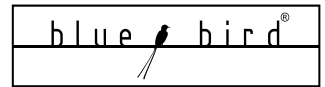


BLUE BIRD (INDIA) LIMITED

www.bluebirdpune.com



Yes

WE

Export the Quality

Import the Business

Create the Future

Annual Report : 2009-2010

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Company Information

BOARD OF DIRECTORS	Nitin Sontakke David Kunder Satish Bhagwat Santosh Dhankude Anil Agashe Nandkishor Lahoti Niranjan Phadke	Chairman and Managing Director Director Finance Director Technical Director Production Independent Director Independent Director Independent Director
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COMPANY SECRETARY	Akhilesh Soni
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AUDITORS	M/s Shashank Patki and Associates, 2, Anil Apartments, Baner Residency Baner Road, Behind Supreme Icon, Aundh, Pune - 411 007.
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BANKERS	Indian Bank IDBI Bank Limited Indian Overseas Bank State Bank of Travancore Andhra Bank HDFC Bank The Hongkong and Shanghai Banking Corporation Limited	The Federal Bank Limited Canara Bank Axis Bank United Bank of India UCO Bank Export Import Bank of India IndusInd Bank Barclays Bank
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REGISTERED OFFICE	759/74, Prabhat Road, Deccan Gymkahna, Pune – 411004. Phone: +91 20 25676163, 25679378 Fax: +91 20 25676164 Website: www.bluebirdpune.com
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FACTORY LOCATIONS	Gat No. 277, 278, 287 Pune- Panshet Road, Gorhe Khurd, Zalanwadi, Pune - 411 042. Maharashtra.	Plot No. 22-24, Sr No 17-18 Antharasanahalli, 1st Phase, Antharasanahalli Village, KIADB Industrial Area, Tumkur - 572 106, Karnataka.
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REGISTRAR AND SHARE TRANSFER AGENT	Link Intime India Private Limited (Formerly known as Intime Spectrum Registry Limited) Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune- 411001.
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Notice

NOTICE IS HEREBY GIVEN THAT the 11th Annual General Meeting of Blue Bird (India) Limited will be held on Thursday, 30th day of September 2010, at 9.30 a.m. at The President Hotel, 34/11, Erandwane, Prabhat Road, Pune – 411 004, to transact the following business.

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited Balance Sheet as at March 31, 2010 and the Audited Profit and Loss Account and Cash Flow Statement, for the year ended March 31, 2010 together with the Directors' Report and Auditors' Report thereon.
2. To appoint Mr. Santosh Dhankude, Director who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Mr. Nandkishor Lahoti, Director who retires by rotation and being eligible offers himself for reappointment.
4. To appoint M/s Shashank Patki & Associates, Chartered Accountants, as the Statutory Auditors of the Company, to hold the office of the Auditors, from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration, as may be mutually agreed upon between the Board of Directors and the Auditors, plus reimbursement of service tax, travelling and out of pocket expenses.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to Sections 198, 269, 309 and 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, subject to the approval of the Government of India, Ministry of Corporate Affairs, if required, the consent of the Company, be and is hereby accorded to the re-appointment of Mr. Nitin Sontakke as Managing Director of the Company with effect from April 01, 2010 for a period of five (5) years along with remuneration payable with effect from February 01, 2010 for a period, on the following terms and conditions and in the manner laid down hereunder –

A. For the period from February 01, 2010 to March 31, 2010

Salary – Rs. 2,00,000/- (Rupees Two Lacs only) to be paid per month, which shall be inclusive of the following:

- a) Conveyance Allowance of Rs. 2,000/- per month.
- b) Attire Allowance of Rs. 5,000/- per month.
- c) Medical Allowance of Rs. 2,000/- per month.
- d) Professional Books Expenses of Rs. 3,500/- per month.

