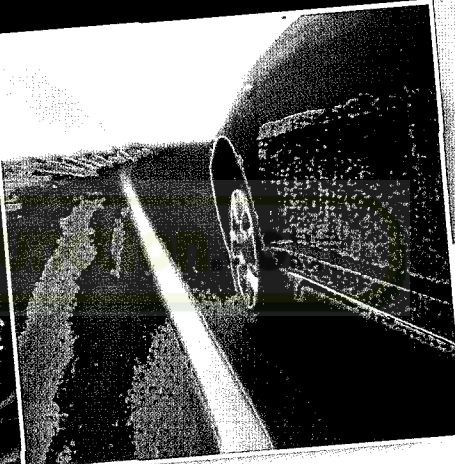
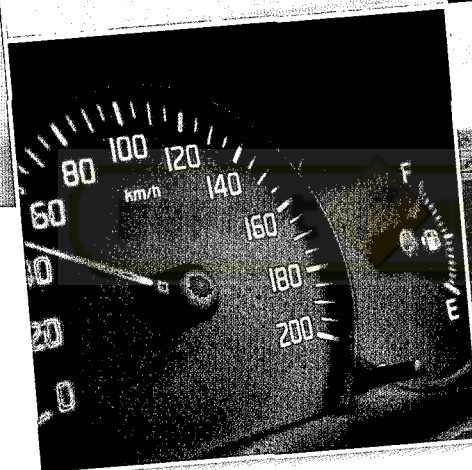
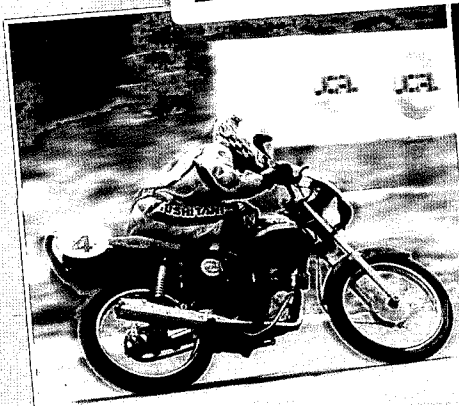


Behind those Extra Miles



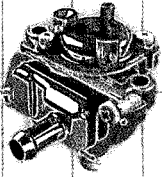
UCAL Fuel Systems Limited
Annual Report
2008-09



