26th
ANNUAL REPORT
2011-2012

BCC fuba

Printed Circuits

BCC FUBA INDIA LIMITED

BCC FUBA INDIA LIMITED
26TH Annual Report

BOARD OF DIRECTORS

1.	MR. V.S.BHAGAT	CHAIRMAN & MANAGING DIRECTOR
2.	MR. S. S. BAIDWAN	WHOLE TIME DIRECTOR
3.	MRS. RENU BHAGAT	DIRECTOR
4.	MR. A.P.MATHUR	DIRECTOR
5.	MR. VEENU PASRICHA	DIRECTOR
6.	MR. R.M. MEHTA	DIRECTOR
7.	MR. H.R. ANSARI	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 INTIME INDIA PRIVATE LIMITED
(Formerly Known as – Intime Spectrum Registry Limited)
A-40, 2nd Floor, Naraina Industrial Area,
Phase-II, New Delhi-110028
Ph- 011-41410592-94

NOTICE

Notice is hereby given that the 26TH Annual General Meeting of the members of **M/s. BCC FUBA INDIA LIMITED** will be held on Saturday the 29th day of September, 2012 at 11.00 A.M. at the Registered office of the Company at 4Km., Swarghat Road, Nalagarh, Distt. Solan (H.P) to transact the following business;

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2012 and the Statement of the Profit and Loss for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Harun Rashid Ansari 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 2012-2013.

SPECIAL BUSINESS:

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

   "RESOLVED THAT Mr. Sukhminder Singh Baidwan who was appointed as an additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act,1956 and holds office up to the date of the Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act,1956, in writing proposing his candidature to the office of the Director, be and is hereby appointed as the Director 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 a Special Resolution.**

   "RESOLVED THAT appointment of Mr. Sukhminder Singh Baidwan as Whole Time Director by the Board of Directors pursuant to provisions of Article 83 of Article of Association of the Company and Sections 316, 198,269,309,310,314 read with schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of Central Government and such other consents, approvals and permissions if any needed, be and is hereby approved by the shareholders of the company on a monthly gross remuneration of Rs.32,000/- (Rs. Thirty Two Thousand only) .

   "**RESOLVED FURTHER** that pursuant to the Articles of Association of the Company, Mr. Sukhminder Singh Baidwan shall not retire by rotation and his office will be for a period of five years from the date of appointment."

   "RESOLVED FURTHER THAT THE Board be and is hereby authorized to alter and vary any of the terms and conditions relating to the remuneration being paid/ to be paid to Mr. Sukhminder Singh Baidwan, Whole Time Director within the limits specified under the schedule XIII and provisions of the Companies Act, 1956"

By order of the Board of Director
For BCC Fuba India Limited

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

Date :31.07.2012
Place: New Delhi

NOTES:

1. Explanatory statements for the item no.3, 4 & 5 as required under section 173(2) of the Companies Act, 1956 are 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 22.09.2012 to 29.09.2012 (both days inclusive).
5. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company atleast 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. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents.
9. All communications relating to shares are to be addressed to the Company's Share Transfer Agents M/s. M/s.LINK INTIME INDIA PRIVATE LIMITED of A-40, 2nd Floor, Naraina Industrial Area, Phase-II, New Delhi-110028.

EXPLANATORY STATEMENT:

The explanatory Statement pursuant to section 173 (2) of the Companies Act,1956 for item numbers 3 & 4 of the accompanying notice are 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 member may consider and pass necessary resolution.

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

Item No.4 & 5

The company is principally engaged in the manufacture and sale of printed circuit boards ("PCBs).

The global economic turmoil continued to bring challenges to the electronics industry. Consumer demand for electronic products has largely declined leading to a significant decrease in sales orders. In order to improve the overall performance of the company Board of Directors of the company appointed Mr Sukhminder Singh Baidwan as additional Director and their terms ends with the conclusion of the Annual general Meeting. The Board of directors further appointed him as Whole Time Director of the Company on a monthly gross remuneration of Rs.32,000/- (Rs. Thirty two thousand only) and such appointment is subject to the approval of shareholders in their General Meeting. The member may consider and pass necessary resolution.

