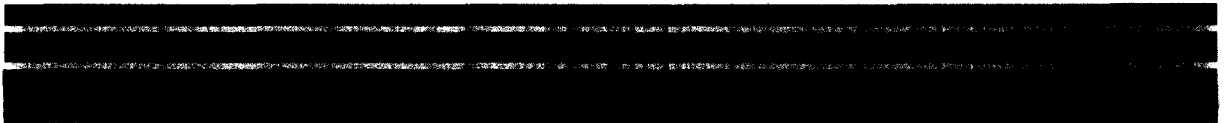


18th Annual Report 2003-2004



BCC FUBA INDIA LIMITED



BCC FUBA INDIA LIMITED

18th Annual Report

BOARD OF DIRECTORS

1. V.S. BHAGAT	CHAIRMAN & MANAGING DIRECTOR
2. Mrs. RENU BHAGAT	DIRECTOR
3. A.P. MATHUR	DIRECTOR
4. VEENU PASRICHA	DIRECTOR
5. S.K. BANERJEE	WHOLE TIME DIRECTOR
6. WALTER DRACH	DIRECTOR

COMPANY SECRETARY

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
Phone: 51410592-94

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the members of M/s. BCC FUBA INDIA LIMITED will be held on Tuesday the 28th day of September, 2004 at 2.30 P.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 2004 and the Profit and Loss Account for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Veenu Pasricha who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s), the following resolution as a special resolution:

"RESOLVED THAT M/s. 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 2004-2005.

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 pursuant to the provisions of Section 269, 198, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (hereinafter referred to as 'the Act') read with Schedule XIII of the Act and subject to the approval of Central Government, if required, the Company hereby accords its approval to the reappointment of Mr. V.S. Bhagat as Chairman and Managing Director of the Company for further period of 5 years w.e.f 15.07.2004 on such terms and conditions and remuneration as set out in the agreement deed executed on 05.07.1999 and further modified by the Board of Directors in their meeting held on 25.07.2000 and approved by the shareholders in their meeting held on 21.09.2000."

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

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

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

"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 modification or re-enactment thereof, for the time being in force) and in terms of Article 85 of the Articles of Association of the Company, Mr. S.K. Banerjee be and is hereby appointed as Whole-time Director of the Company for a period of one year w.e.f. 31.10.2004 up on remuneration as detailed below and with such powers and duties, which may be required of him from time to time:

Basic Salary	:	Rs. 13,800/- p.m
H.R.A	:	Rs. 6,200/- p.m
Conveyance	:	Rs. 3,600/- p.m
Total		<u>Rs. 23,600 /- p.m .</u>

Perquisites:

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

By order of the Board of Directors

Place: New Delhi
Date: 29.06.2004

Sd/
(R. S. Tiwari)
Company Secretary

NOTES:

1. Explanatory statements for the item no. 3,4 and 5 as required under section 173(2) of the Companies Act, 1956 is annexed.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy so appointed need not be a member of the company.
3. The proxy form duly executed and properly stamped should reach the Company at its Registered office at least 48 hrs. before the time of meeting.
4. The Register of members and the share transfer books of the company will remain closed from 20.09.2004 to 28.09.2004(both days inclusive).
5. Members desiring any information on the accounts at the Annual General Meeting are requested to write to the Company atleast 7 (seven) days in advance, so as to enable the Company to keep the information ready.
6. Members are requested to bring their copies of the Annual Report to the Meeting because copy of the same will not distributed at the meeting.
7. Members are requested to inform immediately any change in their address to the Company's share transfer Agent.
8. All communications relating to shares are to be addressed to the Company's Share Transfer Agent M/s. Intime Spectrum Registry Limited of A-31, 3rd Floor, Naraina Industrial Area, Phase-I, Near PVR Cinema, New Delhi-110028.

ANNEXTURE 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

The Board of Directors in their meeting held on 29.06.2004 reappointed Mr. V.S. Bhagat, Chairman and Managing Director of the Company, subject to the approval of Shareholders in their Annual General Meeting, for a further period of five years keeping in view the untiring efforts, experience, ability and greater responsibilities on his shoulder and also the profound knowledge and vast working experience and his financial acumen and also the fact that he has been steering the finances of the Company in such difficult times. The members are requested to accord their approval for the re-appointment of Shri V.S. Bhagat, as Chairman and Managing Director, by passing the resolution as set out at Sr. No 4. of the Notice.

Mrs. Renu Bhagat and Mr. Veenu Pasricha are related to Mr. V.S. Bhagat and therefore they may be deemed concerned or interested in the resolution.

This may be treated as the abstract of the terms and conditions of re-appointment of the Director under Section 302 of the Companies Act, 1956.

Item No. 5

Present Tenure of Shri S.K Banerjee as Whole-time Director is going to end on 31.10.2004. Board of Directors reviewing and 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. 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 Director under Section 302 of the Companies Act, 1956.

By order of the Board of Directors

Place: New Delhi
Date: 29.06.2004

Sd/
(R. S. Tiwari)
Company Secretary

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 18th Annual Report and the audited Accounts of the Company for the financial year ended 31st March 2004

FINANCIAL RESULTS

	(Rs. in lacs)	
	<u>2003-04</u>	<u>2002-03</u>
Turnover	816.88	510.04
Profit/(loss) before interest & Depreciation	157.30	36.77
Interest	77.71	63.85
Profit/(loss) before depreciation	79.59	(27.08)
Depreciation	71.00	70.66
Net Profit/(loss)	8.59	(97.74)

DIVIDEND

The directors do not recommend any dividend for the year.