B. For the period from April 01, 2010 to March 31, 2015

Salary – Rs. 1,00,000/- (Rupees One Lac only) to be paid per month, which shall be inclusive of the following:

- a) Conveyance Allowance of Rs. 2,000/- per month.
- b) Attire Allowance of Rs. 5,000/- per month.
- c) Medical Allowance of Rs. 2,000/- per month.
- d) Professional Books Expenses of Rs. 3,500/- per month.

RESOLVED FURTHER THAT the perquisites and other terms as per original appointment remain unaltered.

RESOLVED FURTHER THAT the Board of Directors have the power to increase the salary as permissible within the provisions of the Companies Act, 1956 read with the provisions of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the above terms shall also be deemed to be the abstract as under Sec. 302 of the Companies Act, 1956.”

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

“RESOLVED THAT pursuant to Sections 198, 269, 309 and 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, subject to the approval of the Government of India, Ministry of Corporate Affairs, if required, the consent of the Company be and is hereby accorded to the re-appointment of Mr. Satish Bhagwat as Director Technical of the Company with effect from April 01, 2010 for a period of five (5) years along with remuneration payable with effect from February 01, 2010 for a period, on the following terms and conditions and in the manner laid down hereunder –

A. For the period from February 01, 2010 to March 31, 2010

Salary – Rs. 75,000/- (Rupees Seventy Five Thousand only) to be paid per month, which shall be inclusive of the following:

- a) Conveyance Allowance of Rs. 1,500/- per month.
- b) Attire Allowance of Rs. 3,000/- per month.
- c) Medical Allowance of Rs. 1,500/- per month.
- d) Professional Books Expenses of Rs. 2,000/- per month.

B. For the period from April 01, 2010 to March 31, 2015

Salary – Rs. 50,000/- (Rupees Fifty Thousand only) to be paid per month, which shall be inclusive of the following:

- a) Conveyance Allowance of Rs. 1,500/- per month.
- b) Attire Allowance of Rs. 3,000/- per month.
- c) Medical Allowance of Rs. 1,500/- per month.
- d) Professional Books Expenses of Rs. 2,000/- per month.

RESOLVED FURTHER THAT the perquisites and other terms as per Original appointment remain unaltered.

RESOLVED FURTHER THAT the Board of Directors have the power to increase the salary as permissible within the provisions of the Companies Act, 1956 read with the provisions of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the above terms shall also be deemed to be the abstract as under Sec. 302 of the Companies Act, 1956.”

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

“RESOLVED THAT pursuant to Sections 198, 269, 309 and 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, subject to the approval of the Government of India, Ministry of Corporate Affairs, if required, the consent of the Company be and is hereby accorded to the re-appointment of Mr. David Kunder as Director Finance of the Company with effect from April 01, 2010 for a period of five (5) years along with remuneration payable with effect from February 01, 2010 for a period, on the following terms and conditions and in the manner laid down hereunder –

A. For the period from February 01, 2010 to March 31, 2010

Salary – Rs. 75,000/- (Rupees Seventy Five Thousand only) to be paid per month, which shall be inclusive of the following:

- a) Conveyance Allowance of Rs. 1,500/- per month.
- b) Attire Allowance of Rs. 3,000/- per month.
- c) Medical Allowance of Rs. 1,500/- per month.
- d) Professional Books Expenses of Rs. 2,000/- per month.

B. For the period from April 01, 2010 to March 31, 2015

Salary – Rs. 50,000/- (Rupees Fifty Thousand only) to be paid per month, which shall be inclusive of the following:

- a) Conveyance Allowance of Rs. 1,500/- per month.
- b) Attire Allowance of Rs. 3,000/- per month.
- c) Medical Allowance of Rs. 1,500/- per month.
- d) Professional Books Expenses of Rs. 2,000/- per month.

RESOLVED FURTHER THAT the perquisites and other terms as per original appointment remain unaltered.

