are given in Annexure A, which forms a part of this Report.

8. PARTICULARS OF EMPLOYEES

There are no employees drawing salary more than the amount prescribed under Section 217 (2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended.

9. FIXED DEPOSIT

As on 30th June 2005, the Company held Rs. 35.92 Lacs of Non-Cumulative and Cumulative Fixed Deposit Accounts of which Rs.0.67 Lacs deposits have matured and remained unclaimed.

10. DIRECTORS

During the year, Ms. Bindu Sood was co-opted as an Additional Director. She has resigned w.e.f. 13.08.2005. The Directors place on record their appreciation for the services rendered by her. In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Dr. Madanmohan Rao will retire by rotation and being eligible offers himself for re-appointment. Necessary resolution in this behalf is being placed before the members for approval.

11. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of the Companies Act, 1956, the Directors affirm that, they have:

1. Followed, in preparation of the accounts, applicable accounting standards and given explanation for material departures.
2. Selected and applied accounting policies consistently.
3. Made reasonable judgements and estimates for reflecting a true and fair view of the accounts.
4. Taken care for maintenance of adequate accounting records to safeguard assets of the Company and prevent frauds and irregularities.
5. Prepared the annual accounts on a going concern basis.

12. REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance under clause 49 of the Listing Agreement, annexed herewith forms part of the Directors' Report.

Please refer the Corporate Governance Report for the disclosures of the constitution of the Audit Committee and Remuneration Committee of the Board of Directors of the Company.

13. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report prescribed under the Listing Agreement is annexed herewith and forms part of the Directors' Report.

14. AUDITORS

M/s. Patankar & Associates, Statutory Auditors, hold office up to the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received confirmation from the Auditors to the effect that their re-appointment will be within the limits prescribed by Section 224 (1B) of the Companies Act, 1956.

15. ACKNOWLEDGMENTS

The Directors place on record their grateful appreciation for the support extended to the Company by the Bankers, Government Authorities and its Customers. Your Directors also wish to express gratitude to the Company employees for their committed services and to the shareholders for their continued support.

For and on behalf of the Board of Directors

Date: 30/09/2005

Natalino Duo
Chairman

ANNUAL REPORT 2004-2005**ANNEXURE A TO DIRECTORS' REPORT**

Information as per Section 217 (1) (e) read with the Companies (Disclosures of Particulars in the Report of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 30th June 2005.

(A) CONSERVATION OF ENERGY

The activities of the Company being in the nature of services, there is no significant consumption of energy.

(B) TECHNOLOGY ABSORPTION

Not applicable

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earnings during the period under report was	Rs. 71,338
Foreign Exchange outgo was	Rs. 1,46,850

For and on behalf of the Board of Directors

Date: 30/09/2005

Natalino Duo
Chairman

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CORPORATE GOVERNANCE REPORT

The Company has implemented the Code as per the SEBI prescribed format incorporated in the Listing Agreement and reports as follows for the financial year ended 30th June 2005.

1. Company's Philosophy on Code of Corporate Governance:

Indiacom's philosophy on Corporate Governance continues to be the provision of optimum service to all its stakeholders and enhance its shareholders value. Indiacom Limited continues to aim at the attainment of highest level of transparency, accountability and equality in all facets of its operation and in all its interactions with shareholders, employees, bankers, contracting parties and its customers.

Indiacom Limited strives to improve upon its existing processes and innovate in its business to prosper in the long term. In order to improve margins in this competitive environment, Company seeks to consistently improve productivity, reduce costs and make additions to the product line. To gain Customers' loyalty and patronage, Company focuses on Customer Service and improve the quality of its products / publications.

2. Board of Directors:

The Board of Directors as on 30/06/2005 consisted of 6 Directors.