OPERATIONAL HIGHLIGHT

1. Burgeoning market always witness two contradictory phenomena. On the one hand the cost of raw materials soars as the suppliers are unable to expand their facilities fast enough to cope with increasing demand. On the other hand prices of finished products nose dive as creation of excess capacity leads to undercutting. Thus the manufacturer is squeezed from both sides. This is the situation obtaining in the PCB market today.
2. The only way out of this impasse is to produce more and more thereby reducing the incidence of all types of overheads per unit.
3. With this in mind the Company had set a target of producing 16000 sq.m of PCB's for the year 2003-04. It is matter of rejoice that in the current year we could produce 18000 m2 by increasing the capacity in the drilling section. Turnover of the Company for the year ended March 2004 grew by 60.16% to Rs. 816.88 Lacs consequently earning a net profit of Rs. 8.59 Lacs as compared to a loss of Rs. 97.74 Lacs in the previous year 2002-2003.
4. We have set a target of 17% growth in production for the year 2004-2005. The target of producing twenty one thousand square meters of PCB's has been set for the year 2004-05. While it is a stiff target it is not an impossible target.
5. Another factor engaging the attention and efforts of Management is that as production increases rejection and rework also tend to increase in percentage terms since the focus at all levels shifts from rejection and rework control to enhancement of production which is quite human. In April 04- March 05 it is hoped that status quo will be maintained even if no improvement in this area is achieved.

DIRECTORS

Mr. Veenu Pasricha 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.

Sh. V.S. Bhagat has been serving the company as a Director since the date of incorporation of the Company. He has been reappointed as Chairman and Managing Director of the Company by the Board of Directors taking into consideration his experience, ability profound knowledge, vast working experience and his excellent financial acumen.

Present tenure of Shri S.K. Banerjee as whole time Director is going to expire on 31.10.2004. 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.

The Board of Directors noted sad demise of Sh. Swaranjit Singh and took on record his valuable services provided during his tenure as Director.

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(1B) of the Companies Act, 1956, has been received.

FIXED DEPOSIT:

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

LISTING OF SECURITIES

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

DEPOSITORY SYSTEM

As per the SEBI Guidelines it is required 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-I, New Delhi-110028 have been associated with us as share transfer agent. All the members are requested to contact them for any kinds of matters related to shares.

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, 2004 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(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of the particulars in the Report of Board of Directors) Rules 1988, are given annexure "I" and form part of this report.

PARTICULARS OF EMPLOYEES

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

ACKNOWLEDGEMENT:

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

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

Place: New Delhi
Date: 29.06.2004

By order of the Board of Directors
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 2004.

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' is given hereunder.

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

	<u>Current Year</u>	<u>Previous Year</u>
(a) Purchased		
- Units	17,48,812	12,54,292
- Total Amt. (Rs. In Lacs)	46.38	35.75
- Rate per Unit (Rs.)	2.65	2.85
(b) Own Generation		
i) Through Diesel generator		
- Units	47,438	38,818
- Units per lt. of diesel oil	3.04	3.03
- Cost per unit (Rs.)	6.69	6.32
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	97.96 units	126.75units
Per sq.mtr.	(Rs.272.16)	(Rs.374.48)

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:

	<u>2003-2004</u> (Rs. in Lacs)	2002-2003 (Rs. in Lacs)
B. FOREIGN EXCHANGE USED		
1. Traveling expenses	3.33	0.69
2. Raw materials/chemicals/ Stores and spares etc. imported	188.87	127.07
3. Plant & Machinery	6.93	Nil
4. Others	0.24	0.11
C. FOREIGN EXCHANGE EARNED	90.76	29.82

ANNEXURE-II

Particulars of Employees under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31 March 2004.

Name of the Employee	:	Mr. V.S. Bhagat
Age	:	63 Years
Designation/ Nature of Duties	:	Chairman & Managing Director/looking After the Company's affairs
Gross remuneration	:	16,44,000
Qualification	:	B.A. (Hons) in Economics
Experience	:	41 years
Date of Commencement of Employment	:	01-04-90
Previous Employment/ Position Held	:	Bhagat Construction Co. Pvt. Ltd., Director

NOTES

1. Mr. V.S. Bhagat is related to Mrs. Renu Bhagat & Mr. Veenu Pasricha, Director.
2. Remuneration received includes Gross salary, Employer's Contribution towards provident fund, medical reimbursement, cost of hiring leased/ consessional leased accommodation.
3. There is no employee in the Company, who is in receipt of remuneration in excess of that drawn by Managing Director and holds himself or alongwith his spouse and dependent children, not more 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. We have been following the spirit of corporate governance since the date of incorporation of the company. We take utmost care to protect the interest of shareholders. Our main objective is to do justice with every one associated with us and follow the theme of corporate governance in spirit and not in word.

2. Board of Directors

The Board of Directors consists of 6 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 Swarnjit Singh (Expired on 18.06.2004) Shri Walter Drach

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 22.09.2003	No. of outside Director -ship held	No. of member-ship/Chair-manship in Committees	Executive/Non-executive/ Independent
1. Mr. V.S.Bhagat	4	Present	5	1	Executive
2. Mr. S.K.Banerjee	2	Present	-	-	Executive
3. Mrs. Renu Bhagat	4	Present	3	-	Non executive
4. Mr. A.P.Mathur	4	Absent	3	3	Non-executive and independent
5. Mr. Swarnjit Singh	3	Absent	1	3	Non-executive and independent
6. Mr. Veenu Pasricha	3	Present	3	2	Non-executive and independent
7. Mr. Walter Drach	-	Absent	-	-	Non-executive and independent

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

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

30th day of June 2003

31st day of July 2003

30th day of October 2003

30th day of January 2004

4. Audit Committee:

The Audit Committee comprises of Mr. A.P.Mathur, Mr. Veenu Pasricha and Mr. Swarnjit Singh (18.06.04) all being non- executive and independent Directors. Shri R.S.Tiwari, Company Secretary acts as the Secretary to the audit committee. 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.