RESOLVED FURTHER THAT the Board of Directors have the power to increase the salary as permissible within the provisions of the Companies Act, 1956 read with the provisions of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the above terms shall also be deemed to be the abstract as under Sec. 302 of the Companies Act, 1956.”

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

“RESOLVED THAT pursuant to Sections 198, 269, 309 and 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, subject to the approval of the Government of India, Ministry of Corporate Affairs, if required, the consent of the Company be and is hereby accorded to the reduction in salary payable to Mr. Santosh Dhankude as Director Production of the Company with effect from April 01, 2010 for the unexpired

period of his tenure as Director Production up to September 30, 2012, on the following terms and conditions and in the manner laid down hereunder –

Salary–Rs. 50,000/- (Rupees Fifty Thousand only) to be paid per month, which shall be inclusive of the following:

- a) Conveyance Allowance of Rs. 1,500/- per month.
- b) Attire Allowance of Rs. 3,000/- per month.
- c) Medical Allowance of Rs. 1,500/- per month.
- d) Professional Books Expenses of Rs. 2,000/- per month.

RESOLVED FURTHER THAT the perquisites and other terms as per Original appointment remain unaltered.

RESOLVED FURTHER THAT the Board of Directors have the power to increase the salary as permissible within the provisions of the Companies Act, 1956 read with the provisions of Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the above terms shall also be deemed to be the abstract as under Sec. 302 of the Companies Act, 1956.”

**By Order of the Board of Directors
For Blue Bird (India) Limited**

Place: Pune

Date: August 31, 2010.

**Akhilesh Soni
Company Secretary**

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting (the Meeting) may appoint a proxy to attend and vote on a poll on behalf of him. A proxy need not be a member of the Company.

Proxies, in order to be effective, must be received at the Registered Office of the company not less than forty-eight hours before the commencement of the Meeting.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote at the Meeting.
3. An explanatory statement pursuant to section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
5. Member who hold shares in the dematerialised form are requested to write their Client ID and DIP ID Numbers and those who hold share in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Sundays, between 10:00 a.m. and 6:00 p.m. upto the date of the Meeting.
7. The Register of members and the Share Transfer Books of the Company shall remain closed from Tuesday, September 21, 2010 to Thursday, September 30, 2010 (both days inclusive) for the purpose of Annual General Meeting.
8. Member whose shareholding is in the dematerialized form are requested to intimate their change of address, ECS mandate, Bank accounts details to their respective depository participants. Members holding physical shares may kindly send the details to the Registrar and Transfer Agent of the Company.
9. Any member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her queries to the Company at least seven working days prior to the meeting so that the required information can be made available at the meeting.
10. Members who wish to claim Dividend which remain unclaimed, are requested to correspond with the Secretarial Department of the Company at the Registered Office or the Company's Registrar and Transfer Agent, Link Intime India Private Limited. (Previously known as Intime Spectrum Registry Limited).
11. The Register of Directors Shareholding under Section 307 and Register of Contract under Section 301 maintained under the Companies Act, 1956 are available for inspection at the Registered Office of the Company during business hours between 10:00 a.m. to 6:00 p.m. except on Holidays and Sundays and will be made available at the venue of the meeting.

EXPLANATORY STATEMENT AS REQUIRED UNDER THE PROVISIONS OF SEC. 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 2 & 3

Brief profile of the appointees

Mr. Santosh Dhankude, aged 37 years, a Printing Technologist by profession. He is an expert in the field of Production and have an over a decade experience in the Production and Planning department of the Company. At present he is Director Production of the Company.

He holds 6,86,352 equity shares in the Company.

None of the other Directors of the Company is, in any way, concerned or interested in the said resolution except Mr. Santosh Dhankude himself, being the appointee.

Mr. Nandkishor Lahoti, aged 55 years, holds a Diploma in Printing Technology. He has over three decades experience in the field of Printing, having his own printing business. He is presently an Independent Director of the Company.

