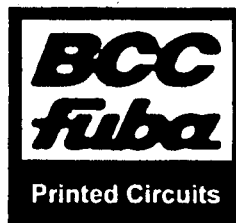


23rd
Annual Report
2008-09

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BCC FUBA INDIA LIMITED

BCC FUBA INDIA LIMITED

23rd Annual Report

BOARD OF DIRECTORS

1.	MR. V. S. BHAGAT	CHAIRMAN & MANAGING DIRECTOR
2.	Mrs. RENU BHAGAT	DIRECTOR
3.	MR. A. P. MATHUR	DIRECTOR
4.	MR. VEENU PASRICHA	DIRECTOR
5.	MR. HARUN RASHID ANSARI	DIRECTOR
6.	MR. R. M. MEHTA	DIRECTOR

AUDITORS

AGGARWAL & RAMPAL

Chartered Accountants
E-67, (LGF), Greater Kailash-III
(Masjid Moth), New Delhi-110048

INTERNAL AUDITORS

S.MALHOTRA & CO.

Chartered Accountants
E-513, Greater Kailash-II
New Delhi - 110048

REGD. OFFICE & WORKS

: 4km., Swarghat Road, Nalagarh-174 101
Distt. Solan, Himachal Pradesh.

HEAD OFFICE

: 34 H Ashoka Avenue, Sainik Farm
New Delhi-110062

SHARE TRANSFER AGENT

: M /s. LINK IINTIME INDIA PRIVATE LIMITED
(Formerly known as-Intime Spectrum Registry Limited)
A-40, 2nd Floor, Naraina Industrial Area, Phase-II,
Near Batra Banquet Hall, New Delhi - 110028
Phone: 41410592-94

BANKER

: State Bank of Patiala
Sector-7C, SCO 3/A
Chandigarh - 160019

BCC FUBA INDIA LIMITED**NOTICE**

Notice is hereby given that the 23rd Annual General Meeting of the members of M/s. BCC FUBA INDIA LIMITED will be held on Friday the 25th day of September, 2009 at 10.30 A.M. at the Registered office of the Company at 4Km., Swarghat Road, Nalagarh, Distt. Solan (H.P) to transact the following business;

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2009 and the Profit and Loss Account for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Veenu Pasricha who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s), the following resolution as a special resolution:

"RESOLVED THAT M/s. Aggarwal & Rampal, Chartered Accountants, the retiring auditors be and are hereby appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration of Rs. 30,000/- for the statutory audit of accounts for the year 2009-2010.

Special Business:

4. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Harun Rashid Ansari, who was appointed as additional Director by the Board of Directors and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Director (independent) of the company liable to retire by rotation."

5. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:

"RESOLVED THAT subject to the approval of the Shareholders in their ensuing Annual General Meeting and the Central Government, if required, and pursuant to the provisions of Section 269,198,310 and 311 and all other applicable provisions of the Companies Act,1956 (hereinafter referred to as "the Act") read with schedule XIII of the Act, the Company hereby accords its approval to the reappointment of Mr. V.S. Bhagat as Chairman and Managing Director of the company for a further period of five years w.e.f. 15.07.2009 on such terms and conditions and remuneration as set out in the agreement deed executed on 05.07.1999 and further modified by the Board of Directors in their meeting held on 25.07.2000 and approved by the Shareholders in their meeting held on 21.09.2000.

"RESOLVED FURTHER THAT in the event where in any financial year during the currency of tenure of Mr. V.S. Bhagat, the company has no profits or its profits are inadequate it may pay a remuneration to Mr. V. S. Bhagat the total of which will not exceed the ceiling limit as specified in Section II Part II (B) of Schedules XIII of the Act unless the consent of the Central Government is obtained.

"RESOLVED FURTHER THAT all other terms and conditions of Mr. V.S. Bhagat's appointment as contained in Draft Agreement shall remain in full force until revised by the Board.