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. Swarnjit 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. Swarnjeet Singh (Expired on 18.06.04) and Sh. Veenu Pasricha. The committee recommend/ review the remuneration package of the Managing Director/ Whole-time Director(s) in accordance 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. 2,38,320/-

Besides they are also entitled to Company's contribution to P.F. 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 2004 to the Directors are as follows:

Sl. No.	Name of the Directors	Amount in Rs.
1.	Shri A.P.Mathur	6500/-
2.	Shri Veenu Pasricha	12500/-
3.	Shri Swarnjit Singh	4500/-

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 of two other Directors Sh. V.S. Bhagat and Sh. Swarnjit Singh (Expired on 18.06.04) as member. Shri R.S. Tiwari, Company secretary has been designated as Compliance Officer. The committee observes and reviews the shareholders grievances and ensures to provide prompt and satisfactory services to the shareholders.

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

General Body Meetings:

Location and time for last three Annual General meeting:

Year	Location	Date	Day	Time
2000-01	4 Km. Swarghat Road, Nalagarh-174101, Distt. Solan, Himachal Pradesh.	29.09.2001	Saturday	10.30 A.M
2001-02	4 Km. Swarghat Road, Nalagarh-174101, Distt. Solan, Himachal Pradesh.	20.09.2002	Friday	10.30.A.M
2002-03	4 Km. Swarghat Road, Nalagarh-174101, Distt. Solan, Himachal Pradesh.	22.09.2003	Monday	10.30.A.M

No resolution was required to be put through postal ballot.

7. Disclosures

The related party transactions have been disclosed in Notes of Accounts forming part of the Statement of Accounts for the financial year ended 31st March, 2004 and since the necessary disclosures were made in respect of the said transactions to the respective Board 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.

8. Means of communication

The quarterly, Half-yearly and Annual Results are generally published by the Company in English (Business Standard) 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, Kolkata and Ahmedabad where shares of the company are listed.

9. General shareholders information:**(a) Annual General Meeting:**

Date and time : 28th September 2004 at 2.30 P.M.
 Venue : 4 Km. Swarghat Road, Nalagarh-174101
 Distt. Solan, Himachal Pradesh

(b) Financial Calendar (tentative)

Annual General Meeting : 28.09.2004
 Results for the quarter ending 30.06.2004 : Last week of July, 04
 Results for the quarter ending 30.09.2004 : Last week of Oct, 04
 Results for the quarter ending 31.12.2004 : Last week of Jan, 05
 Results for the quarter ending 31.03.2005 : Last week of June, 05

(c) Book Closure Date : 20.09.2004 to 28.09.2004

(d) Listing of Equity Shares : Ludhiana, Mumbai, Kolkata, Ahmedabad and Delhi

(e) **Stock Market Data :**

Month	Bombay Stock Exchange (BSE)	
	Month's High Price	Month's Low Price
April. 2003	1.90	0.85
May. 2003	1.65	0.55
June. 2003	1.05	0.35
July. 2003	1.60	0.77
Aug. 2003	1.80	0.61
Sept. 2003	1.48	0.71
Oct. 2003	2.13	0.57
Nov. 2003	2.35	1.37
Dec. 2003	5.43	1.41
Jan. 2004	3.69	2.08
Feb. 2004	4.36	1.81
March 2004	2.36	1.11

(f) **Registrar & Share Transfer Agent and Communication regarding all kinds of Share related matters**

Intima Spectrum Registry Ltd.
A-31, 3rd Floor, Naraina Industrial Area, Phase-I,
New Delhi-110028

(g) **Shareholding pattern as on 31.03.2004**

Sl. No.	Category	No. of shares	Percentage
01	Promoters	2247346	37.08
02	Indian Financial Institutions, Banks, Mutual Funds	232000	3.83
03	Foreign Institutional Investors/ NRIs	98040	1.62
04	Others	3481664	57.47
	Total	6059050	100.00

(h) **Distribution on shareholding as on 31.03.2004**

No. of share held	No. of Shareholders	% of shareholders	No. of Equity shares	% of shareholding
1-500	14470	94.70	2233241	36.86
501- 1000	543	3.55	411691	6.80
1001-2000	142	0.93	212813	3.51
2001-3000	43	0.28	106768	1.76
3001-4000	17	0.11	59403	0.98
4001-5000	22	0.14	103165	1.70
5001-10000	21	0.14	154558	2.55
above 10001	23	0.15	2777411	45.84
Total	15281	100.00	6059050	100.00

The above report was adopted by the Board of Directors at their meeting held on 29.06.2004.

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

To,
The Members,

1. We have reviewed the implementation of Corporate Governance by **M/s. BCC FUBA INDIA LIMITED** during the year ended 31-03-2004, 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 of Corporate Governance is the responsibility of the Management. Our examination was limited to review the 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 the effectiveness with which the management has conducted the affairs of the Company.
4. We further state that as per the information and explanations given to us, there is no valid investor grievance 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

DATE : 29th June, 2004
PLACE : New Delhi

Sd/-
NILESH BHAGAT
(PARTNER)

MANAGEMENT DISCUSSION AND ANALYSIS**FINANCIAL PERFORMANCE**

During the year under review the production rose steeply and sales grew by 58.98% over the previous year. However the results could have been better had there not been a decline in profitability owing to a steep fall in sale price. Thus while gross profits increased return per unit sale declined.

INDUSTRIAL STRUCTURE AND DEVELOPMENT

It is impossible to think of an electronic product without simultaneously thinking of a Printed Circuit Board. Both the variety and volume of Electronic Products is growing exponentially. This should be music to the ears of all PCBs manufacturers. However, the reverse of the coin is that miniaturization of both PCBs and electronics components at a mind boggling pace has made sure that overall in terms of square meters the market does not expand too rapidly. In addition the sophistication demanded by users of PCBs entails heavy investments in new technologies.

OPPORTUNITIES RISKS AND CONCERNS

The indigenous market for PCBs is expected to boom over the next couple of years in consonance with world wide trends. Hence there should be ample demand for PCBs but as installed capacity is increasing faster than demand the inevitable corollary is a fall in prices. The situation is made worse by the fact that cost of inputs is rising sharply globally in response to inadequate capacities and spiraling demand.

Thus great opportunities exist for expanding capacity and production. However one can not expect a proportionate increase in profit owing to the cost-price squeeze.

