



19th Annual Report  
2006-2007  
(Abridged)



**BOARD OF DIRECTORS**

Mr. Natalino Duo	Chairman
Mr. Abhey YograJ	Director
Dr. Madanmohan Rao	Director
Mr. Ashok Kumar Dhingra	Director
Mr. Ashok Mandore	Managing Director
Mr. V. Srinivasa Rao	Whole-time Director

**COMPANY SECRETARY**

Mr. R. U. Shanoy

**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.  
Bank of Maharashtra

**REGISTERED OFFICE**

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

**REGISTRAR AND SHARE TRANSFER AGENT**

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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**NOTICE**

**Notice** is hereby given that the Nineteenth Annual General Meeting of Indiacom Limited will be held on Saturday, 22<sup>nd</sup> December, 2007 at 2.00 p.m. at Hermes Heritage (Phase I), Commercial, Shastri Nagar, Pune - Nagar Road, Pune - 411006 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at and the Profit and Loss Account for the financial year ended on 30<sup>th</sup> June, 2007 together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Natalino Duo, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors to hold office from conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and fix their remuneration. M/s. Patankar & Associates, Chartered Accountants, Pune are the retiring auditors.

**SPECIAL BUSINESS:**

4. **To consider and if thought fit, pass with or without modification, following resolution as an Ordinary Resolution.**

"RESOLVED THAT Mr. Ashok Kumar Dhingra who was appointed as an Additional Director of the Company by the Board of Directors and who holds office upto the date of the Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has, under Section 257 of the said Act, received notices in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

By Order of the Board of Directors  
of Indiacom Limited

**R. U. Shanoy**  
Company Secretary

Dated: 31<sup>st</sup> October, 2007

**Notes:**

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING AND SHALL NOT VOTE EXCEPT ON A POLL. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**
- b) Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
- c) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item of Special Business is annexed herewith.
- d) The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 18<sup>th</sup> December, 2007 to Saturday, 22<sup>nd</sup> December, 2007, both days inclusive, for the purpose of Annual General Meeting.
- e) Members holding shares in physical mode are requested to notify the change in their address to the Company's Share Transfer Agent, M/s Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai - 400 072, along with copy of address proof (Passport / Ration Card/Driving License/Telephone Bill/Electricity Bill) duly attested by banker or notary. Members should quote their folio numbers in the correspondence.

**Annual Report 2006-2007****f) Details of Directors seeking appointment or reappointment at the Annual General Meeting****(Pursuant to Clause 49 of the Listing Agreement)**

<b>PARTICULARS</b>	<b>Mr. Natalino Duo</b>	<b>Mr. Ashok Kumar Dhingra</b>
Date of Birth	01/01/1952	17/05/1949
Appointed on	28/04/1999	21/05/2007
Qualification	Graduate in Science from the University of TORINO, Italy and Diploma in Strategic Marketing Management from Bocconi University, MILAN	Management Graduate
Expertise	He has several years of top management experience being the CEO and Director of successful companies. He has vast experience as Director-International operations in Seat, the Publishing Division of Stet S.p.a. He also has vast experience in managing industries engaged in FMCG, Cosmetics, Confectionery, Retail and Advertising Services.	He is a management graduate with vast experience of over 35 years in diverse businesses in well known multinational companies. He started his career in 1970 with Hindustan Lever Limited (now Hindustan Unilever). He worked for over 23 years in different businesses before moving on to join Perfetti Van Melle, where he worked for the next 10 years and became the International Marketing Director.
Directorships held in Other Companies	1.Tecnova India Private Limited 2.MJM Consultancy Private Limited	NIL
Memberships and Chairmanships of Board Committees in other Companies	NIL	NIL
Shareholding in Indiacom Limited	26,78,716 shares	NIL

**ANNEXURE TO THE NOTICE****Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956****ITEM NO. 4**

Mr. Ashok Kumar Dhingra was appointed by the Board of Directors on 21<sup>st</sup> May, 2007 as an Additional Director of the Company. In terms of Section 260 of the Companies Act, 1956, Mr. Ashok Kumar Dhingra holds office upto the date of this Annual General Meeting of the Company. Notices as required under Section 257 of the Companies Act, 1956 have been duly received from members of the Company proposing Mr. Ashok Kumar Dhingra as a candidate for the office of Director, liable to retire by rotation.

Mr. Ashok Kumar Dhingra is a Management Graduate with vast experience of over 35 years in diverse businesses in well known multinational companies, like Hindustan Lever Limited (now Hindustan Unilever), etc.