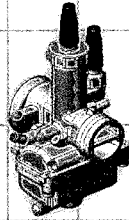
An Engineering Solutions Organization

UFSL'S EXCELLENCE - FEW PRODUCT RANGE

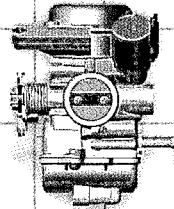
2 & 3 WHEELER PRODUCTS



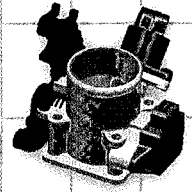
ASV



VM CARBURETTOR



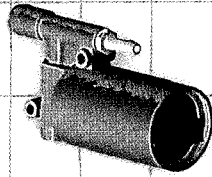
BS CARBURETTOR



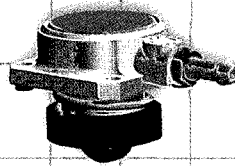
THROTTLE BODY
ASSEMBLY



ELECTRONIC
CONTROL UNIT



FUEL PUMP

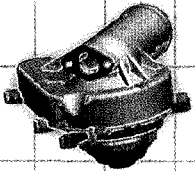


AIR COMPRESSOR

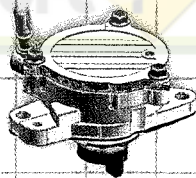


FUEL RAIL ASSEMBLY

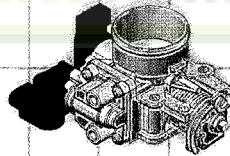
4 WHEELER SYSTEMS-PRODUCTS



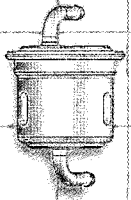
WATER PUMP ASSEMBLY



VACCUM PUMP

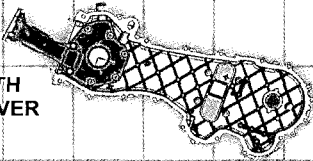


THROTTLE BODY
ASSEMBLY

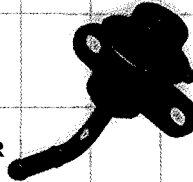


HIGH PRESSURE
FUEL FILTER

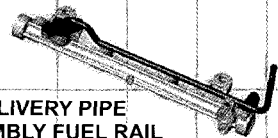
OIL PUMP
ASSEMBLY WITH
CHAIN CASE COVER



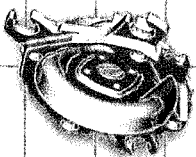
PRESSURE
REGULATOR



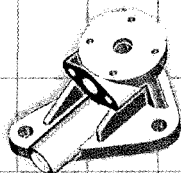
DELIVERY PIPE
ASSEMBLY FUEL RAIL



PRECISION MANUFACTURING SYSTEMS-PRODUCTS



IMPELLER HOUSING
CASTING



HOUSING CASTING



HOUSING INJECTOR
SPRING



SHAFT SECOND
CLUTCH



BODY INJECTOR

UCAL FUEL SYSTEMS LIMITED**BOARD OF DIRECTORS**

MR. S. MUTHUKRISHNAN
Chairman

MR. K. JAYAKAR
Vice Chairman & Managing Director

MR. P.P.R. Rao
Executive Director

MR. V. NARAYANAN

MR. M.R. SIVARAMAN

MR. S. NATARAJAN

DR. M.S. ANANTH

DR. V. SUMANTRAN

MR. MUKUL SARKAR
Exim Bank Nominee

COMPANY SECRETARY

MR. S.R. SRIDHAR

BANKERS

CORPORATION BANK
STATE BANK OF INDIA
IDBI BANK LTD
INDIAN BANK
BANK OF INDIA

AUDITORS

M/S. G. BALU ASSOCIATES
CHARTERED ACCOUNTANTS
NO.4A VENKATESA AGRAHARAM ROAD
MYLAPORE
CHENNAI 600 004

REGISTERED OFFICE

"RAHEJA TOWERS"
DELTA WING - UNIT 705
177 ANNA SALAI, CHENNAI 600 002
PHONE: 044-28604795-96/42208100

PLANT-I

E-9 – E-12 INDUSTRIAL COMPLEX
MARAIMALAI NAGAR – 603 209
KANCHIPURAM DISTRICT
TAMIL NADU
PHONE: 044-47408000

PLANT-II

A98-A100, A106, A107
PIPDIC INDUSTRIAL ESTATE
METTUPALAYAM
PONDICHERRY – 605 009
PHONE: 0413-4211500, 2272675

PLANT-III

PLOT 34-35, 53-54
INDUSTRIAL DEVELOPMENT COLONY
MEHRAULI ROAD, GURGAON
HARYANA – 122 001
PHONE: 0124-2335773, 2335895

PLANT-IV

11 B/2 (S.P), FIRST CROSS ROAD,
AMBATTUR INDUSTRIAL ESTATE,
CHENNAI – 600 058
PHONE: 044-66544700

PLANT-V

12 POES ROAD, TEYNAMPET,
CHENNAI 600 018.
TEL.NO.044-42081491

PLANT-VI

PLOT NO.A3/A3, A4, A5,
CMDA INDUSTRIAL COMPLEX,
MARAIMALAI NAGAR, PIN – 603 209
TEL. NO. 47406800

FINANCIAL HIGHLIGHTS

Rs. In Lakhs

	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001	1999-2000
SALES	29,806.57	29,522.83	29,448.10	26,019.67	27,140.56	25,913.80	22,424.22	17,600.07	15,956.92	12,705.63
Other Income (Including Services)	531.77	1,152.06	723.79	3,060.97	393.79	278.12	169.46	183.40	167.29	140.45
Total Income	30,338.34	30,674.89	30,171.89	29,080.64	27,534.35	26,191.92	22,593.68	17,783.47	16,124.21	12,846.08
Total Expenditure	25,782.94	26,514.48	25,853.55	22,237.46	22,526.97	20,459.07	16,957.67	13,764.44	12,746.96	10,423.94
Profit before Interest & Depreciation	4,555.40	4,160.41	4,318.34	6,843.18	5,007.38	5,732.85	5,636.01	4,019.03	3,377.25	2,422.14