Composition and category of Board of Directors is as follows:

The constitution of the Board of Directors as on 30th June 2005

Name of Directors	Category
Mr. Natalino Duo	Non-executive Chairman
Mr. Abhey Yograj	Non-executive Director & Independent Director
Ms. Bindu Sood (From 24-11-2004 to 13-8-2005)	Non-executive Director & Independent Director
Dr. Madanmohan Rao	Non-executive Director & Independent Director
Mr. Ashok Mandore	Managing Director
Mr. V. Srinivasa Rao	Whole-time Director and Company Secretary

Attendance of each Director at the Board Meetings, last Annual General Meeting and number of other directorships and Chairmanship/Membership of Committee of each Director in various companies:

Name of Director	Attendance Particulars		Number of other Directorships in Public Limited Companies and committee Member/Chairmanship		
	Board Meeting	Last AGM	Other Director-ships	Committee Member-ships	Committee Chairman-ships
Mr. Natalino Duo	7	Yes	Nil	Nil	Nil
Mr. Abhey Yograj	5	No	6	1	Nil
Ms. Bindu Sood*	1	NA	Nil	Nil	Nil
Dr. Madanmohan Rao	3	Yes	Nil	Nil	Nil
Mr. Ashok Mandore	9	Yes	Nil	Nil	Nil
Mr. V. Srinivasa Rao	9	Yes	Nil	Nil	NIL

* Was not a director at the time of last AGM.

Number of Board Meetings held and the dates on which held: Nine Board Meetings were held during the period under report on 28th April 2004, 29th May 2004, 29th June 2004, 30th July 2004, 28th August 2004, 07th September 2004, 24th November 2004, 12th February 2005 and 30th April 2005

3. Information supplied to the Board

It has been a Company policy that in addition to the matters, which statutorily require Board's approval, all major decisions involving business expansions, resource utilisation and major capital expenditure are considered by the Board. Following information is being regularly placed before the Board;

- Analysis of Operations
- Quarterly and Periodical Results of the Company.
- Analysis of Budget v/s. Actuals and revised estimates.
- Annual Budget
- Minutes of meetings of the Audit Committee and other Committees of the Board.
- Materially important notices from various authorities.
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold or service rendered by the Company.
- Material details about litigation or court cases by or against the Company.
- Update on policies having a bearing on Company's business.

4. Audit Committee

The Board of the Company has constituted an Audit Committee comprising of three Non-executive Directors, viz, Dr. Madanmohan Rao, Chairman, Mr. Natalino Duo and Mr. Abhey Yograj. Dr. Madanmohan Rao & Mr. Abhay Yograj are independent directors.

ANNUAL REPORT 2004-2005

The role and terms of reference stipulated by the Board to the Audit Committee covers areas mentioned under Clause 49 of the Listing Agreement of the Stock Exchange. During the period under report four meetings were held on 25th May 2004, 28th August 2004, 24th November 2004 and 12th February 2005
Attendance of each member at the Audit Committee:

Name of Director	Audit Committee meetings held during the year	Audit Committee Meetings attended during the year
Dr. Madanmohan Rao	25/5/2004, 28/08/2004, 24/11/2004 and 12/2/2005	25/5/2004, 28/08/2004, and 12/2/2005
Mr. Natalino Duo	25/5/2004, 28/08/2004, 24/11/2004 and 12/2/2005	25/5/2004, 28/08/2004, 24/11/2004 and 12/2/2005
Mr. Abhey Yograj	25/5/2004, 28/08/2004, 24/11/2004 and 12/2/2005	28/08/2004, 24/11/2004 and 12/2/2005

5. **Remuneration Committee**

The Remuneration Committee of the Board comprises of three Non-Executive Directors i.e. Mr. Abhey Yograj, Mr. Natalino Duo and Dr. Madanmohan Rao. Mr. Abhey Yograj & Mr. Madanmohan Rao are the two independent directors.

The remuneration committee has been constituted to recommend/review the remuneration of the Managing Director and Wholtime Director.

The Committee held one meeting on 28.05.2004 during the year under report. Mr. Natalino Duo and Mr. Abhey Yograj attended the meeting.