The Board of Directors is of the view that the services of Mr. Ashok Kumar Dhingra will be of immense value to the Company. Your Directors, therefore, recommend his appointment as Director of the Company.

None of the Directors, except Mr. Ashok Kumar Dhingra, is concerned or interested in the resolution.

By Order of the Board of Directors  
of Indiacom Limited

**R. U. Shanoy**  
Company Secretary

Dated: 31<sup>st</sup> October, 2007

## DIRECTORS' REPORT

To the Members of  
INDIACOM LIMITED,

Your Directors present the Nineteenth Annual Report together with the Audited Statements of Accounts for the Financial Year ended on 30th June, 2007.

### 1. FINANCIAL RESULTS

(Rs. In lacs)

	2006-07	2005-06
Turnover	1169.63	2727.83
Profit / (Loss) before Interest and Depreciation	(38.04)	344.37
<b>Less:</b> Interest	52.13	38.82
Profit / (Loss) Before Depreciation	(90.17)	305.55
<b>Less:</b> Depreciation for the year	43.71	30.74
Profit / (Loss) Before Taxation	(133.88)	274.81
Provision for Taxation	(29.95)	107.17
Profit / (Loss) for the year	(103.93)	167.64
<b>Add:</b> Prior Period Taxation	1.71	2.06
Balance Profit / (Loss)	(105.64)	169.70
Profit brought forward from previous year	134.09	51.65
Balance Profit available for appropriation	28.45	221.35
Appropriations :		
Transfer to General Reserves	NIL	12.73
Proposed Dividend	NIL	65.37
Dividend Tax	NIL	9.17
Balance carried forward	28.45	134.09

### 2. DIVIDEND

In view of the loss during the year, the Board of Directors regrets inability to recommend any dividend for the year under review.

### 3. MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis of the financial conditions and results of operations of the Company for the period under review as required under Clause 49 of the Listing Agreement with the OTC Exchange of India, is given as a separate statement forming part of the Annual Report.

### 4. FUTURE OUTLOOK

Sustained economic growth, intensified competition with multiplicity of products and services and the paucity of "time" with the urban consumer offers a good opportunity for enterprises engaged in the activity of collection and dissemination of local information. Launch of 'Local' by major search engines as well as certain community centric portal offers good opportunity to leverage on quality database which your Company has built painstakingly over years. The increasing usage of internet and ambitious plans drawn for deeper penetration of broadband augurs well for the revival of on-line business.

The Company publishes its Directories (a) under Contract from BSNL for Telephone Directory with Yellow Pages (TDYP) and (b) on its own in the form of Yellow Pages, Neighbourhood Guide, Regional Business Directory, etc. i.e. on a Stand Alone basis. With the increase in the market share of Private Telecoms, particularly in the business subscriber's segment, the telephone directory has to align with the best international practices of being an Integrated Directory to meet consumers' needs for comprehensive information from one source. Therefore, no sooner this policy issue is resolved effectively; the growth of TDYP will accelerate significantly.

While your Directors are keeping a close watch and following developments in the Directory Publication business, there is increased emphasis on developing additional lines of businesses and leveraging the core asset of the Company "DATABASE" which is being enhanced, redesigned and licensed in different forms.

**5. EQUITY CAPITAL AND ITS LISTING**

With effect from 29<sup>th</sup> January, 2007 each equity share of the Company of Rs. 10/- is sub-divided into two equity shares of Rs. 5/- each. The paid-up capital of the Company is Rs. 3,63,16,000/- divided into 72,63,200 shares of Rs. 5/- Each.

Shareholders, who have not yet submitted their old Share Certificates/ Counter Receipts issued By OTC Exchange of India, are requested to kindly submit the same to our Registrar and Transfer Agent, Bigshare Services Private Limited and obtain new Share Certificates of shares of face value of Rs. 5/- each.

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 2006-2007.

**6. 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.

**7. PARTICULARS OF EMPLOYEES**

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 employees are set out in the Annexure B to this Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act, the annual report and accounts are being sent to all members of the Company excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

**8. FIXED DEPOSIT**

As on 30<sup>th</sup> June, 2007, the Company held Rs. 48.34 Lacs of Non-Cumulative and Cumulative Fixed Deposit Accounts of which Rs. 1.81 Lacs of deposits have matured and remained unclaimed.

**9. DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Natalino Duo will retire by rotation and being eligible offers himself for re-appointment.