By order of the Board of Directors

Place : New Delhi
Date : 30.06.2009

Sd/-
(V. S. Bhagat)
Chairman and Managing Director

BCC FUBA INDIA LIMITED**NOTES:**

1. Explanatory statements for the item no. 3, 4 and 5 as required under section 173(2) of the Companies Act, 1956 is annexed.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy so appointed need not be a member of the company.
3. The proxy form duly executed and properly stamped should reach the Company at its Registered office at least 48 hrs. before the time of meeting.
4. The Register of members and the share transfer books of the company will remain closed from 16.09.2009 to 25.09.2009 (both days inclusive).
5. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company at least 7 (seven) days in advance, so as to enable the Company to keep the information ready.
6. Members are requested to bring their copies of the Annual Report to the Meeting because copy of the same will not distributed at the meeting.
7. Members are requested to inform immediately any change in their address to the Company's share transfer Agents.
8. All communications relating to shares are to be addressed to the Company's Share Transfer Agents : M/s. LINK IINTIME INDIA PRIVATE LIMITED A-40, 2nd Floor, Naraina Industrial Area, Near Batra Banquet hall, Phase-II, New Delhi-110028.

ANNEXURE TO THE NOTICE

The Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 for item numbers 3 to 5 of the accompanying notice is as under:

ITEM NO. 3

In terms of Articles 67(2) of the Articles of Association of the Company the appointment of Auditors is to be made by Special Resolution.

The members may consider and pass necessary resolution.

None of the Directors is directly interested in the proposed resolution.

ITEM NO. 4

Mr. Harun Rashid Ansari was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956. In terms of the said Section, Mr. Harun Rashid Ansari holds office only up to the forthcoming Annual General Meeting of the Company.

Notice in writing under Section 257 of the Companies Act, 1956, has been received from a member signifying his intention to propose Mr. Harun Rashid Ansari as a Director of the Company.

Mr. Harun Rashid Ansari is interested in the resolution since it relates to his appointment.

Mr. Harun Rashid Ansari's introduction in brief:

The Board of Directors took Mr. Harun Rashid Ansari on the Board considering his sheer hard work, trustworthiness, experience, professional back ground and ability to face new challenges. Since Mr. Ansari is the member of the Institute of Company Secretaries of India his presence on the Board will be immense beneficial to the company. The Directors recommend that he be appointed as a Director.

ITEM NO. 5

The remuneration committee of the Company at its meeting held on 25th June,2009 and subsequently, the Board at its meeting held on 30th June,2009 have appointed Shri Vidya Sagar Bhagat as Chairman and Managing Director unanimously for a further period of five years with effect from 15th July, 2009 subject to the approval of the shareholders in General Meeting.

The Managing Director shall, subject to the supervision and control of the Board of Directors, be entrusted with such powers and perform such duties, as may, from time to time, be delegated/ entrusted to them.

The following disclosures are being made in this Explanatory Statements in compliance with Paragraph 1 (C) of Section II in Part II of Schedule XIII to the Companies Act 1956.

(a) General information:

The Company was incorporated in the year 1985 with the main object of carrying the business of printed circuit board and electronic items.

(b) Operational performance of the company for the financial year 2008-09 and 2007-08 is as follows:*Rs.in lacs*

Particulars	2008-2009	2007-2008
Gross Sales	563.93	791.70
Profit/(loss) before tax	(137.69)	45.88
Profit/(loss) after tax	(138.31)	46.64
Paid up equity Capital	605.81	605.81
Reserve and surplus	—	—
Basic Earning per share (Rs.)	(2.28)	(0.77)

(c) The company has earned Rs. 43.66 lacs foreign exchange during the financial year 2008-09 and Rs. 17.89 lacs in 2007-08 from export sales.**Information about appointee:**

The remuneration committee of the company informed that present tenure of Sh. V. S. Bhagat, Chairman and Managing Director is going to expire on 14.07.2009. The Board may consider his reappointment for a further period of five years keeping in view the untiring efforts, experience, ability and greater responsibilities on his shoulder and also the profound knowledge and vast working experience and his financial acumen and also the fact that he has been steering the finances of the Company in such difficult times.

Details of remuneration Paid to them are given below: Rs.

Name of the Person	2008-09	2007-08
Mr. Vidya Sagar Bhagat	16,44,000	16,44,000

Besides his remuneration, he does not have any other pecuniary relationship with company except as disclosed in the notes of accounts.

Other Information:

- (a) Currently, the company is not performing well.
- (b) The Company is looking at new business opportunities and markets to grow.
- (c) The company is expected to perform well in future.