He does not hold any equity shares in the Company

None of the other Directors of the Company is, in any way, concerned or interested in the said resolution except Mr. Nandkishor Lahoti himself, being the appointee.

The Board recommends these Resolutions for your approval.

ITEM NO. 5, 6, 7 & 8

At the Extra-ordinary General Meeting of the members of the Company held on March 31, 2005 Mr. Nitin Sontakke was appointed as Managing Director, Mr. Satish Bhagwat was appointed as Director Technical and Mr. David Kunder was appointed as Director Finance of the Company for a period of five years with effect from April 01, 2005. Their tenure expired on March 31, 2010. However, the Board of Directors at their meeting held on March 19, 2010 re-appointed them as Managing Director, Director Technical and Director Finance of the Company respectively for a period of five (5) years with effect from April 01, 2010.

At the Annual General Meeting of the Company held on August 24, 2007, Company approved the remuneration payable to Mr. Nitin Sontakke, Mr. Satish Bhagwat and Mr. David Kunder, Executive Directors of the Company for a period of three years with effect from February 01, 2007. The period of remuneration expired on January 31, 2010. The Board of Directors at their meeting held on March 19, 2010 approved payment of remuneration as detailed in the resolution, to the executive directors for a period with effect from February 01, 2010 to March 31, 2015, subject to the approval of members at the General Meeting.

At the Annual General Meeting of the Company held on September 26, 2008, Company approved the appointment and remuneration payable to Mr. Santosh Dhankude as Director Production for a period of five (5) years with effect from October 1, 2007. The Board of Directors at their meeting held on March 19, 2010 revised the payment of remuneration payable to Mr. Santosh Dhankude from Rs. 75,000/- per month to Rs. 50,000/- per month subject to the approval of members at the General Meeting as detailed in the resolution.

The Board recommends your approval for the appointment and payment of remuneration to the Executive Directors.

None of the other Directors of the Company is, in any way, concerned or interested in the said resolution except Mr. Nitin Sontakke, Mr. Satish Bhagwat, Mr. David Kunder and Mr. Santosh Dhankude respectively.

**By Order of the Board of Directors
For Blue Bird (India) Limited**

Place: Pune

Date: August 31, 2010

**Akhilesh Soni
Company Secretary**

DIRECTORS' REPORT

**TO,
THE MEMBERS OF
BLUE BIRD (INDIA) LIMITED**

Your Directors have pleasure in presenting the 11th Annual Report of the Company together with the Audited Statements of Account for the year ended March 31, 2010.

FINANCIAL RESULTS

The Financial position of the Company as on the date of the Balance Sheet is as follows:

(Rs. in Lacs)

Particulars	Year ended March 31, 2010	Year ended March 31, 2009
Sales & Operating Income	43,059.71	50,446.51
Operating Profits (PBDIT)	489.13	9,452.78
Less: Depreciation	747.39	681.63
Less: Interest	7,782.12	6,453.84
Profit / (Loss) before Tax	(8,040.38)	2,317.31
Less: Income Tax (Including Deferred Tax and Fringe Benefit Tax)	(2,741.67)	847.02
Net Profit / (Loss) for the year	(5,298.71)	1,470.29
Balance brought forward from previous year	8,477.89	7,073.49
Less / Add: Prior Period Adjustments	47.27	(5.89)
Less: Statutory Reserves	0.00	0.00
Distributable Profits	3,226.45	8,537.89
Appropriated as under:		
Transfer to General Reserve	0.00	60.00
Balance carried forward	3,226.45	8,477.89

DIVIDEND AND BOOK CLOSURE

In view of the loss for the current year, the Board does not recommend any dividend for the year under review. The Register of members and the Share Transfer Books of the Company shall remain closed from Tuesday, September 21, 2010 to Thursday, September 30, 2009 (both days inclusive) as per the requirements of Clause 16 of the Listing Agreements with Stock Exchanges.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis, forming part of this report, as required under Clause 49(IV)(F) of the Listing Agreement with the stock exchanges is attached separately in this Annual Report.