Mr. Raman Singh Sidhu and Mr. Ashok Kumar Dhingra were co-opted as Additional Directors with effect from 21<sup>st</sup> May, 2007. Mr. Raman Singh Sidhu resigned as director with effect from 21<sup>st</sup> August, 2007. Mr. Ashok Kumar Dhingra holds office up to the date of ensuing Annual General Meeting and is eligible, offers himself for reappointment. Necessary resolutions in this behalf are being placed before the members for approval.

**10. DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i. Followed, in preparation of the accounts, applicable accounting standards and given explanation for material departures.
- ii. Selected and applied accounting policies consistently.
- iii. Made reasonable and prudent judgements and estimates for reflecting a true and fair view of the financial statements for the year ended on 30<sup>th</sup> June, 2007
- iv. Taken proper and sufficient care for maintenance of adequate accounting records to safeguard assets of the Company and preventing and detecting frauds and irregularities.
- v. Prepared the annual accounts on a going concern basis.

**11. 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 on the constitution of the Audit Committee and Remuneration Committee of the Board of Directors of the Company.

**12. 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.



**13. ACKNOWLEDGMENT**

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

**Natalino Duo**  
Chairman

Date: 31<sup>st</sup> October, 2007

**ANNEXURE A**

Information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 30<sup>th</sup> June, 2007.

**(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. 63,157/-
Foreign Exchange outgo was	Rs. 2,54,453/-

For and on behalf of the Board of Directors

**Natalino Duo**  
Chairman

Date: 31<sup>st</sup> October, 2007

## CORPORATE GOVERNANCE

The Company has implemented the Code as per the format prescribed and incorporated in the Listing Agreement and reports as follows for the financial year ended 30<sup>th</sup> June, 2007.

### 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 take innovative steps in its businesses to have sustainable growth in the long term. In order to improve margins in this competitive environment, the Company seeks to consistently improve productivity, reduce costs and make additions to the product line as the market situation demands. To gain customers' loyalty and patronage, the Company focuses on Customer Service and offer products/services to meet customer's requirements.

### 2. Board of Directors:

The Board of Directors as on 30<sup>th</sup> June, 2007 consisted of 7 Directors.

Composition and category of Board of Directors as on 30<sup>th</sup> June, 2007 is as follows:

Name of Directors	Category
Mr. Natalino Duo	Non-executive Chairman
Mr. Abhey Yograj	Non-executive Director & Independent Director
Dr. Madanmohan Rao	Non-executive Director & Independent Director
Mr. Raman Singh Sidhu*	Non-executive Director & Independent Director
Mr. Ashok Kumar Dhingra**	Non-executive Director & Independent Director
Mr. Ashok Mandore	Managing Director
Mr. V. Srinivasa Rao	Whole-time Director

\* Mr. Raman Singh Sidhu had joined the Board w.e.f. 21<sup>st</sup> May, 2007 and has resigned as Director w. e. f. 21<sup>st</sup> August, 2007

\*\* Mr. Ashok Kumar Dhindra has joined the Board w.e.f. 21<sup>st</sup> May, 2007.

#### Number of Board Meetings held and the dates on which held:

Six Board Meetings were held during the period under report on 25<sup>th</sup> September, 2006, 30<sup>th</sup> October, 2006, 22<sup>nd</sup> December, 2006, 31<sup>st</sup> January, 2007, 30<sup>th</sup> April, 2007 and 21<sup>st</sup> May, 2007.

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 Membership /Chairmanship		
	Board Meeting	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Mr. Natalino Duo	5	Yes	Nil	Nil	Nil
Mr. Abhey Yograj	4	No	3	Nil	Nil
Dr. Madanmohan Rao	3	Yes	Nil	Nil	Nil
Mr. Ashok Mandore	6	Yes	Nil	Nil	Nil
Mr. V. Srinivasa Rao	6	Yes	Nil	Nil	Nil
Mr. Raman Singh Sidhu	1	N.A.	1	2	Nil
Mr. Ashok Kumar Dhingra	1	N.A.	Nil	Nil	Nil

### 3. Information supplied to the Board

It has been a Company's policy that in addition to the matters, which statutorily require Board's approval, all other information specified under Clause 49 of the Listing Agreement with stock exchange are considered by the Board.

### 4. Audit Committee

The Audit Committee of the Board of Directors as on 30<sup>th</sup> June, 2007 comprised of the following directors.

- Dr. Madanmohan Rao, Chairman
- Mr. Natalino Duo
- Mr. Abhey Yograj

Mr. Ashok Kumar Dhingra is co-opted as member of the committee with effect from 27<sup>th</sup> September, 2007. The Company Secretary is the secretary of the Committee. During the period under report four meetings were held