

Annual Report
2002-2003



BCC FUBA INDIA LIMITED

BCC FUBA INDIA LIMITED

17th 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. SWARANJIT SINGH	DIRECTOR
5. MR. VEENU PASRICHA	DIRECTOR
6. MR. S. K. BANERJEE	WHOLE TIME DIRECTOR
7. MR. WALTER DRACH	DIRECTOR

COMPANY SECRETARY

MR. R.S.TIWARI

AUDITORS

VINAY AGGARWAL & ASSOCIATES
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

: C-136, 1st Floor
Defence Colony, New Delhi-110024

SHARE TRANSFER AGENT

: Intime Spectrum Registry Ltd.
A-31, IIIrd Floor, Naraina Industrial Area,
Phase-I, New Delhi-110028
Ph.: 51410592/94

NOTICE

Notice is hereby given that the 17th Annual General Meeting of the members of **M/s. BCC FUBA INDIA LIMITED** will be held on Monday the 22nd day of September, 2003 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;

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2003 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. A. P. Mathur 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. Vinay Aggarwal & Associates, 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 2003-2004."

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. Walter Drach be and is appointed as 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 an ordinary resolution:

"RESOLVED THAT appointment of Mr. S. K. Banerjee as Whole-time Director of the Company made by the Board of Directors in their meeting held on 31.10.02 be and is hereby approved."

"RESOLVED THAT in accordance with the provisions of Section 198, 269 read with Schedule XIII, 309,310,311 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force) and in terms of Article 85 of the of the Articles of Association, consent of the Company be and is hereby accorded to the reappointment of Mr. S. K. Banerjee, as Whole-time Director of the Company for a period of one year w.e.f. 31.10.2003 up on remuneration as detailed below and with such powers and duties may from time to time require him to exercise."

Basic Salary	:	Rs. 12,750/- p.m
H.R.A	:	Rs. 4,685/- p.m
Conveyance	:	Rs. 2,925/- p.m
Total	:	<u>Rs. 20,360/- p.m</u>

Perquisites:

1. As per Rules of the company
2. Leave Travel Concession for self and family in accordance with the Rules of the company.
3. Leave on full pay and allowance as per rules of the company.
4. Gratuity payable as per Rules of the company.
5. Benefits of Provident fund and superannuation as per the Rules of the company
6. Benefits of mediclaim as per the rules of the company

RESOLVED FURTHER THAT the remuneration payable to Mr. S.K. Banerjee will be governed in accordance with Section II of Part II of Schedule XIII of the Companies Act, 1956 in the event of the Company suffering loss or having inadequate profits in any accounting year.

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

RESOLVED THAT in terms of SEBI (De-listing of Securities) Guidelines, 2003 and also Guidelines/ Notifications issued/to be issued by SEBI from time to time and subject to the provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter) and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as the Board , which term shall deem to include any committee thereof for the time being exercising the powers conferred on the Board by this resolution), consent is hereby accorded to the Board to get the Equity shares of the company be de-listed from the Stock Exchanges Ludhiana, Delhi, Kolkatta and Ahmedabad.

By order of the Board of Directors

Place : Nalagarh
Date : 30.06.2003

Sd/-
(R. S. Tiwari)
Company Secretary

Notes :

1. Explanatory statement for the item no. 3,4,5 & 6 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 share transfer books of the company will remain closed from 15.09.2003 to 22.09.2003(both days inclusive)
5. Members desiring any information on the accounts at the Annual General Meeting are requested to write to 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 Intime Spectrum Registry Limited of A-31, 3rd Floor, Naraina Industrial Area, Phase-I, Near PVR, Cinema, New Delhi-110028

ANNEXURE TO THE NOTICE

(Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956.)

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 or indirectly interested in the proposed resolution.

Item No.4

Mr. Walter Drach was appointed as an additional director of the Company by the Board of Directors. In terms of Section 260 of the Companies Act, 1956 he will cease as a director on conclusion of forthcoming Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 along with requisite deposit from a member proposing his name for appointment as Director retiring by rotation.

None of the Director is interested in this Resolution. Members are requested to consider his appointment and pass the said Resolution.

Item No.5

Shri S.K Banerjee was appointed as whole-time director on 31.10.2002 for a period of one year. During this short span of time he proved his credibility and Board of Directors considering his excellent performance reappointed him as whole-time Director of the company for a further period of one year subject to the approval of shareholders in the ensuing Annual General Meeting. The members are requested to accord their approval for the re-appointment of Shri S.K. Banerjee by passing the resolution as set out at Sr. No. 5.

None of the Directors except Mr. S.K. Banerjee is concerned or interested in the resolution. This may be treated as the abstract of the terms and conditions of re-appointment of the Directors under Section 302 of the Companies Act, 1956.

Item No.6

At present our Equity Shares are listed on the following Stock Exchanges:

- (a) The Calcutta Stock Exchange Association Limited
- (b) The Stock Exchange Ahmedabad
- (c) Delhi Stock Exchange Association Limited
- (d) The Ludhiana Stock Exchange Association Limited
- (e) The Stock Exchange, Mumbai

Management of the company observe that trading volumes of your equity shares on Kolkatta, Ludhiana, Ahmedabad and Delhi have been very low or better to say nil during the past few years.

Keeping in view of the trading volume of our securities on the floor of these Stock Exchanges and as a part of cost reduction measures consent of all of you has been obtained for de-listing of the Equity shares at the Annual General Meeting held on 29.09.2001 in terms & conditions of the SEBI's Guidelines for voluntary de listing of the shares applicable on that date.

In the meanwhile a new Guideline vide circular no. SMD/Policy/ Cir-7/2003 dt.17.02.2003 has been issued by SEBI for voluntary de-listing of shares. As per the new Guidelines Exit opportunity need not be given in case where securities continue to be listed in a Stock Exchange having nationwide terminals. Your Company's shares are listed and traded with Mumbai Stock Exchange with the net working facilities of B.S.E. the members of the Company have access to on line dealing in the Company's Equity shares across the country. Trading volumes on Ahmedabad, Kolkatta, Ludhiana and Delhi are very low. The proposed de-listing of the Company's equity Shares from Ahmedabad, Kolkata, Ludhiana and Delhi will not therefor, adversely effect any investor including the members located in the regions as company's equity shares will continue to be listed on Mumbai Stock Exchanges.

In view of the above and as a matter of abundant caution your directors recommend members approval by way of special resolution for de-listing company's equity shares from Ahmedabad, Kolkatta, Ludhiana and Delhi.

None of the Directors is any way concerned or interested in the resolution.

By order of the Board of Directors

Place : Nalagarh
Date : 30.06.2003

Sd/-
(R. S. Tiwari)
Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 17th Annual Report and the audited Accounts of the Company for the financial year ended 31st March 2003

FINANCIAL RESULTS

	<u>2002-03</u>	<u>(Rs. in lacs)</u>	<u>2001-02</u>
Turnover	510.04		655.65
Profit/(loss) before interest & Depreciation	36.77		65.52
Interest	63.85		64.72
Profit/(Loss) before depreciation	(27.08)		0.80
Depreciation	70.66		65.41
Net Profit(loss)	(97.74)		(64.61)

DIVIDEND

The directors do not recommend any dividend for the year.

OPERATIONAL HIGHLIGHT

It is heartening to note that the Company has been able to sell more in terms of quantity and in the year 2003-2004 the target fixed for Production of 16000 Sq. mtrs , 60% more than that of the last year. As our production is restricted because of drilling capacity, it has been decided to increase its capacity by addition of 4 more spindles. This increased capacity will result in increased profit in the year 2003-2004.

DIRECTORS

Mr. A. P. Mathur, 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 recommended his re-appointment.