EXTERNAL RATINGS

The ratings assigned to Company by Credit Analysis and Research Limited (CARE) during the previous year as 'CARE B' for its 'long term bank facilities' and 'PR4' for its 'short term debt' were suspended during the year. At present the Company does not have any external ratings assigned.

MATERIAL CHANGES AND EVENTS AFTER BALANCE SHEET DATE

As mentioned in Note no. 11 of Schedule 19(B), due to cash loss and delay in recovery of dues from the customers, the Company faced a cash crunch resulting into default in payment to lenders and other creditors. The Company had submitted a Corporate Debt Restructuring (CDR) proposal to CDR Cell of Reserve Bank of India, seeking extension of time for repayment & seeking certain other concessions. The proposal was admitted by CDR cell on March 30, 2010. The requisite number of banks have communicated their consent to CDR cell for approval of the proposal. Order of CDR cell approving the proposal and making it effective would be received in due course of time.

The operations of the Company have severely been affected due to a substantial number of marketing personnel leaving the job. The Company is taking steps to restore the position post CDR approval.

BOARD OF DIRECTORS

The Board of Directors at its meeting held on June 09, 2010 recommended the reappointment of Mr. Santosh Dhankude and Mr. Nandkishor Lahoti, Directors of the Company who are liable to retire by rotation during the year and being eligible have offered themselves for reappointment. The Board seek your approval for their re-appointments.

On April 18, 2010 Mr. Vitthal M. Bachal, an independent Director resigned as Director. The Company places its appreciations towards the contributions made by him in the development of the company during his tenure as Director.

Brief particulars & expertise of the directors to be appointed/re-appointed and their other directorship and committee membership have been given in the Corporate Governance report as attached to this Directors Report.

STATUTORY DISCLOSURES

None of the Directors of the Company is disqualified to be appointed as Director under the provisions of Section 274(1)(g) of the Companies Act, 1956. The Directors have made necessary disclosures, as required under various provisions of the Act and Clause 49 of the Listing Agreement with Stock Exchange/s.

CORPORATE GOVERNANCE

As required by Clause 49 of the listing agreement with the stock exchange, a separate report on Corporate Governance forms part of the Annual Report. A report from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance is also a part of this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 217(2AA) of the Companies Act, 1956 in relation to the Financial Statements for the year ended March 31, 2010, the Board of Directors state that:

- a) the applicable Accounting Standards have been followed in the preparation of the financial statements and there are no material departures from the said standards;
- b) reasonable and prudent accounting policies have been used in preparation of the financial statements and that they have been consistently applied, so as to give true and fair view of the state of affairs of the Company as at March 31, 2010 and of the loss for the year ended on that date;
- c) 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.
- d) the financial statements have been prepared on a going concern basis since they are confident of successful implementation of approved CDR proposal and successful settlement with the parties issuing notices under section 433 & 434 of the Companies Act, 1956.

AUDITORS

M/s Jayant V. Kolapkar & Co., Chartered Accountants and M/s Shashank Patki & Associates, Chartered Accountants, were appointed as the Joint Auditors of the Company at the previous Annual General Meeting. However, M/s Jayant V. Kolapkar & Co., Chartered Accountants resigned on November 4, 2009. M/s Shashank Patki & Associates, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for re-appointment as Auditors. The Audit Committee at its meeting held on August 31, 2010 has recommended their re-appointment.

In terms of the provisions of section 224 (1B) of the Companies Act, 1956 M/s Shashank Patki & Associates, Chartered Accountants have furnished a certificate that their appointment, if made, will be within the limits prescribed under section 224 (1B) of the Companies Act, 1956.