The Whole Time Directors shall, subject to the supervision and control of the Chairman & Managing Director of the Company and will be accountable to the Board of Directors, be entrusted with such powers and perform such duties, as may, from time to time, be delegated/ entrusted to him by the Board of Directors of the Company.

i) The Whole time Directors shall be vested with substantial powers of the Management of the day-to-day affairs of the company subject to the supervision and direction of the board of Directors and Managing Director of the Company.

ii) The Whole time Director will devote his time and efforts for the business of the company.

iii) 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.

Information about appointee:

Mr. Sukhminder Singh Baidwan, B.Sc. possesses a wealth of knowledge and experience concerning PCB industry. He has been involved with PCB industry since the beginning of his career. For the past 38 years, he has been instrumental in the development and production of high quality of PCB, their processing, improvement in their properties, and preparation of specifications for their usage. He has also assisted in marketing and brand building of the products. He has also substantial expertise and training in organizational psychology, management of organizations, and recruitment, training and retention of staff. His enthusiastic manner and knowledge have won him respect from his staff and colleagues. He sees dreams of development, takes action to translate the dream into reality and keeps the wheel of development moving ahead beyond imagination.

Taking into account the challenges before the company, trend in the industry, their qualifications and experiences, remuneration as set out in the resolution are considered to be just, fair and reasonable.

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] 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. Sukhminder Singh Baidwan Whole Time Director pursuant to Section 302 of the Companies Act, 1956.

[d] The Resolution regarding appointment Sukhminder Singh Baidwan as the Whole Time Directors of the company is concerned for acceptance by the members.

None of the Directors is interested the Resolution.

By order of the Board of Director
For BCC Fuba India Limited

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

Date :31.07.2012
Place: New Delhi

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 26th Annual Report and the audited Accounts of the Company for the financial year ended 31st March 2012

STANDALONE FINANCIALS:

The Ministry of Corporate Affairs (MCA) vide notification no. S.O. 447(E) dated 28th February, 2011 amended the existing Schedule VI to the Companies Act, 1956. The Revised Schedule VI is applicable from financial year commencing from 1st April, 2011. The financial statements of your Company for the year ended 31st March, 2012 have been prepared in accordance with the Revised Schedule VI and accordingly, the previous year`s figures have been reclassified/ regrouped to conform to this year`s classification.

FINANCIAL RESULTS

(Rs. In lacs)

	2011-12	2010-11
Turnover	640.18	868.47
Profit/(Loss) before Interest & Depreciation	(28.07)	103.69
Financial Charges	42.06	65.60
Profit/(Loss) before Depreciation	(70.13)	38.09
Depreciation	13.85	74.79
Net Profit/ (Loss)	(83.98)	(36.70)

DIVIDEND

Company has suffered loss and therefore no dividend was declared.

OPERATIONAL HIGHLIGHT

[A] The global economic disturbances continued to bring challenges to the electronics industry during the Year. Consumer demand for electronic products has largely declined leading to a significant decrease in sales orders. Average selling prices also experienced a drastic fall. Due to the abovementioned factors, turnover of the company were all affected and declined in various degrees as compared to the corresponding period last year.

Turnover of the company recorded a decrease of 26.30% as compared to the corresponding period last year. There has been operating loss of Rs.28.07 as compared to an operating profit of Rs.103.69 in the corresponding period last year.

During the Year, due to the sluggishness in the market, demand has decreased and the average selling price was also lowered. The management has continued to implement cost-control initiatives and improve operational efficiency so as to sustain the business.

[B] Your company is listed with BSE. Promoter of public limited company which shares are listed with stock exchange cannot bring capital unless it goes for right issue/ or preferential issue. Due to loss in the past years and provision of Depreciation on straight line method the net worth of the company has been eroded therefore the promoters who has given unsecured loan to the company requested to treat the said loan as quasi capital of the company in order to revive the financial health of the company.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Harun Rashid Ansari, Director of the Company retire by rotation at the ensuing Annual General Meeting. He, being eligible, has offered themselves for re-appointment. As his continued presence on the board are of immense importance to the company, your directors recommended their re-appointment.