Shri S.K. Banerjee, was appointed whole-time Director of the company on 31.10.2002 for a period of one year. And his present tenure is going to expire on 30.10.2003. His present tenure has been very much satisfactory. His continued presence on the board is of immense importance to the Company, therefore your directors recommend to re-appoint him for a further period of one year.

Shri Reinhard Schuelein, who was appointed as additional director, has resigned from the board. The board places on record its appreciation for his valuable contribution during his tenure as Director.

Shri Walter Dutch was appointed as additional director on the board on 30.06.2003 and your company is in receipt of notice for appointing him as director on the Board under section 257 of the Companies Act, 1956. The company recommend for his appointment.

AUDITORS

The auditors of the Company M/s. Vinay Aggarwal & Associates, 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(1 B) 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 Ludhiana Stock Exchange Association Limited, The Stock Exchange Mumbai, The Delhi Stock Exchange Association Limited, The Stock Exchange Ahmedabad and the Calcutta Stock Exchange Association Limited.

The company proposes to delist the equity shares from all the Stock Exchanges except the Stock Exchange Mumbai and the board of directors proposed a resolution to be passed by Shareholders in this Annual General Meeting giving consent to delist the shares from the all stock exchanges except the BSE complying with the provision of SEBI circular No. SMD/Policy/ Cir-7/2003.

DEPOSITORY SYSTEM

As per the SEBI Guidelines to have a common share transfer agent for all of the works related to physical and Demat form of shares, M/s. Intime Spectrum Shares Registry Limited having office at A-31, 3rd Floor, Naraina Industrial Area, Phase-1, New Delhi-110028 have been appointed as share transfer agent. All the members are requested to contact them for any kinds of shares related matters.

Implementation of the Corporate Governance:

As per the clause 49 of the listing Agreement, your Company has constituted the following committees:

Shareholders Grievances Committee:

Mr. A.P. Mathur is the Chairman and Mr. V.S. Bhagat and Mr Swarnjit Singh are the members of the committee. Meeting of the shareholders grievances will be held at the regular intervals to sort out any kinds grievances of the investors.

Remuneration Committee:

Mr. Swarnjit Singh is the Chairman and Mr. A.P. Mathur and Mr. Veenu Pasricha are the members of the committee. Committee will review the remuneration of executive directors in terms of their performance and other related matters of trade and industries.

Audit Committee:

Mr. A.P. Mathur is the Chairman and Mr. Swarnjit Singh and Mr. Veenu Pasricha are the members of the committee. The duties, responsibilities and powers of the committee have been defined by the Board at the time of its constitution.

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, 2003 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.

OBSERVATION OF THE AUDITORS IN THE ANNUAL ACCOUNTS

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

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(l)(e) of the Companies Act, 1956 read with Companies (Disclosure of the particulars in the Report of Board of Directors) Rules 1988, are given in annexure "1" 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: Nalagarh
Date: 30.06.2003

Sd/-
(V.S. BHAGAT)
Chairman & Managing Director

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, 2003.

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	12,54,292	13,58,553
- Total Amt. (Rs. in Lacs)	35.75	38.96
- Rate per Unit (Rs.)	2.85	2.86
(b) Own Generation		
i) Through Diesel generator		
- Units	38,818	40,849
- Units per lt. of diesel Oil	3.03	2.83
- Cost per units (Rs.)	6.32	5.87
ii) Through steam turbine/ generator	Nil	Nil
2. Coal	Nil	Nil
3. Furnace Oil	Nil	Nil
4. Others Internal Generation	Nil	Nil

B. CONSUMPTION PER UNIT OF PRODUCTION

Product	Printed Circuit Boards	
Electricity consumed	126.75 units	121.00 units
Per sq.mtr.	(Rs.374.48)	(Rs.357.90)

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.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2002-03 (Rs. in Lacs)	2001-02 (Rs. in Lacs)
A. FOREIGN EXCHANGE USED		
1. Travelling expenses	0.69	1.64
2. Raw materials/chemicals/ stores and spares etc. imported	127.07	185.77
3. Others	0.11	1.46
B. FOREIGN EXCHANGE EARNED	29.82	28.85

ANNEXURE-II

Statement showing the name and other details of the employees as required 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, 2003.

Name of the Employee	:	Mr. V.S. Bhagat
Age	:	62 Years
Designation/	:	Chairman & Managing Director
Nature of Duties	:	Looking after the Company's affairs
Gross remuneration	:	16,44,000
Qualification	:	B.A. (Hons) in Economics
Experience	:	40 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/ concessional leased accommodation.
3. There is no employee in the Company, who is in receipt of remuneration in excess of that drawn by Chairman and 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:

Corporate Governance emphasizes the principle of self-governance. This principle may be new for rest of the world but since the time of civilization our glorious past taught us the lesson of self-governance. We have been following the spirit of corporate governance since the date of incorporation of the company but as per the guidelines of regulatory authority i.e. SEBI we are accountable to implement the same on or before 31.03.2003. We have implemented the same as per Clause 49 of the Listing Agreement.

The theme of corporate governance is based on the principle of working in a disciplined manner, at the time decision law of natural justice must prevail and to work in the best interest of all the constituent of team i.e. Shareowners, customers, Bank, employees and all others.

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 Shri S.K.Banerjee
Promoters/ Non-executive Directors	Smt. Renu Bhagat
Non-executive and Independent Directors	Shri A.P.Mathur Shri Veenu Pasricha Shri Swaranjit Singh Shri Walter Drach (From 30.06.2003) Shri Reinhard Scheulin (upto 30.06.2003)

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

Director	No.of Board meetings attended	Attendance at previous AGM on 20.09.2002	No. of outside Director -ship held	No. of member-ship/chair-manship in Committees	Executive/Non-executive/ Independent
Mr. V.S.Bhagat	4	Present	5	1	Executive
Mr. S.K.Banerjee	1	Absent	-	-	Executive
Mrs. Renu Bhagat	4	Present	3	-	Non executive
Mr. A.P.Mathur	4	Present	3	3	Non-executive and independent
Mr. Swaranjit Singh	2	Absent	1	3	Non-executive and independent
Mr. Veenu Pasricha	4	Present	3	2	Non-executive and independent
Mr. Reinhard Scheulin	-	-	-	-	Non-executive and independent

3. Number of Board meetings held and the date on which held

4 Board meeting were held during the year. The dates on which the meetings were held are as follows;

- 30th day of April 2002
- 31st day of July 2002
- 31st day of October 2002
- 30th day of January 2003

4. Audit Committee:

The Audit committee comprises of Mr. A.P. Mathur, Mr. Veenu Pasricha and Mr. Swaranjit Singh all being non-executive and independent Directors. The composition, role, functions and power of the audit committee are in tune with the requirements of applicable laws and regulations and guidelines issued/to be issued by the Regulatory Authorities.

Shri A. P. Mathur, a highly qualified and experienced personality is the Chairman of the committee and Sh. Veenu Pasricha and Sh. Swaranjit Singh are other eminent members on the committee; having vast experience of finance and audit. Shri R.S.Tiwari, Company Secretary acts as the Secretary to the audit committee.

The role and duties of the committee have been defined by the Board of Directors and generally cover the areas mentioned under clause 49 of the Listing Agreement besides other terms as may be referred from time to time by the Board of Directors.

During the year, the committee has met three times. Attendance of each member at the committee meeting were as follows:

Sl. No.	Name of the members	Status	No. of meeting attended
1.	Sh. A.P. Mathur	Chairman & Independent Director	3
2.	Sh. Swaranjit Singh	Independent Director	2
3.	Sh. Veenu Pasricha	Independent Director	3

5. Remuneration Committee:

Remuneration committee consists of Non-executive Independent Directors viz Sh. A.P.Mathur, Sh. Swaranjit Singh and Sh. Veenu Pasricha. The committee has been constituted to recommend/ review the remuneration package of the Managing Director/Whole-time Director(s). The remuneration policy is in consonance with the existing industry practice and also with the provisions of the Companies Act, 1956.