Further the risks inherent in such a situation are far too obvious. The rate of obsolescence of technology is quite high. Thus one has to gauge the pros and cons very carefully before investing to ensure that investment does not turn out to be N.P.A.

Finally while venturing into new technological fields one has to move very cautiously to ensure full capacity utilization. Any miscalculation can lead to obsolete inventory and idle machinery.

OUTLOOK

On the whole it is possible to say that in today's scenario one is cautiously optimistic. The opportunities and avenues for growth are many. But there are concomitant risks of obsolescence, reduced earnings per unit and consequent loss of profits.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The company has in place an adequate system of checks and controls to ensure the safety of the assets of the company. In addition since your company is an ISO Company the emphasis on continual improvement ensures that loopholes are systematically plugged as & when they are detected.

Over & above there is an internal audit system for the periodic review of performance, processes inputs & outputs.

AUDITOR'S REPORT

To,

The Members,

BCC FUBA INDIA LIMITED

We have audited the attached Balance Sheet of **M/S BCC FUBA INDIA LIMITED** as at 31st March, 2004, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. 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 Companies (Auditor's Report), 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the 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 those books.
3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with in this report are in agreement with the books of account.
4. In our opinion, the Profit & Loss Account and Balance Sheet and Cash Flow Statement generally comply with the accounting standard 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, 2004, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31-03-2004 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 together with the notes on account 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(4) regarding non amortisation of miscellaneous expenditure up to 31st March,2004 to the extent of Rs. 51.23 Lakhs(previous year Rs 51.23 Lakhs)
 - b) Note No. B(5) regarding non reconciliation with the bankers to the issue, of share application money received in respect of equity share 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, 2004 and
 - ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
 - iii) In so far as it relates to the Cash Flow Statement of Cash Flow of the Company for the year ended on that date.

For VINAY AGGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-

NILESH BHAGAT
(PARTNER)

DATE : 29th June, 2004
PLACE : New Delhi

**ANNEXURE TO REPORT UNDER COMPANIES (AUDITOR'S REPORT) ORDER 2003
REFERRED TO IN OUR AUDIT REPORT OF EVEN DATE OF BCC FUBA INDIA LIMITED:-**

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As explained to us most of the assets have been physically verified by the management during the year and as per the explanations and information given to us there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us discrepancies noticed on physical verification were not significant and have been properly dealt with in the books of account.
(c) During the year, the company has not disposed off any part of the plant and machinery, which will have the effect on the Going concern of the company.
2. (a) As explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) As explained and based on the information given to us, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and the same have been properly dealt with in the books of account.
3. (a) The Company has taken loan from the following parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (i) Three companies in which directors are interested.
 - (ii) One director.The maximum amount during the year in the above accounts was aggregating to Rs. 650.35 lakhs and the year-end balance of loans taken from such parties was Rs. 650.23 lakhs.
As explained to us, the company has not granted loan to any firm covered in the register maintained under section 301 of the Companies Act, 1956.
 - (b) In our opinion the rate of interest and other terms and condition on which the loan has been taken from companies, firms and other parties listed in the register maintained under section 301 are not, prima facie, prejudicial to the interest of the company.
 - (c) As explained to us there is no stipulated time frame for the repayment of the above loan hence we are unable to comment on the regularity of the repayment of the principal and interest on above loan taken or granted to the parties covered under section 301 of the Companies Act, 1956.
 - (d) In the view of the above we are unable to comment whether there is any overdue amounts of loans taken from or granted to the companies, firms or other parties listed in the registers maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, the company has a system of internal control and of its evaluation on regular basis to strengthened it, in order to make it commensurate with the size of company and the nature of its business with regard to, purchase of inventory, fixed assets, and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in such internal controls.
5. In our opinion and according to the information and explanations given to us, there were no transactions during the year that need to be entered in the registers maintained under section 301.
6. In our opinion and according to the information and explanations given to us, the company has not accepted any Deposits as defined with in the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975.

7. In our opinion and according to the information and explanation given to us, the company has an internal Audit System commensurate with the size of the company and nature of its Business.
8. As informed to us maintenance of cost records has not been prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956.
9. (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise-duty, cess and other statutory dues applicable to it, and according to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty were outstanding, as at 31.03.2004 for a period of more than six months from the date they became payable.
(b) According to the records of company, the disputed statutory dues are aggregating to Rs. 0.78 lakhs that have not been deposited on account of matters pending before appropriate authorities. As mentioned in point no. B1 (iii) of other notes of Schedule XX pertaining to "Notes on Account."
10. The accumulated losses of the company doesn't exceed fifty percent of its net worth. Further it has not incurred any cash losses during the financial year, however in the immediately preceding financial year, it had incurred a cash loss of Rs. 27.08 lakhs.
11. As explained and informed to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, or bank.
12. Based on the records, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and to the best of our information and according to the explanation provided by the management the company is neither a Chit Fund Company nor a Nidhi/Mutual Benefit Funds/Societies. Hence the requirements of the para do not apply to the company.
14. In our opinion and as per explanations given to us by the management the Company is not dealing or trading in Shares, Securities or Debentures and other investments.
15. The company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The company has not raised any Term Loan during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment and no long-term funds have been used to finance short-term assets except core (permanent) working capital.
18. As explained and informed to us by the management and upon our examination of records we report that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. During the period covered by our audit report, the company has not issued any types of debentures.
20. During the financial year the company did not raise any money by public issue.
21. In our opinion and according to the information and explanations given to us by the management, there was no fraud on or by the company, which has been noticed and reported during the year that causes the financial statements to be materially misstated.