For details of remuneration paid to the Executive Directors for the year under report please refer to Schedule 15, Notes to Accounts, point No. 9 of the Annual Report

The amount on sitting fees paid for the financial year ended 30th June 2005 to Mr. Natalino Duo, Mr. Abhey Yograj, Ms. Bindu Sood, and Dr. Madanmohan Rao for attending the Board Meetings and Audit Committee Meetings and Remuneration Committee Meeting as follows:

Mr. Natalino Duo: Rs. 55, 000/-

Mr. Abhey Yograj Rs. 45, 000/-

Ms. Bindu Sood Rs. 5,000/-

Dr. Madanmohan Rao: Rs. 30,000/-

During the period under report Mr. Natalino Duo and Dr. Madanmohan Rao were paid professional fees of Rs. 6,34,180 and Rs. 39,000 respectively.

6. **Shareholders'/Investors' Grievance Committee.**

The Board has constituted a Shareholders'/Investors' Grievance Committee comprising of Dr. Madanmohan Rao, Chairman, Mr. Ashok Mandore, Member, Mr. V. Srinivasa Rao, Member to look into the shareholders' and investors' grievances.

The Committee has not conducted any meeting during the year. However, it is reported that there are no shareholders'/ investor's grievances pending as on 30th June 2005.

7. **General Body Meetings**

Location and time for the last 3 Annual General Meetings were:

Year	AGM	Location	Date	Time
2001-2002	14 th	Hotel Le Meridien, Pune , Maharashtra	30/09/2002	3.30 p.m.
2002-2003	15 th	Hermes Heritage, Pune , Maharashtra	30/09/2003	3.30 p.m.
2003-2004	16 th	Hermes Heritage, Pune , Maharashtra	30/07/2004	4.30 p.m.

As per the directions of the High Court of Mumbai, one meeting of the shareholders to approve the Scheme of Arrangement u/s 391 of the companies Act, 1956 was held on 04.03.2005. An Extra Ordinary General Meeting was also held on 04.03.2005 u/s 100 of the Companies act, 1956.

For the period ended 30th June 2005 no postal ballots were used/invited for voting at the meetings. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through postal ballot.

8. a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management or relatives, etc. that may have potential conflict with the interests of the Company at large.

The particulars of transactions between the Company and "Related Parties" are mentioned in point no. 10, Schedule 15, Notes to Accounts of the Annual Report. None of these transactions are likely to have any conflict with the Company's interest.

b) Details of non - compliance by the Company, Penalties, Srictures, imposed on the company by stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

In respect of two quarters April-June 2004 and July - Sept 2004, the Company did not furnish the unaudited financial results to the stock exchange within 30 days of the end of the quarter as required by clause 41 of the listing agreement.

Consequently there was delay in publication of results. The Company kept the Stock Exchange informed citing reasons for delay and sought extension of time. Though no permission was received from Stock exchange, the Company has not been penalised in any way. There were no other non-compliance by the Company and no penalties, strictures were imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

9. Means of communication

The Quarterly, Half-yearly and Yearly results are published in English and Marathi newspapers. Official communication is sent to OTC Exchange of India where the equity shares of the Company are listed.

10. The Management Discussion and Analysis forms part of the Annual Report.

11. General Shareholder Information

11.1 Annual General Meeting

- Date and Time : 30th December 2005 at 12.00 Noon.
- Venue : Hermes Heritage, Phase-I (Commercial), Shastri Nagar, Pune 411006.

11.2

	Annual General Meeting- Date: 30.12.2005
Financial Calendar : (Tentative)	Results for the second quarter ending December 2005: End January 2006
	Results for the third quarter ending March 2006: End April 2006
	Results for the fourth quarter ending June 2006/ year ending June 2006: End July 2006 / September 2006

Results for the first quarter ending September 2005 have already been published.