Details of remuneration paid to Managing Director/ Whole time -Director are as follows:

Sh.V.S. Bhagat	Managing Director	Rs. 14,88,000/-
Sh. S.K.Banerjee	Whole-time Director	Rs. 2,32,320/-

Besides they are also entitled to Company's contribution to Provident Fund, Superannuation fund, Gratuity, Medical Reimbursement and encashment of leave at the end of tenure as per the Rules of the Company

Remuneration paid to non-executive directors

No remuneration is paid to Non-executive Directors except sitting fees for attending the meeting of Board of Directors and committee thereof.

The company pays sitting fees to all the non-executive directors at the rate of Rs. 500/- for each meeting of the Board of Director or committee. The fees paid for the year ended 31st March, 2003 to the Directors are as follows:

Sl. No.	Name of the Directors	Amount in Rs.
1.	Shri A.P.Mathur	3,500.00
2.	Shri Veenu Pasricha	6,000.00
3.	Shri Swaranjit Singh	3,000.00

6. Shareholders grievances committee:

Shareholders grievances committee is headed by Sh. A.P. Mathur, non-executive and independent Director of the Company as Chairman and comprises two other executive and non-executive & independent Directors Sh. V.S.Bhagat and Sh. Swaranjit Singh as members. Shri R.S. Tiwari, Company secretary has been designated as compliance officer. All valid requests for transfer received during the financial year ended 31 March 2003 have been acted upon by the Company and no such transfer is pending.

As per the guidelines for appointment of the common share transfer agent for all the work related to both physical and electronic mode of equity shares, company has appointed M/s. Intime Spectrum Registry having office at A-31, 3rd, Floor, Naraina Industrial Area, Phase-I, New Delhi-110028.

7. General Body Meetings:

Location and time for last three Annual General meeting:

Year	Location	Date	Day	Time
1999-00	4 Km. Swarghat Road, Nalagarh-174104, Distt. Solan, Himachal Pradesh.	21.09.2000	Thursday	2.30 P.M
2000-01	4 Km. Swarghat Road, Nalagarh-174104, Distt. Solan, Himachal Pradesh.	29.09.2001	Saturday	10.30 A.M
2001-02	4 Km. Swarghat Road, Nalagarh-174104, Distt. Solan, Himachal Pradesh.	20.09.2002	Friday	10.30.A.M.

No resolution was required to be put through postal ballot.

8. Disclosures

The related party transactions have been disclosed in Notes on Account forming part of the Statement of Accounts for the financial year ended 31st March, 2003 and since the necessary disclosures were made in respect of the said transactions to the respective Boards of Directors, no transaction is considered to be in potential conflict with the interests of the company at large.

There has not been any non-compliance, penalties or strictures imposed on the company by the stock exchange(s), Securities and Exchange Board of India or any other statutory authority, on any matter relating to the capital markets, during the last three years.

9. Means of communication

The quarterly, Half-yearly and Annual Results are generally published by the Company in English (Business Standard or Pioneer) and vernacular Divya Himachal/ Himachal Times Hindi edition. The company does not yet have its web site. Official news releases and notices etc. are sent to the Stock Exchanges at Mumbai, Delhi, Ludhiana, Kolkatta and Ahmedabad where shares of the company are listed.

10. General shareholders information:

(a) Annual General Meeting:

Date and time: 22nd September, 2003 at 10.30 a.m.
 Venue: 4 Km. Swarghat Road, Nalagarh-174101
 Distt. Solan, Himachal Pradesh

(b) Financial Calendar (tentative)

Annual General Meeting 22.09.2003
 Results for the quarter ending 30.06.2003 Last week of July, 03
 Results for the quarter ending 30.09.2003 Last week of Oct, 03
 Results for the quarter ending 31.12.2003 Last week of Jan, 04
 Results for the quarter ending 31.03.2004 Last week of June, 04

(c) Book Closure Date 15.09.2003 to 22.09.2003
 (d) Listing of Equity Shares Ludhiana, Mumbai, Kolkatta, Ahmedabad and Delhi
 (e) ISIN No. INE788D01016

(f) **Stock Market Data**

Month	Bombay Stock Exchange (BSE)	
	Month's High Price	Month's Low Price
April 2002	4.95	3.20
May 2002	—	—
June 2002	2.60	1.55
July 2002	2.40	1.25
Aug. 2002	4.95	1.05
Sept. 2002	4.95	1.75
Oct. 2002	2.10	1.40
Nov. 2002	2.00	1.45
Dec. 2002	—	—
Jan. 2003	1.65	1.65
Feb. 2003	1.35	1.35
March 2003	1.95	0.90

Registrar & Share Transfer Agent and Communication regarding all kinds of share related matters : **Intime Spectrum Registry Ltd.**
A-31,3 Floor, Naraina Industrial Area, Phase-I, New Delhi-110028

(g) **Shareholding pattern as on 31.03.2003**

Sl. No.	Category	No. of shares	Percentage
01	Promoters	2266706	37.41
02	Indian Financial Institutions, Banks, Mutual Funds	219500	3.62
03	Foreign Institutional Investors/ NRIs	98040	1.62
04	Others	3474804	57.35
	Total	6059050	100.00

(h) **Distribution on shareholding as on 31.03.2003**

No. of share held	No. of Shareholders	% of Shareholders	No. of Equity shares	% of shareholding
1-500	14850	94.98	2288074	37.77
501-1001	522	3.33	397644	6.56
1001-2000	149	0.95	226970	3.75
2001-3000	36	0.23	89296	1.47
3001-4000	14	0.09	47750	0.79
4001-5000	21	0.13	97730	1.61
5001-10000	22	0.14	162970	2.69
above 10001	24	0.15	2748616	45.36
Total	15638	100.00	6059050	100.00

The above report was adopted by the Board of Directors at their meeting held on 30.06.2003.

AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS

To the Members of BCC FUBA INDIA LIMITED

1. We have reviewed the implementation of Corporate Governance by M/s BCC FUBA INDIA LIMITED during the year ended 31.03.2003, with the relevant records and documents maintained by the company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
2. The compliance of conditions on Corporate Governance is the responsibility of the Management. Our examination was limited to review of procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.
4. We further state that as per the informations and explanations given to us, there is no valid investors grievance is pending for a period exceeding one month against the Company.
5. On the basis of our review and according to the information and explanations provided to us, the conditions of corporate Governance as stipulated in clause 49 of the Listing Agreement(s) with the Stock Exchange have been materially complied with by the Company.

For VINAY AGGARWAL & ASSOCIATES
Chartered Accountants

Place: New Delhi
Date: 14.08.2003

Sd/-
(NILESH BHAGAT)
Partner

MANAGEMENT DISCUSSION AND ANALYSIS**Financial review:**

Stiff competition has cast its shadow over our Company and thereby affecting financial performance of the company. Sales were down by 22.21% to Rs. 510.04 lac from Rs. 655.64 lac in the previous financial year though the total Production is slightly more than out of the last year but prices have collapsed to an invisible level. But due to the consistent efforts of the management the company has noticed an upward trend in the last quarter of the financial year 2002-03.

Industrial structure & Development:

According to Mr. Prismark Partners, in his report on the world wide business of PCB, predicted that the industries will notice an upward trend in the year ended 31.03.2003 and business will touch the figure of \$ 1.30 trillion. And his prediction became true. Trade noticed the upward trend in the year-ended 31.03.2003. Our company's performance has also been satisfactory in the last quarter of the year under consideration.

In fact the economic and strategic security of the world depends on a strong electronics industry, which in turn depends on a strong interconnection industry. Printed Boards and electronic assembler are the basic building blocks in all electronic system, which in turn, support every critical technology.