**For VINAY AGGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS**

Sd/-
NILESH BHAGAT
(PARTNER)

DATE : 29th June, 2004
PLACE : New Delhi

BALANCE SHEET AS AT 31ST MARCH, 2004

	SCHEDULE No.	AS AT 31/3/2004 Amount (Rs.)	AS AT 31/3/2003 Amount (Rs.)
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	I	60,581,500	60,581,500
Reserves & Surplus	II		
LOAN FUNDS			
Secured Loans	III	6,359,692	4,132,344
Unsecured Loans	IV	65,023,331	61,228,339
TOTAL		131,964,523	125,942,183
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	V	137,686,285	135,127,768
Less : Depreciation		84,294,967	77,196,382
Net Block		53,391,318	57,931,386
CURRENT ASSETS, LOANS AND ADVANCES			
- Inventories	VI	19,943,743	18,655,352
- Sundry Debtors	VII	33,348,224	24,831,507
- Cash & Bank Balances	VIII	5,480,372	1,375,308
- Loans & Advances	IX	3,486,606	1,522,487
		62,258,945	46,384,654
Less : Current Liabilities & Provisions	X	13,801,253	9,109,587
Net Current Assets		48,457,692	37,275,067
Miscellaneous Expenditure (To the extent not written off or Adjusted)	XI	5,123,445	5,123,445
Profit & Loss Account		24,992,068	25,612,285
TOTAL		131,964,523	125,942,183
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/-
(NILESH BHAGAT)
Partner

Sd/-
R. S. TIWARI
Company Secretary

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

Place : New Delhi
Date : 29/06/2004

V. S. BHAGAT
Chairman & Managing Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2004

	SCHEDULE No.	AS AT 31/3/2004 Amount (Rs.)	AS AT 31/3/2003 Amount (Rs.)
INCOME			
Sales		81,688,169	51,004,278
Other Income		1,333,979	401,926
Increase/(Decrease) in Stock	XII	(88,456)	982,103
		<u>82,933,692</u>	<u>52,388,307</u>
EXPENDITURE			
Material Consumed	XIII	35,569,562	24,454,507
Excise Duty		10,164,002	6,711,091
Manufacturing Expenses	XIV	7,052,306	5,265,471
Employees Remuneration & Benefits	XV	9,432,455	8,817,003
Administrative Expenses	XVI	3,507,927	2,528,506
Selling Expenses	XVII	1,177,010	622,097
Financial Charges	XVIII	8,071,597	6,697,942
Depreciation	XIX	7,100,063	7,066,015
		<u>82,074,922</u>	<u>62,162,632</u>
Net Profit/(Loss) for the year		858,770	(9,774,325)
Add: Depreciation for the earlier years		—	(886,536)
Add/Less: Expenses related to previous year		(238,553)	(219,833)
Net Profit/(Loss) after Tax		620,217	(10,880,694)
Add : Brought Forward Losses		(25,612,285)	(14,731,591)
		<u>(24,992,068)</u>	<u>(25,612,285)</u>
Balance Carried over to Balance Sheet		<u>(24,992,068)</u>	<u>(25,612,285)</u>
Basic / Diluted EPS		0.10	(1.80)
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/-
(NILESH BHAGAT)
Partner

Sd/-
R. S. TIWARI
Company Secretary

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

Place : New Delhi
Date :29/06/2004

V.S. BHAGAT
Chairman & Managing Director

SCHEDULES TO BALANCE SHEET

	AS AT 31-Mar-04 AMOUNT (RS.)	AS AT 31-Mar-03 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	—	—
Less amt. transferred to P&L A/c	—	—
	—	—
SCHEDULE-III		
SECURED LOANS :		
Working Capital Loan from Banks	<u>5,350,763</u>	<u>3,786,465</u>
Vehicle Loan	<u>1,008,929</u>	<u>345,879</u>
	<u>6,359,692</u>	<u>4,132,344</u>
Security :		
Working capital loan provided by State Bank Of Patiala is secured by way of hypothecation of stocks, Bookdebts & first charge on the fixed assets.		
SCHEDULE-IV		
UNSECURED LOANS		
1 From a Director	<u>38,491,706</u>	<u>34,889,907</u>
2 From the companies in which Directors are interested:-		
(a) Bhagat construction Co. Pvt. Ltd.	<u>642,279</u>	<u>642,279</u>
(b) Maya Enterprises Ltd.	<u>11,178,528</u>	<u>11,189,638</u>
(c) Samrat Video Vision Pvt. Ltd.	<u>14,710,818</u>	<u>14,506,515</u>
	<u>65,023,331</u>	<u>61,228,339</u>

**SCHEDULE-V
FIXED ASSETS**

(AMOUNT IN RS.)

PARTICULARS	GROSS BLOCK		DEPRECIATION				NET BLOCK				
	VALUE AS AT 01/04/2003	ADDITION DURING THE YEAR	SALE/ADJUSTMENT DURING THE YEAR	AS AT 31.3.04	UPTO 31.3.03	FORTHE EARLIER YEARS	FORTHE YEAR	ADJUST./DEDUCTIONS	UPTO 31.3.04	AS AT 31.3.04	AS AT 31.3.03
LAND(FREEHOLD)	651,061	—	—	651,061	—	—	—	—	—	651,061	651,061
BUILDING	8,648,928	—	—	8,648,928	3,137,728	—	275,132	—	3,412,860	5,236,068	5,511,200
PLANT & MACHINERY	118,762,866	1,585,273	—	120,348,139	70,508,178	—	6,393,925	—	76,902,103	43,446,036	48,254,688
ELECTRICAL WORKS	3,071,378	—	—	3,071,378	1,689,800	—	146,291	—	1,836,091	1,235,287	1,381,578
FURNITURE & FIXTURES	984,728	—	—	984,728	664,257	—	62,504	—	726,761	257,967	320,471
OFFICE EQUIPMENT	1,200,720	6,134	10,000	1,196,854	437,282	—	56,941	1,478	492,745	704,110	763,439
STORAGE & OTHER EQUIPMENT	180,917	—	—	180,917	64,604	—	8,617	—	73,221	107,696	116,313
FIRE FIGHTING EQUIPMENT	18,774	—	—	18,774	10,370	—	894	—	11,264	7,510	8,404
VEHICLES	1,608,396	977,110	—	2,585,506	684,164	—	155,759	—	839,923	1,745,583	924,232
TOTAL	135,127,768	2,568,517	10,000	137,686,285	77,196,382	—	7,100,063	1,478	84,294,967	53,391,318	57,931,386
PREVIOUS YEAR	135,054,682	89,969	16,883	135,127,768	69,280,715	886,536	7,066,016	16,883	77,196,382	57,931,386	65,793,968