Mr. Sukhminder Singh Baidwan has been appointed as Additional Director under Section 260 of the Companies Act,1956 . He vacates office on the date of the forthcoming 26th Annual General Meeting and is eligible for reappointment. Further his appointment as Whole Time Director of the Company by the Board of Directors is subject to the approval of Shareholders in their Annual General meeting.

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.

COST AUDITOR:

Your Board has not appointed any cost Auditor for the financial year ended 31.03.2012 as the financial position of the company is very poor and not able to bear the professional fees of the cost auditor as suggested by the Institute of Cost and Management Accountant of India. As the financial position improves the company will appoint Cost Auditor pursuant to the direction from the Ministry of Corporate Affairs, Government of India.

FIXED DEPOSIT:

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

INSURANCE:

All the insurable interests of your Company including inventories, buildings, plant and machinery and liabilities under legislative enactments are adequately insured.

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 INTIME INDIA PRIVATE LIMITED having office at A-40, 2nd Floor, Naraina Industrial Area, 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 sprit 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.

AUDITORS' 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.

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, 2012 and Statement 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 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) Rules1975, 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

By order of the Board of Director
For BCC Fuba India Limited

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

Date :31.07.2012
Place: New Delhi

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 2012.

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

	Current Year	Previous Year
1. Electricity		
(a) Purchased-		
Units	1203660	1963292
-Total Amt.(Rs. In Lacs)	64.93	81.92
-Rate per Unit (Rs.)	5.39	4.17
(b) Own Generation		
i) Through Diesel generator		
- Units	21226	42626
- Units per lt.of diesel Oil	3.38	2.71
- Cost per unit (Rs.)	11.68	13.75
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	100.67 units	99.80 units
Per sq.mtr.	(Rs 554.00)	(Rs.436.82)

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 form 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.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2011-2012 (Rs. in Lacs)	2010-2011 (Rs. in Lacs)
A. FOREIGN EXCHANGE USED		
1. Traveling expenses	NIL	NIL
2. Raw materials/chemicals/ Stores and spares etc. Imported	154.13	277.65
3. Others (P&M)	NIL	NIL
FOREIGN EXCHANGE EARNED	**.68**	**.97**

ANNEXURE-II

Particulars of Employees under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31 March 2012.

Name of the Employee	:	Mr. V.S. Bhagat
Age	:	71 Years
Designation/ Nature of Duties	:	Chairman & Managing Director/looking After the Company's affairs
Gross remuneration	:	16,44,000
Qualification	:	B.A. (Hons) in Economics
Experience	:	49 years
Date of Commencement of Employment	:	01-04-90
Previous Employment/ Position Held	:	Bhagat Construction Co. Pvt. Ltd. Director

NOTES

1. Mr. V.S. Bhagat is related to Mrs. Renu Bhagat & Mr.Veenu Pasricha, Director.
2. Remuneration received includes Gross salary, Employer's Contribution towards provident fund, medical reimbursement, cost of hiring leased/ consessional leased accommodation.
3. There is no employee in the Company, who is in receipt of remuneration in excess of that drawn by Managing Director and holds himself or alongwith his spouse and dependent children, not less than two percent of the equity shares of the company.

CORPORATE GOVERNANCE

1. Company's philosophy on code of corporate governance:

BCC Fuba strives for excellence in corporate governance practices, which the Company recognizes is fundamental to securing the trust of investors and key stakeholders. BCC Fuba's management, together with our Board of Directors, continually evaluates processes and implements procedures designed to maintain strong governance and operations standards. In doing so, we strive to manage the Company according to the highest principles of responsibility and integrity, and align the interests of management and the Board with those of our shareholders. The Company is in full compliance with the requirements under Clause 49 of the Listing Agreement with the Stock Exchanges.

2. Board of Directors

The Board of Directors consists of 7 Directors.

Composition and category of Director is as follows:

Executive Directors:	Shri V.S.Bhagat
	Mr. Sukhminder Singh Baidwan
Promoters/ Non-executive Directors	Smt. Renu Bhagat
Non-executive and Independent Directors	Shri A.P.Mathur
	Shri Veenu Pasricha
	Shri R.M. Mehta
	Shri H.R. Ansari

Composition, Attendance at the Board Meetings and the last Annual General Meeting, Outside