Opportunity, Threats, Risk and concern:

The PCB is the essential "glue" that moulds individual components into today's advanced electronic system. Increasingly sophisticated users are demanding light, highly portable system that offer more functions but still keep the cost low.

Consumer demand for hand held items seem insatiable. New markets for PCBs are opening with rapidly expanding in semiconductor device packaging components.

The combination of declining resources for R&D and demand for rapid changes in PCB technology are formidable obstacle to overcome.

The PCB industry, like most industries today, is no longer influenced only by local and national issues. The PCB manufacturers not only competes with the shop down the street, but must also compete with PCB manufacturers from all over the world. U.S. Japan and Taiwan are the major player in the world. Taiwan strategy is to become the largest manufacturer of PCB in the world. The Shops in Taiwan are huge and getting bigger.

Japan and U.S. strategy are different from rest of the world. They follow suit and strive to improve their technological capabilities rapidly and continuously so that PCB manufacturers in other countries cannot keep pace.

We ought to opt the strategy of Japan and USA to capture the market and leave a powerful impact on the international trade. Success will require an industry wide effort and new ways of working together for the advancement of all. Doing business in the old way in this new environment will surely result in further declines of our shares in global market.

Outlook:

Our effort is to become a significant player in manufacturing and supplying light, highly portable system that offer more functions but skill keep the cost low. Our aim is to continuously innovating new value added product. We are giving strong emphasis on technology up gradation and modernization that will give the company to have a qualitative edge in the market. We are further planning to enhance the operational efficiency, productivity and cost control which will certainly improve the bottom line in a highly competitive environment. We have established a market network abroad and likely to extend the export business

Internal Control Systems and their adequacy:

The company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions authorized, recorded and reported correctly. The internal control is supplemented by extensive program of internal audits, review by management and documented policies, guidelines and procedures.

Industrial Relations and human resources development:

The industrial relations have been cordial and satisfactory. We recognize the importance of Human resource and give full respect for its development and are committed to the developments of our human resource.

Cautionary Statement:

Facts and figure given in the Management's Discussion and Analysis describing the company's projections and estimates may be "forward looking predictions" and it may differ from the actual results.

AUDITOR'S REPORT

To,
The Members of
M/S BCC FUBA INDIA LIMITED

We have audited the attached Balance Sheet of **M/S BCC FUBA INDIA LIMITED** as at 31st March, 2003 and also the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's management. We have expressed an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audit also included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion;

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, the company has kept proper books of account as required by law so far as appears from our examination of the books.
3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report generally comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
5. On the basis of the written representation received from the directors, as on 31st March, 2003, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31-03-2003 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, subject to :-
 - a) Note No. B (3) regarding non amortisation of the Miscellaneous expenditure upto 31st March, 2003 to the extent of Rs. 51.23 Lacs (previous year Rs. 51.23 Lacs)
 - b) Note No. B (4) regarding non reconciliation of the share application money received in respect of equity shares offered to the public in September, 1990
 - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2003
 - ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date and
 - iii) In so far as it relates to the Cash Flow Statement, of the cash flow of the company for the year ended on that date.

For VINAY AGGARWAL & ASSOCIATES
Chartered Accountants

PLACE : New Delhi
DATE : 30.06.2003

Sd/-
(Vinay Aggarwal)
Partner

ANNEXURE TO THE AUDITOR'S REPORT REFERRED TO IN OUR AUDIT REPORT OF EVEN DATE OF M/S BCC FUBA INDIA LIMITED :-

- i) The company has maintained proper records to show full particulars including quantitative details and situation of fixed assets. The fixed assets have been physically verified by the management during the year and having regard to the size of the company and the nature of assets and on information and explanations given to us by the management, discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of account.
- ii) None of the fixed assets have been revalued during the year.
- iii) As explained to us, the stock of finished goods, raw materials, stores and spares have been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable.
- iv) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- v) As explained to us, the discrepancies noticed between physical stocks and the book records were not material and the same has been properly dealt with in the books of account.
- vi) In our opinion and to the best of our information, the valuation of the stocks is fair and proper and is in accordance with normally accepted accounting principals and is on the same basis as in the previous year.
- vii) During the year under report the company has not taken any unsecured loans from any companies and firms listed in the register maintained under Section 301 of the Companies Act. There are no companies under the same management as specified under sub section (1B) of Section 370 of the Companies Act, 1956.
- viii) No Loans or advances in the nature of loans have been given during the year, secured or unsecured, to the companies listed in the register(s) maintained under section 301 of the Companies Act, 1956. There are no companies under the same management as specified under sub section (1B) of the section 370 of the Companies Act, 1956.
- ix) The company has given interest free advances in the nature of loans to employees, who are generally repaying the principle amount as per stipulation wherever such stipulations exist.
- x) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of stores and spares, raw materials, assets and for sale of goods.
- xi) There are no transactions for sale & purchase of goods or services made in pursuance of contracts entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year more than Rs. 50,000. In our opinion and according to the explanations given to us the prices for these sale & purchase transactions are considered reasonable having regard to the prevailing market prices.
- xii) As informed to us the company has regular procedure for determination of unserviceable or damaged stores, raw materials and finished goods and adequate provision has been made for the losses arising on the items so determined in the accounts.
- xiii) The company has not accepted any deposits from the public to which the provision of Sec58A of Companies Act 1956 and the companies (Acceptance of Deposits) rules 1975 apply.
- xiv) In our opinion reasonable records have been maintained by the company for the sale and disposable of the scrap. As explained to us there are no by-products of the company.

- xv) A firm of Chartered Accountant, is conducting a regular internal audit and on the basis of the reports made by them to the management the internal audit system is in our opinion commensurate with the size of the company and the nature of its business.
- xvi) As informed to us maintenance of cost records has not been prescribed by the central government u/s 209(1)(d) of the Companies' Act 1956.
- xvii) The company is generally regular in depositing the P.F. & E.S.I, with the appropriate authorities.
- xviii) As explained to us and as per the information given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty were outstanding as at 31st March, 2003 for a period exceeding six months.
- xix) According to the information and explanations given to us and so far as it appears from the examination of books of account, no personal expenses of employees or directors have been charged to revenue account other than those payable under the contractual obligations or in accordance with generally accepted business practices.
- xx) The company is not a sick company in accordance with the provisions of clause (0) of sub section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For VINAY AGGARWAL & ASSOCIATES

Chartered Accountants

Sd/-

(Vinay Aggarwal)

Partner

PLACE : New Delhi

DATE : 30.06.2003

BCC FUBA INDIA LIMITED**BALANCE SHEET AS AT 31 ST MARCH, 2003**

	SCHEDULE No.	AS AT 31/3/2003 Amount (Rs.)	AS AT 31/3/2002 Amount (Rs.)
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	I	60,581,500	60,581,500
Reserves & Surplus	II		
LOAN FUNDS			
Secured Loans	III	4,132,344	7,836,473
Unsecured Loans	IV	61,228,339	59,970,014
TOTAL		125,942,183	128,387,987
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	V	135,127,768	135,054,683
Less: Depreciation		77,196,382	69,260,715
Net Block		57,931,386	65,793,968
CURRENT ASSETS, LOANS AND ADVANCES			
- Inventories	VI	18,655,352	19,490,407
- Sundry Debtors	VII	24,831,507	28,495,642
- Cash & Bank Balances	VIII	1,375,308	3,187,417
- Loans & Advances	IX	1,522,487	1,595,572
		46,384,654	52,769,038
Less : Current Liabilities & Provisions	X	9,109,587	10,030,054
Net Current Assets		37,275,067	42,738,984
Miscellaneous Expenditure (To the extent not written off or Adjusted)	XI	5,123,445	5,123,445
Profit & Loss Account		25,612,285	14,731,590
TOTAL		125,942,183	128,387,987
Notes on Accounts	XX		