Interest	2,527.61	1,569.29	922.95	599.68	46.34	107.70	206.50	551.18	641.79	350.20
Depreciation	1,848.23	1,583.28	1,380.13	1,299.09	1,345.30	1,232.63	1,366.12	1,307.07	1,198.22	902.16
Profit Before Tax	179.56	1,007.84	2,015.26	4,944.41	3,615.74	4,392.52	4,063.39	2,160.78	1,537.24	1,169.78
Profit After Tax	38.03	619.53	1,476.18	3,770.61	2,576.10	3,130.82	2,814.58	1,625.42	1,417.24	1,019.78
Share Capital	1,389.60	1,389.60	1,389.60	1,389.60	1,389.60	694.80	694.80	694.80	694.80	694.80
Reserves & Surplus	18,236.04	18,231.86	18,012.61	16,717.04	13,532.66	11,939.54	9,112.92	6,695.82	6,235.51	5,147.90
Loan Funds	18,291.65	14,500.40	12,865.22	7,910.48	1,092.79	1,790.89	2,083.32	3,292.60	5,819.00	5,217.29
Fixed Assets	13,919.21	13,645.74	10,720.01	9,611.92	9,620.75	10,256.84	8,117.43	7,624.75	8,003.22	7,524.05
Net Current Assets	6,906.10	8,684.48	9,670.28	4,761.79	5,604.23	3,883.35	3,641.22	3,155.10	3,822.31	2,607.72
Dividend Rate (%)	-	10%	10%	40%	40%	60%	60%	50%	40%	30%
Earning per share (Rs.)	0.27	4.45	10.62	27.13	18.54	45.06	40.51	23.39	20.40	14.68
Current Ratio	0.83:1	0.95:1	1.18:1	1.67:1	2.55:1	1.90:1	2.02:1	2.85:1	1.35:1	1.31:1
Debt:Equity Ratio	0.50:1	0.65:1	0.59:1	0.47:1	0.04:1	0.11:1	0.21:1	0.45:1	0.81:1	0.69:1

UCAL FUEL SYSTEMS LIMITED

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UCAL FUEL SYSTEMS LIMITED

NOTICE TO MEMBERS

NOTICE is hereby given that the TWENTY THIRD ANNUAL GENERAL MEETING of Shareholders of UCAL FUEL SYSTEMS LIMITED will be held at the DYNASTY HALL, HOTEL AMBASSADOR PALLAVA, No.53 Montieth Road, Chennai 600 008 on Tuesday, the 29th September 2009 at 11.00 a.m to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March 2009 and the Balance Sheet as on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. S. Muthukrishnan, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit to pass with or without modifications the following as an Ordinary Resolution.

"RESOLVED that Mr.P.P.R.Rao, who was appointed as Additional Director with effect from 26th September 2008 and holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 be and is hereby appointed as Director of the Company.

5. To consider and if thought fit to pass with or without modifications the following as an Ordinary Resolution.

"RESOLVED that Dr.M.S.Ananth, who was appointed as Additional Director with effect from 13th April 2009 and holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 be and is hereby appointed as Director of the Company.

6. To consider and if thought fit to pass with or without modifications the following as an Ordinary Resolution.

"RESOLVED that Mr.S.Natarajan, who was appointed as Additional Director with effect from 13th April 2009 and holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 be and is hereby appointed as Director of the Company.

7. To consider and if thought fit to pass with or without modifications the following as an Ordinary Resolution.

"RESOLVED that Dr. V. Sumantran, who was appointed as Additional Director with effect from 29th July 2009 and holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 be and is hereby appointed as Director of the Company.