	AS AT 31-Mar-04 AMOUNT (RS.)	AS AT 31-Mar-03 AMOUNT (RS.)
SCHEDULE-VI		
INVENTORIES		
(As certified and valued by the Management on which Auditors have relied)		
Raw material	10,081,257	8,441,366
Stores & Spares	1,474,586	1,737,630
Work-in-progress	4,710,187	4,381,672
Finished Goods	3,677,713	4,094,684
	<u>19,943,743</u>	<u>18,655,352</u>
SCHEDULE-VII		
SUNDRY DEBTORS		
(Unconfirmed,unsecured)		
Debts outstanding for a period exceeding six months	8,452,225	8,454,252
	<u>8,452,225</u>	<u>8,454,252</u>
Other Debts	24,895,999	16,377,255
	<u>33,348,224</u>	<u>24,831,507</u>
SCHEDULE-VIII		
CASH & BANK BALANCES		
Cash in hand	52,044	23,623
BALANCE WITH SCHEDULED BANKS :		
- In Current Accounts	451,307	785,357
- In Term Deposits Accounts	4,865,140	500,000
- Interest Accured but not due on FDR	70,881	25,328
- In Share Application Money Accounts (subject to reconciliation & confirmation)	41,000	41,000
	<u>5,480,372</u>	<u>1,375,308</u>

	AS AT 31-Mar-04 AMOUNT (RS.)	AS AT 31-Mar-03 AMOUNT (RS.)
SCHEDULE-IX		
LOANS AND ADVANCES		
(Unsecured, unconfirmed considered goods)		
Advances recoverable in cash or in kind or for value to be received	2,759,334	833,702
Staff Advances	93,054	89,137
Security Deposits	634,218	599,648
(inclusive of interest accrued and due on fdr with excise dept.)	<u>3,486,606</u>	<u>1,522,487</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	7,851,687	4,210,998
Expenses Payable	2,943,374	2,221,637
Advance from Customers	36,003	23,968
Share Application Money refundable (Subject to reconciliation with the banks)	41,000	41,000
Total A	<u>10,872,064</u>	<u>6,497,603</u>
B. PROVISIONS		
Provision for Gratuity	2,033,176	1,698,205
Provision for Bonus	196,782	186,799
Provision for Leave encashment	191,960	162,196
Provision for taxation	—	—
Provision for Excise Duty	507,271	564,784
Total B	<u>2,929,189</u>	<u>2,811,984</u>
Total A+B	<u>13,801,253</u>	<u>9,109,587</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>

	AS AT 31-Mar-04 AMOUNT (RS.)	AS AT 31-Mar-03 AMOUNT (RS.)
SCHEDULE-XII		
INCREASE IN STOCKS		
CLOSING STOCKS		
Work in Progress	4,710,187	4,381,672
Finished Goods	3,677,713	4,094,684
Total A	<u>8,387,900</u>	<u>8,476,356</u>
Less: OPENING STOCKS		
Work in Progress	4,381,672	4,001,477
Finished Goods	4,094,684	3,492,776
Total B	<u>8,476,356</u>	<u>7,494,253</u>
Increase/(Decrease) in stock (A-B)	<u>(88,456)</u>	<u>982,103</u>

SCHEDULE-XIII		
MATERIAL CONSUMED		
OPENING STOCK		
Raw Material	8,441,386	10,218,553
Stores & Spares	1,737,630	1,777,601
ADD:Purchases		
Raw Material	35,877,370	21,452,293
Stores & Spares	1,069,039	1,185,056
	<u>47,125,405</u>	<u>34,633,503</u>
LESS:Closing Stock		
Raw Material	10,081,257	8,441,366
Stores & Spares	1,474,586	1,737,630
Consumed during the year	<u>35,569,562</u>	<u>24,454,507</u>

SCHEDULE- XIV		
MANUFACTURING EXPENSES		
Power & Fuel	4,951,154	3,820,432
Testing charges	2,744	66,315
Freight & Cartage	253,891	176,255
REPAIR & MAINTENANCE		
Plant & machinery	1,064,280	705,052
Buildings	267,495	112,761
Others	206,905	138,772
Hiring chrg.	—	34,720
Job charges	305,837	211,164
	<u>7,052,306</u>	<u>5,265,471</u>

	AS AT 31-Mar-04 AMOUNT (RS.)	AS AT 31-Mar-03 AMOUNT (RS.)
SCHEDULE- XV		
EMPLOYEES REMUNERATION & BENEFITS		
Salary & Allowances	8,271,589	7,717,868
Contribution to Provident & other funds	824,559	777,228
Staff welfare	195,300	173,519
Bonus	141,007	142,938
Notice Pay	—	5,450
	<u>9,432,455</u>	<u>8,817,003</u>

SCHEDULE- XVI**ADMINISTRATIVE EXPENSES**

Miscellaneous expenses	162,127	177,631
Printing & Stationery	166,467	163,076
Electricity & water charges	47,621	64,816
Travelling & Conveyance expenses	688,685	378,746
Vehicle Running & Maintenance	224,674	162,912
Insurance	105,140	121,567
Rent Rate & Taxes	—	264,436
Filing & other Fees	117,341	140,699
Office maintenance	66,796	49,739
Postage Telephone & Telex	298,534	264,915
Legal & Professional Charges	402,021	110,346
Books & Periodicals	10,980	16,516
Payment to Auditors		
Audit fees :	32400	31500
Certification Charges	4,000	6,150
Directors Meeting Expenses	25,500	14,500
Staff Recruitment	—	20,488
Bad Debts & Debit Balances w/off	753,849	229,522
Diwali Expenses	41,210	2,076
Membership Fees	27,620	5,238
Security Charges	325,130	282,743
Subscription	7,831	20,890
	<u>3,507,927</u>	<u>2,528,506</u>