As per our report of even date attached
For **VINAY AGGARWAL & ASSOCIATES**
Chartered Accountants

for and on behalf of the Board of Directors

Sd/-
(VINAY AGGARWAL)
Partner

Sd/-
R. S. TIWARI
Company Secretary

Sd/-
A.P. MATHUR
RENU BHAGAT
VEENU PASRICHA
Directors

PLACE: New Delhi
DATED: 30.06.2003

V. S. BHAGAT
Chairman & Managing Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2003

	SCHEDULE No.	AS AT 31/3/2003 Amount (Rs.)	AS AT 31/3/2002 Amount (Rs.)
INCOME			
Sales		51,004,278	65,564,637
Other Income		401,926	375,436
Increase/(Decrease) in Stock	XII	982,103	989,710
		<u>52,388,307</u>	<u>66,929,783</u>
EXPENDITURE			
Material Consumed	XIII	24,454,507	32,054,294
Excise Duty		6,711,091	9,505,729
Manufacturing Expenses	XIV	5,265,471	5,941,888
Employees Remuneration & Benefits	XV	8,817,003	8,940,209
Administrative Expenses	XVI	2,528,506	2,965,881
Selling Expenses	XVII	622,097	593,503
Financial Charges	XVIII	6,697,942	6,768,600
Depreciation	XIX	7,066,015	6,541,401
		<u>62,162,632</u>	<u>73,311,505</u>
Net Profit/(Loss) for the year		(9,774,325)	(6,381,722)
Add: Depreciation for the earlier years		(886,536)	—
Add: Expenses related to previous year		(219,833)	(80,028)
Net Profit/(Loss) after Tax		(10,880,694)	(6,461,750)
Add : Brought Forward Losses		(14,731,591)	(8,269,841)
		<u>(25,612,285)</u>	<u>(14,731,591)</u>
Balance Carried over to Balance Sheet		<u>(25,612,285)</u>	<u>(14,731,591)</u>
Notes on Accounts	XX		

As per our report of even date attached
For VINAY AGGARWAL & ASSOCIATES
 Chartered Accountants

for and on behalf of the Board of Directors

Sd/-
(VINAY AGGARWAL)
 Partner

Sd/-
R. S. TIWARI
 Company Secretary

Sd/-
A. P. MATHUR
RENU BHAGAT
VEENU PASRICHA
 Directors

PLACE: New Delhi
DATED: 30.06.2003

V. S. BHAGAT
 Chairman & Managing Director

SCHEDULES TO BALANCE SHEET

	AS AT 31-Mar-03 Amount (RS.)	AS AT 31-Mar-02 Amount (RS.)
SCHEDULE-I		
SHARE CAPITAL		
Authorised :		
6500000 Equity Shares of Rs.10/- each	<u>65,000,000</u>	<u>65,000,000</u>
Issued and Subscribed		
6059050 (Previous year 6059050) Equity Shares of Rs.10 each	<u>60,590,500</u>	<u>60,590,500</u>
Paid Up		
6057250 Equity Shares of Rs.10 each fully paid up in cash	<u>60,572,500</u>	<u>60,572,500</u>
Add: Forfeited Shares (1800 Equity Shares paid up Rs.5 per Share)	<u>9,000</u>	<u>9,000</u>
	<u>60,581,500</u>	<u>60,581,500</u>
SCHEDULE-II		
RESERVES & SURPLUS		
State Subsidy on DG Set	—	85,951
Less amt.transferred to P&L A/c	—	85,951
	<u>—</u>	<u>—</u>
SCHEDULE-III		
SECURED LOANS :		
Working Capital Loan from Banks	<u>3,786,465</u>	<u>7,266,922</u>
Vechicle Loan	<u>345,879</u>	<u>569,551</u>
	<u>4,132,344</u>	<u>7,836,473</u>
Security :		
Working capital loan provided by State Bank Of Patiala is secured by first charge by way of hypothecation of stocks & Bookdebts of the company & creation of first charge on the Fixed Assets is in process.		
SCHEDULE-IV		
UNSECURED LOANS		
1 From a Director	<u>34,889,907</u>	<u>32,023,779</u>
2 From the companies in which Directors are interested:-		
(a) Bhagat construction Co.Pvt.Ltd.	<u>642,279</u>	<u>595,254</u>
(b) Maya Enterprises Ltd.	<u>11,189,638</u>	<u>10,502,432</u>
(c) Samrat Video Vision Pvt.Ltd.	<u>14,506,515</u>	<u>16,848,549</u>
	<u>61,228,339</u>	<u>59,970,014</u>

**SCHEDULE-V
FIXED ASSETS**

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	VALUE AS AT 01/04/2002	ADDITION DURING THE YEAR	SALE/ADJUST- MENT DURING THE YEAR	AS AT 31/3/2003	UPTO 31/3/2002 EARLIER YEARS	FOR THE YEAR	ADJUST/ DEDU- CTIONS	UPTO 31/3/2003	AS AT 31/3/2002 AS AT 31/3/2003
LAND (FREE HOLD)	651,061	—	—	651,061	—	—	—	—	651,061
BUILDING	8,648,928	—	—	8,648,928	2,863,348	274,380	—	3,137,728	5,511,200
PLANT & MACHINERY	118,719,435	43,431	—	118,762,866	63,255,589	886,536	6,366,053	70,508,178	48,254,688
ELECTRICAL WORKS	3,071,378	—	—	3,071,378	1,543,909	145,891	—	1,689,800	1,381,578
FURNITURE & FIXTURES	984,728	—	—	984,728	601,924	62,333	—	664,257	320,471
OFFICE EQUIPMENT	1,154,182	46,538	—	1,200,720	382,207	55,075	—	437,282	763,439
STORAGE & OTHER EQUIPMENT	180,917	—	—	180,917	56,010	8,594	—	64,604	116,313
FIRE FIGHTING EQUIPMENT	35,657	—	16,883	18,774	26,361	892	16,883	10,370	8,404
VEHICLES	1,608,396	—	—	1,608,396	531,367	152,797	—	684,164	924,232
TOTAL	135,054,682	89,989	16,883	135,127,768	69,260,715	886,536	7,086,016	77,196,382	57,931,386
PREVIOUS YEAR	133,219,769	1,834,913	—	135,054,682	62,719,314	—	6,541,401	69,260,715	65,793,968
									70,500,455

BCC FUBA INDIA LIMITED

	AS AT 31-Mar-03 Amount (RS.)	AS AT 31-Mar-02 Amount (RS.)
SCHEDULE-VI		
INVENTORIES		
(As certified and valued by the Management on which Auditors have relied)		
Raw material	8,441,366	10,218,553
Stores & Spares	1,737,630	1,777,601
Work-in-progress	4,381,672	4,001,477
Finished Goods	4,094,684	3,492,776
	<u>18,655,352</u>	<u>19,490,407</u>
SCHEDULE-VII		
SUNDRY DEBTORS		
(Unconfirmed, unsecured)		
Debts outstanding for a period exceeding six months	<u>8,454,252</u>	<u>7,164,659</u>
	8,454,252	7,164,659
Other Debts	<u>16,377,255</u>	<u>21,330,983</u>
	<u>24,831,507</u>	<u>28,495,642</u>
SCHEDULE-VIII		
CASH & BANK BALANCES		
Cash in hand	23,623	43,617
BALANCE WITH SCHEDULED BANKS :		
- In Current Accounts	785,357	34,522
- In Term Deposits Accounts	500,000	2,703,000
- Interest Accrued but not due on FDR	25,328	4,497
- In Share Application Money Accounts (subject to reconciliation & confirmation)	41,000	401,781
	<u>1,375,308</u>	<u>3,187,417</u>