UCAL FUEL SYSTEMS LIMITED

8. To consider and if thought fit to pass with or without modifications the following as a Special Resolution.

"RESOLVED that pursuant to the provisions of the Section 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the appointment of Mr.P.P.R.Rao as Executive Director for a period of three years from 26.09.2008 to 25.09.2011 on a remuneration as detailed below:

1. SALARY - Rs. 3,75,000 per month
2. H R A - Rs. 50,000 per month
3. Fixed Incentive - Rs. 6,00,000 per annum
4. Special Incentive - Rs. 7,00,000 per annum
5. Reimbursement of Medical expenses of Rs 300,000 per annum for self and family.
6. Leave Travel Assistance of Rs 260,000 per annum for self and family.
7. Company's contribution towards Provident Fund will be as per rules of the Company but not exceeding such percentage of the salary as may be fixed by the Central Government from time to time.
8. Club fees for official purposes.
9. Personal Accident insurance as per rules of the Company.
10. Car with Driver for official purpose.
11. Reimbursement of Telephone/Mobile expenses for official purpose.
12. Leave shall be as per the Rules of the Company, but not exceeding 30 days leave for every year of service. Encashment of unavailed leave will be at the end of the tenure.

MINIMUM REMUNERATION

Where in any financial year during the currency of the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay minimum remuneration as specified above."

9. To consider and if thought fit to pass with or without modifications the following as a Special Resolution.

"RESOLVED that pursuant to the provisions of Section 314(1B) of the Companies Act, 1956 and subject to the approval of the Central Government, consent of the Company be and is hereby accorded to Dr.V.Krishnamurthy, a relative of Mr.K.Jayakar, Managing Director of the Company, to hold an office or place of profit as Advisor to the Company on a remuneration of Rs.3,00,000/- per month (Rupees Three lakhs only) as may be approved by the Central Government for further period of five years with effect from 21.09.2009.

Further resolved that Dr.V.Krishnamurthy shall be reimbursed all Travelling and Other Expenses for the purpose of business of the Company".

BY ORDER OF THE BOARD

S.R. SRIDHAR

Company Secretary

Place : CHENNAI

Date : 29.07.2009

UCAL FUEL SYSTEMS LIMITED

NOTES

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy. A proxy so appointed need not be a member of the Company and is entitled to vote only on a poll. Proxies must reach the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 22.09.2009 and 29.09.2009 (Both days inclusive).
3. Members holding shares in Electronic Segment are requested to notify the change of address, bank details, nomination etc. to the depository participants (DP) with whom they are having client account for effecting necessary corrections. Members holding shares in physical form are requested to notify the change of address, bank details, nomination etc., to Integrated Enterprises (India) Limited, II Floor, No.1 Ramakrishna Street, T.Nagar, Chennai 600 017, the Company's Share Transfer Agent.
4. The relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of Special Business is annexed hereto and forms part of this Notice.
5. All members who have either not received or have not encashed their dividend warrants for the financial years 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07 and 2007-08 are requested to approach the Company.

Members are hereby informed that the dividends which remain unclaimed over a period of 7 years have to be transferred by the Company to the Investor Education and Protection Fund constituted under Section 205C of the Companies Act, 1956. Accordingly the unclaimed dividend amount for the financial year 2001-02 will be transferred to the Investor Education and Protection Fund of the Central Government on 24.08.2009.

It may be noted that no claim of the shareholders will be entertained for the unclaimed dividends, which have been transferred to the credit of the Investor Education and Protection Fund of the Central Government.

6. Members are requested to bring their copy of the Annual Report to the Meeting.
7. Members who hold shares in the dematerialized form are requested to bring their deposit account number (Client ID No.) for easier identification of attendance at the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**ITEM NO.4 & 8**

The Board of Directors co-opted Mr.P.P.R.Rao as Additional Director in to the Board of the Company on 26th September 2008. As per Section 260 of the Companies Act, 1956 he holds office upto the date of this Annual General Meeting and is eligible for appointment as Director. The Company has also received Notice from a Member pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Mr.P.P.R.Rao for the office of the Director of the Company.

At the Board Meeting held on 26.09.2008 the Board of Directors have appointed Mr.P.P.R.Rao as Executive Director for a period of three years from 26.09.2008 on a remuneration as detailed in the resolution. Mr.Podila Pandu Ranga Rao, aged 61 years is a Engineering Graduate from Andhra University. He has total experience of 40 years, out of which 26 years in manufacturing companies like BHEL, English Electric Limited and SRF Nipponenso Ltd and 14 years in IT Companies like Wipro Limited, Digital Equipment India and Bizworth India P. Limited. He has held various important positions in these Companies as Chief Works Manager, Chief Manager, General Manager, Chief Executive, Director, Managing Director and Chief Executive Officer. Therefore shareholders approval is sought to the appointment of Mr. P.P.R. Rao as Executive Director for a period of three years from 26.09.2008 to 25.09.2011 and to pay him the remuneration as set out in the resolution.