AUDITORS' REPORT (QUALIFICATIONS/ COMMENTS)

As mentioned in para 2(f) of the Auditors' Report and in para 4, 9(a), 11 and 16 of the Annexure to the Auditors' Report

As mentioned in the Notes on Account, the Company incurred cash loss during the year. Also, the Company could not recover dues from its customers. Due to this, the Company defaulted in payment of interest and instalments to lenders, dues to the Creditors, Statutory dues etc. As mentioned earlier in this Directors' Report, CDR proposal submitted by the Company (which envisages regularization of Term Loans, extension of time for repayment of dues etc.) is in process of final approval. The Company is taking steps to strengthen the overall internal control procedures. The Company is in negotiations with the parties issuing notices under section 433 and 434 of the Companies Act, 1956 for withdrawal of the notices. Post CDR approval, the management is confident of regularizing all the aspects qualified by the Auditors.

AUDIT COMMITTEE

The details of the Audit Committee are given in the Corporate Governance Report as attached separately in this Annual Report.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits under Section 58A of the Companies Act, 1956.

EMPLOYEES STOCK OPTIONS

The Company has not issued / granted any Employees stock options to its employees.

PARTICULARS OF EMPLOYEES

The annexure containing information required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 forms part of this report. However, as permitted by section 219(1)(b)(iv) of the Companies Act, 1956, this Annual Report is being sent to all shareholders excluding the said Annexure. Any shareholder interested in obtaining the particulars may obtain it by writing to the Company Secretary, at the Registered Office of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

A statement containing the necessary information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed to this report as Annexure I.

BUY BACK OF SHARES:

The Company has not done any Buy Back of Shares during the year under review.

APPRECIATION

Your Directors appreciate the trust reposed by various stakeholders of the Company. The Directors are also grateful and pleased to place on record their appreciation for the continuous and excellent support, guidance and cooperation extended by the Company's Business Associates, Registrar & Transfer Agent, Bankers, Financial Institutions, various Government Regulatory Bodies, Stock Exchanges, Depositories, and Employees.

For & On Behalf of the Board of Directors

Place: Pune
Date: August 31, 2010

Nitin Sontakke
Chairman & Managing Director

ANNEXURE I

Particulars required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

I. CONSERVATION OF ENERGY:

- (a) Energy conservation measures taken during the year

The manufacturing facilities of the Company located at Pune and Bangalore are designed in such a way to cater to the conservation of energy (light, ventilation) at its best. Since there are no sewage effluents the water discharged from the units are used for landscaping and gardening.

- (b) Additional investments and proposals, if any, being implemented for cost reduction of consumption of energy - NIL
- (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.
- Energy conservation measures continue to reduce the production cost per unit with reference to energy consumption.
 - ? - Reduction in input power requirement.
- (d) Total energy consumption and energy consumption per unit as per Form A of Annexure to the rules: NOT APPLICABLE

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form-B of the Annexure to the Rules – NOT APPLICABLE

1. Research and Development (R&D)
 - a. Specific areas in which R&D is carried out by the Company - NA
 - b. Benefits derived as a result of the above R&D - NA
 - c. Future plan of action - NA
 - d. Expenditure on R & D - Nil
2. Technology Absorption, Adaptation & Innovation
 - a. Efforts, in brief, made towards technology absorption, adaptation and innovation- NA
 - b. Benefits derived as a result of the above efforts - NA
 - c. Information in case of imported technology (imported during the last five years reckoned from the beginning of the financial year) - NA

III. FOREIGN EXCHANGE EARNING AND OUTGO

The information on Foreign Exchange earnings and outgo is contained in note nos. '20, 21, 22 and 23 of Schedule 19(B) – Notes to Accounts' forming part of the Accounts.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Blue Bird (India) Limited is a Note Books manufacturing company. The Company's revenues are mainly from manufacture and sale of branded Note Books, Drawing Books, Publication and Trading in Stationery Items.