BCC FUBA INDIA LIMITED

	AS AT 31-Mar-03 Amount (RS.)	AS AT 31-Mar-02 Amount (RS.)
SCHEDULE-IX		
LOANS AND ADVANCES		
(Unsecured, unconfirmed considered goods)		
Advances recoverable in cash or in kind or for value to be received	833,702	925,871
Staff Advances	89,137	115,482
Security Deposits (inclusive of interest accrued and due on fdr with excise dept.)	599,648	554,219
	<u>1,522,487</u>	<u>1,595,572</u>
SCHEDULE-X		
CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors		
- Dues to small scale industrial undertaking	—	—
- Dues to other than small scale industrial undertaking	4,210,998	4,751,764
Expenses Payable	2,221,637	2,464,759
Advance from Customers	23,968	50,632
Share Application Money refundable (Subject to reconciliation with the banks)	41,000	401,781
Total A	<u>6,497,603</u>	<u>7,668,936</u>
B. PROVISIONS		
Provision for Gratuity	1,698,205	1,515,183
Provision for Bonus	186,799	188,340
Prpvision for Leave encashment	162,196	137,951
Provision for taxation	—	37,882
Proviison for Excise Duty	564,784	481,762
Total B	<u>2,611,984</u>	<u>2,361,118</u>
Total A+B	<u>9,109,587</u>	<u>10,030,054</u>
SCHEDULE-XI		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Foreign Training & technician expenses	98,399	98,399
Preliminary Expenses	69,905	69,905
Technical Know How Fee	2,541,788	2,541,788
Public issue Expenses	1,755,026	1,755,026
Right Issue Expenses	658,327	658,327
	<u>5,123,445</u>	<u>5,123,445</u>

BCC FUBA INDIA LIMITED

	AS AT 31-Mar-03 Amount (RS.)	AS AT 31-Mar-02 Amount (RS.)
SCHEDULE-XII		
INCREASE IN STOCKS		
CLOSING STOCKS		
Work in Progress	4,381,672	4,001,477
Finished Goods	4,094,684	3,492,776
TOTAL A	8,476,356	7,494,253
Less : OPENING STOCKS		
Work in Progress	4,001,477	3,743,960
Finished Goods	3,492,776	2,760,583
TOTAL B	7,494,253	6,504,543
Increase/(Decrease) in stock (A-B)	982,103	989,710
SCHEDULE-XIII		
MATERIAL CONSUMED		
OPENING STOCK		
Raw Material	10,218,553	8,904,584
Stores & Spares	1,777,601	1,616,222
ADD:Purchases		
Raw Material	21,452,293	31,830,380
Stores & Spares	1,185,056	1,699,262
	34,633,503	44,050,448
LESS: Closing Stock		
Raw Material	8,441,366	10,218,553
Stores & Spares	1,737,630	1,777,601
Consumed during the year	24,454,507	32,054,294
SCHEDULE- XIV		
MANUFACTURING EXPENSES		
Power & Fuel	3,820,432	4,136,654
Testing charges	66,315	164,374
Freight & Cartage	176,255	261,416
REPAIR & MAINTENANCE		
Plant & machinery	705,052	797,304
Buildings	112,761	276,599
Others	138,772	188,900
Hiring charges	34,720	45,677
Job charges	211,164	70,964
	5,265,471	5,941,888

	AS AT 31-Mar-03 Amount (RS.)	AS AT 31-Mar-02 Amount (RS.)
SCHEDULE- XV		
EMPLOYEES REMUNERATION & BENEFITS		
Salary & Allowances	7,717,868	7,848,589
Contribution to Provident & other funds	777,228	749,411
Staff welfare	173,519	194,673
Bonus	142,938	147,536
Notice Pay	5,450	—
	<u>8,817,003</u>	<u>8,940,209</u>
SCHEDULE- XVI		
ADMINISTRATIVE EXPENSES		
Miscellaneous expenses	177,631	136,728
Printing & Stationery	163,076	170,158
Electricity & water charges	64,816	53,153
Travelling & Conveyance expenses	378,746	598,731
Vehicle Running & Maintenance	162,912	232,846
Insurance	121,567	86,299
Rent Rate & Taxes	264,436	374,508
Filing & other Fees	140,699	143,618
Office maintenance	49,739	70,880
Postage Telephone & Telex	264,915	344,183
Legal & Professional Charges	110,346	230,145
Books & Periodicals	16,516	14,204
Payment to Auditors		
Audit fees :	31500	31500
Certification Charges	6,150	9,575
Directors Meeting Expenses	14,500	15,000
Staff Recruitment	20,488	12,239
Bad Debts & Debit Balances w/off	229,522	41,843
Diwali Expenses	2,076	30,895
Member ship Fees	5,238	25,255
Security Charges	282,743	316,958
Subscription	20,890	27,163
	<u>2,528,506</u>	<u>2,965,881</u>

BCC FUBA INDIA LIMITED

	AS AT 31-Mar-03 Amount (RS.)	AS AT 31-Mar-02 Amount (RS.)
SCHEDULE- XVII		
SELLING EXPENSES		
Business Promotion	37,659	32,759
Advertisement & Publicity	7,500	26,887
Packing Materials	146,800	173,245
Freight & Cartage Outward	301,918	199,758
Commission, rebate & discount on Sales	123,192	157,645
Sales Tax Expenses	1,103	934
Sample	—	1,157
Liquid Damaged	3,925	
Insurance On Export	—	1,118
	<u>622,097</u>	<u>593,503</u>
SCHEDULE- XVIII		
FINANCIAL CHARGES		
Bank Charges	312,849	296,585
Interest on :		
- Working Capital Loans	548,860	807,858
- Unsecured Loans	5,836,233	5,664,157
	<u>6,697,942</u>	<u>6,768,600</u>
SCHEDULE- XIX		
DEPRECIATION AND WRITE OFFS :		
Depreciation	<u>7,066,015</u>	<u>6,541,401</u>
	<u>7,066,015</u>	<u>6,541,401</u>

SCHEDULE TO BALANCE SHEET AS AT 31st MARCH 2003.**SCHEDULE-XX****NOTES ON ACCOUNTS****A SIGNIFICANT ACCOUNTING POLICIES:**

The accounts are prepared on historical cost convention basis and materially comply with the mandatory Accounting Standards issued by the institute of Chartered Accountants of India. The significant accounting policies followed by the company are as follows:

1. FIXED ASSETS AND DEPRECIATION

- a) Expenditure of Capital nature are capitalised at cost comprising purchase price (net of rebates, discounts, excise duties, custom duty) levies and any other cost which is directly attributable to bringing the asset to its working condition for the intended use.
- b) Depreciation has been provided on straight-line method as per section 205 of the companies Act, 1956, on pro-rata basis as per the rates specified in Schedule XIV of the companies Act, 1956.

2. TREATMENT OF FOREIGN CURRENCY ITEMS:

- a) Foreign Exchange transactions denominated in foreign currency are recorded at the rate of the date, on which such transactions are initially recognised.
- b) Current Assets & Current Liabilities receivable/payable in Foreign Currency and outstanding in the books of account as at the close of the year are reflected on the basis of the Foreign Exchange rates prevailing as on that date.
- c) Gains and losses on Foreign Exchange transactions other than those relating to Fixed Assets are debited/credited to the Foreign Exchange rate difference account to be charged to the Profit and Loss Account as far as possible.

3. SALE

Sales are inclusive of Excise duty and export sales are recognised in the books on Air way bill date.

4. PURCHASE

Imported raw material is accounted for at the date of receipt of such goods in the factory and is booked at the rate mentioned in the Bill of Entry. Provisions for the all-outstanding bills as on 31st March are accounted for at the rate prevailing on that date.