Number of shares held in the company - Nil.

Hence the abovesaid resolution is placed before you for the approval.

Mr. P.P.R. Rao is interested in the Resolution.

Notice under Section 302 of the Companies Act, 1956 for the said appointment has already been sent to the members on 20.10.2008

ITEM NO.5

The Board of Directors co-opted Dr.M.S.Ananth as Additional Director into the Board of the Company on 13th April 2009. As per Section 260 of the Companies Act, 1956 he holds office upto the date of this Annual General Meeting and is eligible for appointment as Director. The Company has also received Notice from a Member pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Dr.M.S.Ananth for the office of the Director of the Company.

Dr. M.S. Ananth is graduated from the AC College of Technology with a gold medal in Chemical Engineering. He obtained his Ph.D degree in Chemical Engineering in the area of Molecular Thermodynamics from the University of Florida, USA in 1972. He joined IIT Madras a faculty in the Department of Chemical Engineering in 1972. He has held various senior positions such as Head of the Department, Dean of Academic Courses and Dean of Academic Research. In December 2001 he took over as Director. He has been one of the key positions associated with the preparation of The Strategic Plan of IITM – Vision 2010. He has 40 years of experience in Engineering. He is a Fellow of Indian Institute of Chemical Engineers and Indian National Academy of Engineering. He is the Member of the National Manufacturing Competitiveness Council and a Member of the Scientific Advisory Committee to the Cabinet.

Number of shares held in the company - Nil.

Dr M.S. Ananth is interested in the Resolution.

UCAL FUEL SYSTEMS LIMITED

ITEM NO.6

The Board of Directors co-opted Mr.S.Natarajan as Additional Director into the Board of the Company on 13th April 2009. As per Section 260 of the Companies Act, 1956 he holds office upto the date of this Annual General Meeting and is eligible for appointment as Director. The Company has also received Notice from a Member pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Mr.S.Natarajan for the office of the Director of the Company.

Mr.S.Natarajan is a member of the Institute of Chartered Accountants of India, New Delhi since 1975. He has been a practicing Chartered Accountant with more than 30 years of experience and was involved in active practice till 1987. Since 1987 he has been actively associated in advising leading Indian Corporate houses in developing their regular business strategies, mergers, acquisitions, corporate restructuring, growth strategies, etc amongst other functions. He had enormous experience in dealing with leading financial institutions such as the Reserve Bank of India, IDBI, IFCI, ICICI, etc. He is on the Board of following public companies viz : Shriram Capital Limited, Shriram Investment Holdings Limited, Binny Limited, Binny Lorge Ltd, Binny Engineering Ltd, and Alpha Energy Systems Ltd.

Number of shares held in the company - Nil.

Mr. S. Natarajan is interested in the Resolution.

ITEM NO.7

The Board of Directors co-opted Dr. V. Sumantran as Additional Director in the Board of the Company on 29th July 2009. As per Section 260 of the Companies Act, 1956 he holds office upto the date of this Annual General Meeting and is eligible for appointment as Director. The Company has also received Notice from a Member pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Dr. V. Sumantran for the office of the Director of the Company.

Dr. V. Sumantran, aged 50 years, holds Doctorate Degree in Aerospace Engineering and a Master's degree in Management of Technology and is a distinguished Visiting Professor at the Indian Institute of Technology, Madras. He has served as President of the Automotive Research Association of India, and Co-Chairman of the Engineering Services Forum of NASSCOM. He serves on the Science Advisory Council of the Prime Minister of India and the Scientific Advisor Committee to the Cabinet. He was Executive Director – Passenger Car Business and Engineering Research Centre, Tata Motors Limited. He was also member of the Board of Tata Technologies Inc. Dr. V. Sumantran had spent 16 years with General Motors Corporation, mostly in the US and subsequently in Europe.

Details of other Directorships/Committee Memberships held by him:

Directorship Committee Membership

EXECUTIVE VICE CHAIRMAN

Hinduja Automotive Limited