INDUSTRY ANALYSIS

The Printing Industry has grown at a CAGR 11% during the period 2004-05 to 2008-09. Northern India is the fastest growing market for printing industry followed by southern India. The demand for Stationery and books are seasonal in nature, so activities in printing industry vary accordingly. The presence of unorganized sector in printing Industry around 65% made the market very challenging. The organized sector is controlling only 35% of the market segment and limited number of players is at competition in stationery and book markets.

MARKET SCENARIO

The study Products, Books and Stationeries, are exclusively used by students and office. The household expenditure in India for education increased at a CAGR 9.60% during the period 2003 -08. The share of study products in whole education expenditure of a student is 13% at present. The increase in expenditure for study products will accelerate due to higher allocation of budget provision towards education by the Union Government and adoption of 'The Right to Education Act, 2009'. It is observed that there is incremental participation of private promoters to educational projects which will provide the opportunities in far flung areas of country and there will be additional demand of study products in domestic market. The same trend is applicable to business and commerce which will boost the demand of stationeries

MARKET FORECAST

Printing and stationery industry will grow at a CAGR of 6.5% based on past trend and for the following developments-

- Government has initiated action for enforcing compulsory primary education scheme all over the Country
- Right to Education Act has been enacted
- Private sector investment in education will bring opportunities for higher education.
- Industry will need to increase capacity by 2011-12 to meet the demand

SCHOOL BOOKS AND STATIONERY MARKET

Students irrespective of their age extensively consume books and stationery items. The demand for books and stationery items hence will largely depend on expenditure by house hold in education. Information on expenditure patterns is periodically collected by CSO through primary survey across the country.

From Education expenditure includes a lot of components like -

- Private coaching
- Transport
- Uniform
- Stationery
- Books
- Exam fees
- Tuition fees
- Other fees

Urban areas are expected to have more number of Middle and High Income Group households as there are better employment opportunities.

State wise per capita expenditure in urban localities on education is -

- Punjab, Haryana and Delhi are leaders in per capita expenditure on education.
- Maharashtra is the only state in western India, which has comparable per capita expenditure on education.
- Andhra Pradesh has the highest per capita expenditure in southern India.
- States like J&K and Himachal Pradesh in northern India have higher per capita expenditure on education than states like Tamil Nadu, Gujarat and West Bengal.
- Per capita expenditure is lowest in states of eastern India.

GOVERNMENT EXPENDITURE ON EDUCATION

There has been a consistent increase in government spending towards social sector which also includes education. Expenditure on social services as a percentage of total expenditure has increased from 19.9% in 2004-05 to 23.8% in 2009-10.

GOVERNMENT PROGRAMMES

Government has taken initiatives to promote education in India. Some of these initiatives are discussed in the appended table from which it can be noted that these programmes are directed to improve primary education among rural population particularly girls and other socially and economically backward sections of the society. These programmes are expected to drive demand for school books and stationery.

Sarva Shiksha Abhiyan	To promote primary education by providing more education facilities
National Programme for Education of Girls at Elementary Education	To increase the literacy rate amongst girls in educationally backward blocks (EBBs)
National Programme of Mid-Day Meals in Schools Programme provides a mid-day meal of 450 calories and 12 grams of protein to children at the primary stage	For children at the upper primary stage, the nutritional value is fixed at 700 calories and 20 grams of protein. Adequate quantities of micro-nutrients like iron, folic acid and vitamin-A are also recommended under the programme.
Kasturba Gandhi Balika Vidyalaya	Residential schools at upper primary level for girls belonging predominantly to SC, ST, OBC and minority communities

RIGHT TO EDUCATION ACT 2009

Government of India, in an attempt to facilitate percolation of education to every strata of society, has mulled an act called Right to Education Act which endeavors to provide free and compulsory education to all children in the age group between 6-14 years. This new law makes it a duty for all state governments and local bodies to see to it that every child gets education in a school in his/her neighbourhood. The implementation is likely to benefit a huge number of children all across the country. The implementation of this act is bound to increase the need for education related items particularly books and stationery.