11.3 Book Closure Date: 27.12.2005

11.4 Dividend Payment Date: Not Applicable

11.5 Listing of Equity Shares on Stock Exchange at:

OTC Exchange of India, Mumbai

11.6 a) Stock Code: SESASEATIN

b) Demat ISIN Number in NSDL and CDSL: INE992A01010

11.7 Stock Market Data: No Shares of the Company have been reported as traded during the year under report on the OTCEI.

11.8 Share Price performance in comparison to broad-based indices. N.A. since no shares were reported as traded during the year on OTCEI (No trading since Sept. 2000).

Registrar and transfer Agents: Bigshare Services Pvt. Ltd.
E – 2/3 Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (E) Mumbai : 400 072
Tel: (022) 28470652
Fax : (022) 28475207

(Share transfer and communication regarding share certificates, dividends and change of address)

11.9 Share transfer System: Presently the share transfers, which are received in physical form, are processed by the share transfer agents.

11.10 Distribution of shareholdings as on 30th June 2005:

Shareholding of nominal value of	Shareholders		No. of Shares	
	Numbers	%	Numbers	%
1- 5,000	5092	97.23	6,13,707	16.15
5,001-10,000	41	0.78	33,125	0.87
10,001- 20,000	35	0.67	57,568	1.52
20,001-30,000	7	0.13	17,950	0.47
30,001-40,000	11	0.21	38,700	1.02
40,001-50,000	7	0.13	33,850	0.89
50,001-1,00,000	22	0.42	1,78,842	4.71
1,00,001 and above	22	0.42	28,25,258	74.37
Total	5,237	100	37,99,000	100

ANNUAL REPORT 2004-2005**11.11 Shareholding Pattern as on 30th June 2005:**

	Category	No. of shares	% of holding
A	Promoters' Holding		
1	Promoters		
	- Indian Promoters	4,35,850	11.47
	- Foreign Promoters	Nil	Nil
2	Persons acting in Concert	15,21,058	40.04
	Sub-total	19,56,908	51.51
B	Non- Promoters' Holding		
3	Institutional Investor	43,200	1.14
	a. Mutual Funds and UTI	Nil	Nil
	b. Banks, Financial Institutions, Insurance Companies	10,000	0.26
	c. FIs	Nil	Nil
	Sub-total	53,200	1.40
4	Others		
	a. Private Corporate Bodies	91,000	2.40
	b. Indian Public	16,97,892	44.69
	c. NRIs/OCBs	Nil	Nil
	Sub-total	17,88,892	47.09
	Total of Non-Promoter holding	18,42,092	48.49
	Grand Total	37,99,000	100

11.12 Dematerialisation of Shares: Over 33% of the shares have been dematerialised up to 30th June 2005.

Liquidity: Though the shares are listed on OTC Exchange of India but there has been no trading reported during the year. Infact, no trading of company shares on stock exchange has been reported for more than 5 years i.e. since September 2000.

11.13 Branch/Office Location: The Company has its branches at the following locations:

Ahmedabad, Hyderabad, Delhi, Gurgaon, Baroda and Mumbai

11.14 Address for Correspondence:

(i) Investor Correspondence:

Bigshare Services Pvt. Ltd.
E- 2/3 Ansa Industrial Estate,
Andheri (E) Mumbai: 400 072
Saki Vihar Road, Saki Naka,
Tel: (022) 28470652
Fax : (022) 28475207

Or

For Shares held in Physical Form

Indiacom Limited
Hermes Heritage, Shastrinagar,
Pune-Nagar Road, Pune 411 006
Tel: (020) 26616601
Fax: (020) 26616606

(ii) Any query on Annual Report:

Mr. V. Srinivasa Rao,
Company Secretary,
Indiacom Limited.
Hermes Heritage, Shastrinagar,
Pune-Nagar Road, Pune 411 006.

On behalf of the Board of Directors,

New Delhi
Date: 30/09/2005

Mr. V. Srinivasa Rao,
Company Secretary