Disclosures:

- [a] The shareholders are being informed of the remuneration package by way of explanatory statement as given above.
- [b] The details of remuneration etc. are also included in the Corporate Governance Report forming part of the Annual Report of the Company.
- [c] Mr. Veenu Pasricha and Mrs. Renu Bhagat are relatives of Mr. V.S. Bhagat. They may be interested in passing of the resolution. None of the other Directors is in any way concerned or interested in the above resolution.
- [d] The terms and conditions of remuneration as set out above may also be treated as an abstract of the agreement between the Company and Mr. Vidya Sagar Bhagat, Chairman and Managing Director pursuant to Section 302 of the Companies Act, 1956.
- [e] The Managing Director so long as functions as such shall not be paid any sitting fees for attending the meetings of Board or Committees thereof.
- [f] The Resolution regarding the remuneration of Mr. Vidya Sagar Bhagat as the Chairman and Managing Director of the company is concerned for acceptance by the members.

By order of the Board of Directors

Place : New Delhi
Date : 30.06.2009

Sd/-
(V. S. Bhagat)
Chairman and Managing Director

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BCC FUBA INDIA LIMITED**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 23rd Annual Report and the audited Accounts of the Company for the financial year ended 31st March 2009.

FINANCIAL RESULTS

	(Rs. in lacs)	
	2008-09	2007-08
Turnover	563.93	791.70
Profit /(Loss) before interest & Depreciation	(9.98)	77.37
Interest	(50.88)	47.32
Profit/ (loss) before depreciation	(60.86)	30.05
Depreciation	75.28	74.77
Net Profit/ (Loss)	(136.14)	(46.64)

DIVIDEND

Company has suffered loss and therefore no dividend was declared.

OPERATIONAL HIGHLIGHT

Your company is engaged in manufacturing of printed circuit boards. Printed circuit board (PCB) manufacturers in India are feeling the brunt of the global recession. Your company have posted sales of Rs. 563.93 lacs for the full-year ended March 31, 2009. Its sales was down 28.77 percent and net loss was 136.14 lacs, compared to year-ago loss of only 46.64 lacs. During the year under review, competition in the industry became increasingly fierce and oversupply also became increasingly serious, forcing many companies to cut prices for survival or even operate in the red.

To bring improvement in the financial performance your company will pay more attention to higher margin products. It will be the management's focus this year to enhance our management standard, optimize cost structure and actively minimize the overheads.

DIRECTORS

Sh. V.S. Bhagat, whose term as Managing Director is expiring on 14.07.2009 has been appointed as Chairman and Managing Directors of the company by the Board of Directors subject to approval of Shareholders in their Annual General Meeting. His reappointment was done keeping in view the untiring efforts, experience, ability and greater responsibilities on his shoulder and also the profound knowledge, vast working experience and his financial acumen and also the fact that he has been steering the finances of the Company in such difficult times.

Mr. Harun Rashid Ansari who was appointed as Additional Director is subject to appointment as Director is liable to retire by rotation. He is highly qualified and is member of the Institute of Company Secretaries of India, a premier institute in India established under Act of Parliament. As his continued presence on the board is of immense importance to the company, his re-appointment is recommended.

Mr. Veenu Pasricha, Independent Director of the Company retires by rotation at the ensuing Annual General Meeting. He, being eligible, has offered himself for re-appointment. As his continued presence on the board is of immense importance to the company, your directors recommend his re-appointment.

Mr. Walter Drach whose nomination has been withdrawn from the Board by the appointee company was kept in abeyance because his DIN was not available to the company. But the Board of Director in their meeting held on 30.06.2009 decided to relieve him and inform the Registrar of Companies to file his cessation as Director of the Company.

CAPITAL STRUCTURE:

During the year under review, the share capital of your company remained unchanged.

AUDITORS

The auditors of the Company M/s. Aggarwal & Rampal, Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Your directors and Audit committee recommend their re-appointment. The requisite certificate pursuant to Section 224(1B) of the Companies Act, 1956, has been received.

FIXED DEPOSIT:

The company did not accept any deposits covered under section 58A of the Companies Act, 1956 during the year under review.

LISTING OF SECURITIES

At present the securities of the Company are listed with The Stock Exchange Mumbai. The company had proposed to delist the equity shares from all the Stock Exchanges except the Stock Exchange Mumbai and the proposal for delisting is under consideration before the Delhi Stock Exchange Association Limited, The Stock Exchange Ahmedabad, Ludhiana Stock Exchange Association Limited and the Calcutta Stock exchange Association limited and the approval for delisting of the shares is awaited.

DEPOSITORY SYSTEM

As per the SEBI Guidelines M/s. LINK IINTIME INDIA PRIVATE LIMITED A-40, 2nd Floor, Naraina Industrial Area, Near Batra Banquet hall, Phase-II, New Delhi-110028 have been associated with us as share transfer agent. All the members are requested to contact them for any kinds of shares related matters.