	AS AT 31-Mar-04 AMOUNT (RS.)	AS AT 31-Mar-03 AMOUNT (RS.)
SCHEDULE- XVII		
SELLING EXPENSES		
Business Promotion	50,552	37,659
Advertisement & Publicity	14,500	7,500
Packing Materials	202,075	146,800
Freight & Cartage Outward	701,501	301,918
Commission, rebate & discount on Sales	130,079	123,192
Sales Tax Expenses	16,034	1,103
Sample	16,814	—
Liquid Damaged	6,402	3,925
Insurance On Export	39,053	—
	<u>1,177,010</u>	<u>622,097</u>
SCHEDULE- XVIII		
FINANCIAL CHARGES		
Bank Charges	300,457	214,778
Interest on :		
Working Capital Loans	573,785	548,860
Unsecured Loans	7,158,163	5,836,233
Car Loan	36,060	63,847
Raw Material (foreign currency)	2,365	34,152
Others	767	72
	<u>8,071,597</u>	<u>6,697,942</u>
SCHEDULE- XIX		
DEPRECIATION AND WRITE OFFS :		
Depreciation	<u>7,100,063</u>	<u>7,066,015</u>
	<u>7,100,063</u>	<u>7,066,015</u>

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2004.**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. INVENTORY VALUATION

- a) Stocks of raw materials are valued according to Weighted Average Cost method as prescribed for the valuation of inventory at purchase cost or net realisable value whichever is low. The quantity and valuation of stocks of Raw Material is taken as physically verified, valued and certified by the management at the end of the year.
- b) Finished goods are valued at lower of cost or net realisable value. Cost for the purpose is determined on the basis of absorption costing method. The quantity and valuation of finished goods is taken as physically verified, valued and certified by the management as at the end of the year.
- c) The stocks of Work in progress is valued at the estimated cost to the Company. The quantity and valuation of Inventory of W.I.P. is taken as physically verified, valued and certified by the management as at the end of the year.

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.

B. OTHER NOTES

1. Contingent liabilities not provided for in respect of:
 - i) Letters of Credit outstanding for Raw Materials Rs.55.07 Lacs (Previous, year Rs.51.52 Lacs)
 - ii) The department filed a petition with the Income Tax Appellate Tribunal against the order of CIT (Appeal) for the Assessment Year 1992-93 wherein a demand of Rs. 163810/- was raised by the Assessing Officer, which was deleted by the Honorable Commissioner (Appeals). The case is yet to be fixed for hearing.
 - iii) Show Cause notice issued by the Central Excise Department vide its C no v (85) D/S/ 121/03 dated 30.06.2003 for a sum of Rs. 78717/- due to short payment of excise duty on the goods cleared from the factory. The management of Company has taken up the matter with the relevant authority.

2. 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. Nil Credit in this account for the year Rs. Nil
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 Enterprises Ltd.
4	Volume of Transaction	Debit in this account for the year Rs. 13,04,856/- Credit in this account for the year Rs. 12,93,746/-
5	Outstanding at the end of the year	1,11,78,528/- CR.

1	Name of the Related Party	SAMRAT 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. 29,80,845/- Credit in this account for the year Rs. 31,85,148/-
5	Outstanding at the end of the year	1,47,10,818/- 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. 65,82,470/- Credit in this account for the year Rs. 1,01,84,269/-
5	Outstanding at the end of the year	3,84,91,706/- CR.

3. 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	1,44,000
Medical Reimbursement	12,000	12,000
LeaseRent/House Rent Allowance	2,88,000	2,88,000
	16,44,000	16,44,000

4. The Management has decided not to write off Miscellaneous Expenditure amounting to Rs. 51,23,445/- upto 31.03.2004 (Previous Year Rs. 51,23,445/-) the same will be charged to Profit & Loss account in the year in which company will earn adequate profits.
5. 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.
6. 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.
7. 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/- 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 company VHEL has filed an application for rehabilitation with Board for Industrial and Financial Reconstruction during the year. The management is pursuing the matter for recovery of its dues.
8. Advance recoverable includes Rs.70,683/- 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 matter is still under adjudication.
09. 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.
10. Other income includes Rs. 54,263/- as interest received (Previous year Rs. 40,604/-) on Short Term Deposits with Scheduled Commercial Banks.

11. 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 31/03/2004.
12. The personal accounts of the parties are subject to their respective confirmations.
13. Provision for taxation has not been made in view of unabsorbed depreciation and business loss.
14. 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 production:

ITEM	UNIT	LICENSED CAPACITY	INSTALLED CAPACITY	ACTUAL PRODUCTION
Printed Circuit Boards	Square Meters	23400 (23400)	23400 (23400)	18192.04 (16201.79)

(Figures in brackets are for Previous year)

b) Raw Materials, Stores & Spares Consumed:

	2003-2004		2002-2003	
	Qty in. Sq. Mtr	Value (Rs.lacs)	Qty in. Sq.Mtr	Value (Rs.lacs)
i) Laminated Sheets	25,250.61	140.84	13736.67	88.53
ii) Others-Chemicals Consumable stores etc.	—	214.86	—	156.02
	25,250.61	355.70	13,736.67	244.55

c) Percentage of Material (Laminates) Consumed:

Raw Materials	2003-2004		2002-2003	
	%age	Value (Rs. Lacs)	%age	Value (Rs. Lacs)
i) Imported	99.52	140.16	99.85	88.40
ii) Indigenous	00.48	00.68	00.15	00.13
	100.00	140.84	100.00	88.53

d) CIF Value of Imports:

	2003-2004 (Rs. Lacs)	2002-2003 (Rs. Lacs)
i) Raw Materials	120.95	82.95
ii) Stores, spares & chemicals	80.64	47.61
iii) Plant & Machinery	7.26	Nil

e) Expenditure in Foreign Currency:

Travelling	Rs. 3,32,768/- (Previous year Rs. 68,791/-)
Others	Rs. 2,365/- (Previous year Rs. 45,523/-)

f) FOB Value of Export

Rs. 90,75,789/-
(Previous year 29,82,450/-)

g) Sales:

	2003-2004		2002-2003	
	Qty in. Sq. Mtr	Value (Rs.lacs)	Qty in. Sq.Mtr	Value (Rs.lacs)
Printed Circuit Board	18127.90	816.88	10178.83	510.04

h) Stock particulars of finished goods:

Unit	Opening Stock		Closing Stock	
	Qty.	Value in (Rs. Lacs)	Qty.	Value in (Rs.lacs)
Square Mtrs.	912.17	40.95	976.31	36.78

15. Auditors' Remuneration:

	2003-2004 (Rs.)	2002-2003 (Rs.)
- Audit Fee	32,400/-	31,500/-
- Other Expenses	4,000/-	6,150/-

16. Previous year figures have been regrouped & reclassified wherever necessary to make them comparable of those the current year.

17. Figures have been rounded off to the nearest rupee.

18. Schedules I to XX form an integral part of the Balance Sheet as at 31st March 2004 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/-
(NILESH BHAGAT)
 Partner

Sd/-
R. S. TIWARI
 Company Secretary

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

Place : New Delhi
 Date : 29/06/2004

V. S. BHAGAT
 Chairman & Managing Director

CASH FLOW STATEMENT FOR THE YEAR 31ST MARCH, 2004

	Year Ending 31st, March, 2004 Rs. in Lacs	Year Ending 31st, March, 2003 Rs. in Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT (LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS	6.20	(108.81)
ADJUSTMENTS FOR :		
Depreciation	70.99	70.66
Depreciation for earlier year		8.87
Interest on Term Loan	77.71	63.84
Liabilities written off	NIL	NIL
	148.70	143.37
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	154.90	34.56
ADJUSTMENT FOR :		
Increase / Decrease in Trade and other receivables	(104.81)	37.37
Increase / Decrease in Inventories	(12.88)	8.35
Increase / Decrease in Trade payables & other liabilities	46.92	(9.20)
	(70.77)	36.52
CASH GENERATED FROM OPERATIONS	84.13	71.08
Less : Profit on sale of assets	(0.01)	
Less : Interest paid	(77.71)	63.84
	(77.72)	63.84
Net cash from operating activities....(a)	6.41	7.24
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase off fixed assets/assets/capital work in progress	(25.68)	(0.89)
sale of fixed assets	0.10	NIL
Purchase of investments	NIL	NIL
interest/Dividends received	NIL	NIL
Net cash uses in investing activity...(b)	(25.58)	(0.89)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in long term borrowings	—	
Increase in working capital loans	22.27	(37.05)
increase in unsecured loans	37.95	12.58
Net cash received in financing activities...(c)	60.22	(24.47)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	41.05	(18.12)
Opening cash & cash equivalents	13.75	31.87
Closing cash & cash equivalents	54.80	13.75

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

for and on behalf of the Board of Directors

Sd/-
(NILESH BHAGAT)
Partner

Sd/-
R. S. TIWARI
Company Secretary

Sd/-
A. R. MATHUR
RENU BHAGAT
VEENU PASRICHA
S.K. BANERJEE
Directors

Pfice : New Delhi
Date : 29/06/2004

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	6
Balance Sheet Date	Date Month Year		
	31 03 2004		

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	131964	Total Assets	131964
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Source of Funds

Paid-up Capital	60581	Reserves & Surplus	—
Secured Loans	6360	Unsecured Loans	65023

Application of Funds

Net Fixed Assets	53391	Investments	—
Net Current Assets	48458	Misc Expenditure	5123
Loss	24992		

IV Performance of Company (Amount in Rupees Thousands)

Turnover	82933	Total Expenditure	82313
Profit/Loss before Tax	620	Profit/Loss After Tax	620
Earning per Share in Rs.	0.10	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 PROFESSIONAL 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/-
(NILESH BHAGAT)
Partner

Sd/-
R. S. TIWARI
Company Secretary

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

Place : New Delhi
Date : 29/06/2004

V. S. BHAGAT
Chairman & Managing Director

BCC FUBA INDIA LIMITED

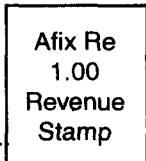
Regd Office : 4 Km., Swarghat Road, Nalagarh - 174 101, Dist Solan (H.P.)

FORM OF PROXY

I/We.....of.....in the district of.....being a member/members of the BCC FUBA INDIA LIMITED, hereby appoint Mr/Mrs/ Miss.....of.....in the district of.....or failing him/her Mr/Mrs/ Miss.....of.....in the district of.....as my/our Proxy to vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company to be held on Tuesday the 28th September, 2004 at 2.30 P.M. or at any adjournment thereof.

Signed this day of 2004.

Signature.....



Folio No.....

DP ID

Client ID.....

No.of Shares held.....

Note : If a member is unable to attend the meeting, he/she may fill this form and send it to the Registered Office of the Company so as to reach atleast 48 hours before the time for holding the meeting.

BCC FUBA INDIA LIMITED

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

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

Name and Address of the Member	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my presence at the 18th Annual General Meeting of the Company at the Registered Office of the Company, on Tuesday the 28th September, 2004 at 2.30 P.M.

Signature of the Shareholder	Signature of the Proxy

- Note :**
1. The copy of Annual Report may please be brought to the Meeting Hall.
 2. Briefcases, Hand Bags etc. are not allowed inside the Meeting Hall.
 3. Please note that no gifts will be distributed at the meeting.

BOOK - POST



Printed Matter

If undelivered please return to :

BCC FUBA INDIA LIMITED

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

R. G. : 25920466, 25920467