5. VALUATION OF INVENTORIES:

- a) Raw material, stores, spares and consumables are valued at lower of cost or net realisable value at weighted average cost method.
- b) Work in progress is valued at an estimated cost based on absorption costing method.
- c) Finished goods are valued at lower of cost or net realisable value, applying absorption costing method and have been taken as per physical inventory and as certified by the management at the end of the year on which the auditors have relied.

6. TREATMENT OF EXCISE DUTY:

The Excise Duty is accounted for as and when the same is paid on dispatch of goods from the factory/bonded premises and provision made for goods lying in the factory and included in the value of such-stocks.

7. REVENUE RECOGNITION:

- a) The income is accounted for on accrual basis.
- b) Commission payable to the 'Sales Representatives' accrues as and when the realization is made by the representative from the debtors, in accordance with the rates specified in their respective agreement with the company.

8. TREATMENT OF RETIREMENT BENEFITS

- a. Contribution to Provident Fund is made at the specified rates and the same is debited to the Profit and Loss Account on accrual basis.
- b. Provision for gratuity of employees is made on an estimated basis for those employees who have put in the qualifying period of service.
- c. Provision for Leave encashment is made on estimated basis on earned leave as on the date of Balance Sheet.

9. CONTINGENT LIABILITIES:

All liabilities have been provided for in the accounts except liabilities of contingent nature, which have been disclosed at their estimated value in the notes on accounts.

1. Contingent liabilities not provided for in respect of:
 - i) Letters of Credit outstanding for Raw Materials Rs.51.52 Lacs (Previous year Rs. 17.03 Lacs)

B. OTHER NOTES

RELATED PARTY DISCLOSURE

1	Name of the Related Party	BHAGAT CONSTRUCTION CO. PVT. LTD.
2	Nature of Transaction	Unsecured Loan.
3	Nature of Relationship	Mr. V.S.Bhagat CMD in Reporting Company, is also a Director in Bhagat Construction Co. Pvt. Ltd.
4	Volume of Transaction	Debit in this account for the year Rs. 12,500/-Credit in this account for the year Rs. 59,525/-
5	Outstanding at the end of the year	Rs. 6,42,279/- CR.

1	Name of the Related Party	MAYA ENTERPRISES LTD.
2	Nature of Transaction	Unsecured Loan
3	Nature of Relationship	Mr. V.S.Bhagat CMD in Reporting company is also a Director in Maya Enterrprises Ltd.
4	Volume of Transaction	Debit in this account for the year Rs. 3,59,890/-Credit in this account for the year Rs. 10,47,096/-
5	Outstanding at the end of the year	1,11,89,638/-CR.

1	Name of the Related Party	SAMART VIDEO VISION PVT. LTD.
2	Nature of Transaction	Unsecured Loan
3	Nature of Relationship	Mr. V.S.Bhagat CMD in Reporting company is also a Director in Samrat Video Vision Pvt. Ltd.
4	Volume of Transaction	Debit in this account for the year Rs. 38,69,268/-Credit in this account for the year Rs. 15,27,234/-
5	Outstanding at the end of the year	1,45,06,515/-CR.

1	Name of the Related Party	MR. V.S.BHAGAT
2	Nature of Transaction	Unsecured Loan
3	Nature of Relationship	Mr. V.S.Bhagat is CMD in BCC Fuba India Ltd.
4	Volume of Transaction	Debit in this account for the year Rs. 3,36,250/- Credit in this account for the year Rs. 32,02,378/-
5	Outstanding at the end of the year	3,48,89,907/- CR.

2. Remuneration paid to the Managing Director included in Payment and Provision for Employees:

	Current Year Rupees	Previous Year Rupees
Basic Salary	12,00,000	12,00,000
Contribution to provident funds	1,44,000	1,28,000
Medical reimbursement	12,000	12,000
Lease rent	2,88,000	2,88,000
	16,44,000	16,28,000

3. The Management has decided not to write off Miscellaneous Expenditure amounting to Rs.51,23,445/- upto 31-03-2003 (Previous year Rs. 51,23,445/-) the same will be charged to the Profit & Loss Account in the years of profit.
4. In conforming with the resolution passed by the board on 30th day of April 2002, the company has deposited Rs 3,60,782/- to Investor Education and Protection fund, however Rs. 41,000/- is still pending under the head Current Asset as Share Application money and the respective amount under the head Current Liabilities as Share Application money refundable, pending confirmation and reconciliation.
5. In the opinion of the Management, Current Assets, Loans and Advances are of the value stated, if realized in the ordinary course of business except otherwise stated. The provision for all the known Liabilities is adequate and not in excess of the amount considered reasonably necessary.
6. In respect of the dispute between the company and VHEL Industries Ltd., (Formerly known as Vikas Hybrids & Electronics Limited) the arbitrator had made an award for Rs. 12,64,930.89 towards the price of the PCBs supplied and Rs.29, 55,684.00 as claim towards price of the PCBs manufactured for VHEL Industries Ltd., but not lifted by them, with interest @15% p.a. from 1/4/93 till payment or the date of decree whichever is earlier in favour of the Company. The entries in the books of account in respect of the amount of Rs.29, 55,684.00 and interest on the entire amount of award will be made after its receipt.
7. Advance recoverable includes Rs.70, 683.00 being amount paid by the company for release of goods seized by excise department on the truck carrying the same not having proper documents. The company had filed a suit against the transport company in consumer disputes redress forum for the same and also have appealed to the excise department to release the amount as the company was made to deposit the amount with excise department. The case has now been decided by the Consumer Forum in favour of the Company and a suit for the decree has been filed in the Lower Court of Nalagarh. The same is still in process.
8. Company has to recover a sum of Rs. 68,93,367.70 from M/s Modern Circuits Industries (U.K.) the said Company has gone into Liquidation and a report of Liquidator has been received. The management estimated that at least 50% of the amount will not be recoverable and the same has been written off in the Books of Account in earlier years. There seems very bleak chances of recovering the balance amount but the management is still making efforts.
9. Other income includes Rs.40,604/- as interest received (Previous year Rs. 70.462/-) on Short Term Deposits with Scheduled Commercial Banks.
10. As per the information available, no amount exceeding a sum of Rs. One Lacs each is due to small scale industries for more than 30 days as on 31/03/2003.

11. The personal accounts of the parties are subject to their respective confirmations.
12. Provision for taxation has not been made in view of unabsorbed depreciation and business loss.
13. Additional information pursuant to the provisions of paragraph 3,4C and 4D of Schedule VI of the Companies Act, 1956 (As certified by the Management and relied upon by the Auditors).

a) **Licensed, installed capacity and Actual productions:**

ITEM	UNIT	LICENSED CAPACITY	INSTALLED CAPACITY	ACTUAL PRODUCTION
Printed	Square	23400	23400	10201.79
Circuit Boards	Meters	(23400)	(23400)	(11602.66)

(Figures in brackets are for Previous year)

b) **Raw Materials, Stores & Spares Consumed:**

	2002-2003		2001-2002	
	Qty in. Sq. Mtr	Value (Rs. lacs)	Qty in. Sq.Mtr	Value (Rs.lacs)
i) Laminated Sheets	13736.67	88.53	15,726.78	135.34
ii) Others-Chemicals Consumable stores etc.	—	156.02	—	185.20
	13736.67	244.55	15,726.78	320.54

c) **Percentage of Material Consumed:**

Raw Materials	2002-2003		2001-2002	
	%age	Value (Rs. Lacs)	%age	Value (Rs. Lacs)
i) Imported	99.85	88.40	87.17	117.98
ii) Indigenous	0.15	0.13	12.83	17.36
	100.00	88.53	100.00	135.34

d) **CIF Value of imports:**

	2002-2003 (Rs. Lacs)	2001-2002 (Rs. Lacs)
i) Raw Materials	82.95	108.87
ii) Stores, spares & chemicals	47.61	82.08

e) **Expenditure in Foreign Currency:**

Travelling	Rs. 68,791/- (Previous year Rs. 1,63,903/-)
Others	Rs. 45,523/- (Previous year Rs. 1,46,686/-)

f) **FOB Value of Export**

Rs. 29,82,450/-
(Previous year 28,84,864/-)

g) Sales:

	2002-2003		2001-2002	
	Qty in.	Value	Qty in.	Value
	Sq. Mtr	(Rs. lacs)	Sq.Mtr	(Rs.lacs)
Printed Circuit Board	10178.83	510.04	11761.01	655.64

h) Stock particulars of finished goods:

Unit	Opening Stock		Closing Stock	
	Qty.	Value in (Rs. lacs)	Qty.	Value in (Rs. lacs)
Square Mtrs.	889.21	34.93	912.17	40.95

14. Previous year figures have been regrouped & reclassified wherever necessary to make them comparable of those the current year.
15. Figures have been rounded off to the nearest rupee.
16. Schedules I to XX form an integral part of the Balance Sheet as at 31st March 2003 and have been duly authenticated as such.

As per our report of even date attached
For VINAY AGGARWAL & ASSOCIATES
 Chartered Accountants

for and on behalf of the Board of Directors

Sd/-
(VINAY AGGARWAL)
 Partner

Sd/-
R. S. TIWARI
 Company Secretary

Sd/-
A.P. MATHUR
RENU BHAGAT
VEENU PASRICHA
 Directors

PLACE: New Delhi
DATED: 30.06.2003

V. S. BHAGAT
 Chairman & Managing Director

CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH 2003

	Year ending 31st March,2003 Amount (Rs.)	Year ending 31st March,2002 Amount (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT/(LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS	(108.81)	(63.82)
ADJUSTMENTS FOR:		
Depreciation (Net on Adj.) & other written off	70.66	65.41
Add Net Prior Period Expenses	8.87	NIL
Interest on Term Loan	63.84	64.72
Liabilities written off	NIL	(1.82)
Bad debts written off	2.21	0.42
	<u>145.88</u>	<u>128.73</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	36.77	64.91
ADJUSTMENTS FOR:		
Decrease in Trade and other receivables	37.37	17.29
Decrease in Inventories	8.35	(24.65)
Decrease in Trade payables and Other liabilities	(9.20)	30.92
	<u>36.52</u>	<u>23.56</u>
CASH GENERATED FROM OPERATIONS	73.29	88.47
Less: Interest on Term Loans	(63.84)	(64.72)
Less: Net prior period expenses	(2.20)	(0.25)
Less: Provision for Taxation	—	—
Net Cash from operating activitiesA	<u>7.25</u>	<u>23.50</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets & capital works in progress (Net)	(0.90)	(18.35)
Purchase of Investments	NIL	NIL
	<u>(0.90)</u>	<u>(18.35)</u>
Net Cash uses in investing activities B	(0.90)	(18.35)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Decrease in long term borrowings	—	—
Decrease in working capital loans	(37.05)	2.72
Decrease in unsecured loans	12.58	16.37
	<u>—</u>	<u>19.09</u>
Net cash out flow in financing Activities.....C	(24.47)	19.09
D. NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	(18.12)	24.24
Opening cash & cash equivalents	31.87	7.63
Closing cash & cash equivalents	13.75	31.87

As per our report of even date attached
For **VINAY AGGARWAL & ASSOCIATES**
Chartered Accountants

for and on behalf of the Board of Directors

Sd/-
(VINAY AGGARWAL)
Partner

Sd/-
R. S. TIWARI
Company Secretary

Sd/-
A.P. MATHUR
RENU BHAGAT
VEENU PASRICHA
Directors

PLACE: New Delhi
DATED: 30.06.2003

V. S. BHAGAT
Chairman & Managing Director

**PART IV
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details

Registration No.	12209	State Code	06
Balance Sheet Date	Date 31	Month	Year 03 2003

II Capital Raised during the year (Amount in Rs. Thousand)

Public Issue	—	Right Issue	—
Bonus Issue	—	Private Placement	—

III Position of Mobilisation and Development of Funds (Amount in Rupees Thousand)

Total Liabilities	125942	Total Assets	125942
Source of Funds			
Paid-up Capital	60581	Reserves & Surplus	—
Secured Loans	4132	Unsecured Loans	61229
Application of Funds			
Net Fixed Assets	57931	Investments	—
Net Current Assets	37276	Misc Expenditure	5123
Loss	25612		

IV Performance of Company (Amount in Rupees Thousands)

Turnover	52388	Total Expenditure	63269
Profit/Loss before Tax	10881	Profit/Loss After Tax	10881
Earning per Share in Rs.		Dividend Rate %	

V Generic Names of Three Principal Products/Services of Company (As per Monetary terms)

Item Code No.	853466
(ITC Code)	
Product Description	PRINTED CIRCUIT BOARDS PFOFFESIONAL GRADE

As per our report of even date attached
For **VINAY AGGARWAL & ASSOCIATES**
Chartered Accountants

for and on behalf of the Board of Directors

Sd/-
(VINAY AGGARWAL)
Partner

Sd/-
R. S. TIWARI
Company Secretary

Sd/-
A.P. MATHUR
RENU BHAGAT
VEENU PASRICHA
Directors

PLACE: New Delhi
DATED: 30.06.2003

V. S. BHAGAT
Chairman & Managing Director

BCC FUBA INDIA LIMITED

Regd. Off. : 4 Km., Swarghat Road, Nalagarh - 174 101, Dist. Solan (H.P.)

ATTENDANCE SLIP

Name of the shareholders :
(IN BLOCK LETTERS)

Registered Folio No. : No. of Shares held.....

D.P.ID No.* Client ID No.*

I hereby record my presence at the **17th Annual General Meeting** on Monday, the 22nd September, 2003 at 10:30 A.M. at the Regd. Office of the Company at 4 Km., Swarghat Road, Nalagarh - 174 101, Dist. Solan (H.P.). I certify that I am a registered shareholder/proxy* for the registered shareholder of the company.

.....
(Name of the Proxy)

.....
(Signature of the member/proxy* to be signed at the attendance counter)

*Delete whichever is not applicable

*For members holding shares in dematerialised mode.

Notes:

1. For their own convenience, the members are requested to deliver their attendance slips at the attendance counter in a queue.
2. Incomplete attendance slips will not be accepted at the attendance counter. For any problem or information, please contact the enquiry counter, before proceeding to attendance counter.
3. Please bring your copy of annual report at the Annual General Meeting. Copies of the annual reports will not be distributed again at the meeting in view of its high cost.
4. **No gifts/coupons shall be distributed at the meeting.**

----- Tear here -----

BCC FUBA INDIA LIMITED

Regd. Off. : 4 Km., Swarghat Road, Nalagarh - 174 101, Dist. Solan (H.P.)

PROXY FORM

I/We.....of.....in the district of.....being a member(s) of the above named company, hereby appoint Mr./Miss/Mrs. of.....in the district of.....or failing him/her, Mr./Miss/Mrs of..... in the district of..... as my/our proxy to vote, for me/us on my/our behalf at the **17th Annual General Meeting** of the Company to be held on Monday, the 22nd September, 2003 or at any adjournment thereof.

No. of shares held..... Registered Folio No.....

D.P.ID No.*..... Client ID No.*



Signed this.....day of.....2003.

Signature(s)

Note: The proxy form must be deposited at the Registered Office of the company not less than 48 hours before the time for holding the meeting. Proxy need not be a member.

*For members holding shares in dematerialised mode.

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