THE CORPORATE GOVERNANCE CODE

Implementation of Corporate governance is a turning point in bringing the transparency in the regulation and administration of corporate matters. We have implemented the corporate governance in spirit having vision to bring the complete discipline between the function and corporate regulation.

As a proactive step your Company has been following the Corporate Governance practices like striking out reasonable balance in the Composition of Board of Directors, setting up Audit Committee and other Business Committees, adequate disclosures and business to be deliberated by the Board etc, even before the code became mandatory applicable.

A Report in line with the requirements of clause 49 of the Listing Agreement on the Corporate Governance practices followed by the Company and the Auditors' Certificate on Compliance of mandatory requirements along with Management Discussion and Analysis, are given as an annexure to this report.

OBSERVATION OF THE AUDITORS IN THE ANNUAL ACCOUNT

The auditors' report on the accounts of the Company is self-explanatory.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The report as required under the listing agreements with the Stock Exchanges is annexed and forms part of the Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

While preparing the annual financial statements the Company has adhered to the following:

In the preparation of the said financial statements the Company has followed the applicable accounting standards, referred to in Section 211(3-C) of the Companies Act, 1956.

BCC FUBA INDIA LIMITED

The company has followed the said accounting standards and has been applying them consistently and has made judgments and estimates that are reasonable, prudent and are in the interest of the Company's business, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2009 and of the profit/loss of the Company, for the said period.

The Directors 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.

The Directors have prepared the financial statements on a going concern basis.

CEO CERTIFICATION:

Chairman and Managing Director and Manager Finance & Accounts have certified to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take rectify these deficiencies.
4. We have brought in notice to the auditors and the Audit Committee all the material transaction which have substantial effect on the financial health of the company

INDUSTRIAL RELATIONS

The relations with labour remained cordial during the year.

ENERGY CONSERVATION/ TECHNOLOGY ABSORPTION/ FOREIGN EXCHANGE EARNING AND OUTGO

Particulars of Energy Conservation / Technology Absorption and Foreign Exchanges earnings and out go as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of the particulars in the Report of Board of Directors) Rules 1988, are given annexure "I" and form part of this report.

PARTICULARS OF EMPLOYEES

Particulars of employees under Section 217(2A) of the Companies Act, 1956 read with the companies (Particulars of employees) Rules 1975, are given in Annexure II and form part of this report.

ACKNOWLEDGEMENT:

Yours Directors take the opportunity to offer thanks to the State Bank of Patiala for their valuable assistance.

Yours Directors also wish to place on record their deep sense of appreciation for services of the executives, staff and workers of the company for smooth operations of the Company.

By order of the Board of Directors

Place : New Delhi
Date : 30.06.2009

Sd/-
(V. S. Bhagat)
Chairman and Managing Director

BCC FUBA INDIA LIMITED**ANNEXURE-I**

Information required under 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 for the period ended 31st March 2009.

CONSERVATION OF ENERGY

Your Company continues to give high priority to conservation of energy on an on-going basis. The required information in the prescribed 'Form A' are given hereunder.

FORM 'A'**A. POWER AND FUEL CONSUMPTION****1. Electricity**

	<u>Current Year</u>	<u>Previous Year</u>
(a) Purchased		
- Units	1534508	1812372
- Total Amt.(Rs. In Lacs)	58.94	59.11
- Rate per Unit (Rs.)	3.84	3.26
(b) Own Generation		
i) Through Diesel generator		
- Units	17545	26997
- Units per lt.of diesel Oil	2.74	2.76
- Cost per unit (Rs.)	12.44	11.28
ii) Through steam turbine/ generator	Nil	Nil
2. Coal	Nil	Nil
3. Furnace Oil	Nil	Nil
4. Others Internal Generation	Nil	Nil

CONSUMPTION PER UNIT OF PRODUCTION

Product	Printed Circuit Boards	
Electricity consumed	132 units	103 units
Per sq.mtr.	(Rs.522.00)	(Rs.349.00)

RESEARCH AND DEVELOPMENT (R&D)

Research and development continues to be given high priority. A number of developments have been incorporated in the products due to these efforts.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The technology imported from M/s Fuba Printed Circuits GMBH (Formerly Fuba Hans Kolbe & Co.) the technical collaborator of your Company, has been fully absorbed and we are able to manufacture the products without any foreign technical assistance. The company has developed capacity to manufacture the multilayer boards and double-sided boards with SMT pads.