DEMAND SUPPLY FORECAST

Demand Forecast – School Books and Stationery

The demand for school books and stationery items is expected to remain strong during next 10 years. Historically, this segment had witnessed a CAGR of 9.6% during 2004-09. With more aggressive private as well as public expenditure than that noted during 2004-09, this segment to witness a CAGR of 10% during 2010-20. The organized players will be able to witness faster growth than unorganized players during next 10 years, due to the following reasons –

- Organized players will have better access to inputs than unorganized players.
- Organized players will be in a better position to develop products as needed by customers.
- Organized players will be in a better position to take advantage of economies of scale.

The organized sector will achieve a market share of 55% by 2020 as compared to 35% noted during 2008-09. The overall demand forecast for books and stationery industry indicates that –

- Books and stationery industry will witness a CAGR of 8.4% during 2010-20.
- Organized sector will witness a CAGR of 11.4% during 2010-20.
- Organized sector will account for almost 47% of the overall market.
- Unorganized sector will witness a CAGR of 6.3% during 2010-20.

FINANCIAL REVIEW:

During the year, the Company could not recover the dues from its customers in time, despite all efforts by the management. Management's cautious approach towards credit sales in the second half of the year saw a reduction in its revenues. There was no comparative reduction in overheads, especially in its borrowing costs. This resulted into cash loss for the year. The Cash crunch was met out of borrowed funds leading again to increased interest costs. This vicious circle affected the Company's financial position as well as performance adversely. As mentioned in notes, Company is in process of restructuring its debts. Management is confident of revival of its operations in Post-CDR approval by revamping its entire organizational set up.

RISK AND CONCERNS

- Global recession and its impact on Indian Economy.
- Vulnerability to world macro economic developments.
- Risk from competition
- Financial Risk

The Company has identified the risks and is taking steps to mitigate them.

INTERNAL CONTROL

The Company has internal control systems since its inception. Management has realized a need to review and reorganize the entire internal control procedures and has initiated efforts in that direction.

HUMAN RESOURCES

The company believes that people are at the heart of corporate purpose and constitute the primary source of sustainable competitive advantage. Due to cash-crunch, the Company was not in a position to pay salaries in time, resulting into substantial employees leaving the job. Company is in the process of restructuring its manpower at all the levels in such a manner that it can achieve the best results at the optimum costs.

ENVIRONMENT, OCCUPATIONAL HEALTH & SAFETY

The Company has taken all measures for Non-Pollution of environment. The Company is using Papers manufactured from Non-wood products. Water Based Inks are used for Printing. It is Company's endeavour to protect environment and propagate health & safety measures amongst its employees.

CAUTIONARY STATEMENT

The statement made in this report describing the Company's projections, expectations and estimations may be a forward looking statement within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied in this report due to the influence of external and internal factors which are beyond the control of the Company.

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that the Code prescribes only a minimum framework for governance of a business in Corporate framework. The Company's philosophy is to develop this desired minimum framework in its true spirit. This will lay the foundation for further development of superior governance practices, which are vital for growing a successful business. The Company believes that transparency, disclosure, financial controls and accountability are the pillars of any good system of Corporate Governance.

BOARD OF DIRECTORS

As on March 31, 2010 the composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that at least 50 percent of the Board should consist of Independent Directors, if the Chairman is an Executive Director. Dr. Vitthal M. Bachal resigned as Independent Director with effect from April 18, 2010. No Director has been appointed in his place. The Company has submitted a CDR proposal to the Corporate Debt Restructuring Cell of the Reserve Bank of India (the CDR Cell) wherein it is proposed to nominate at least two persons on the Board of Directors of the Company by the lenders. As on March 31, 2010, the Board consist of eight members of which four are Executive Directors including the Chairman & Managing Director, who is an Executive Director. All other Directors are Independent Directors. Mr. Apoorv Sontakke and Mr. Vikas Pai resigned at the meeting of Board of Directors held on August 22, 2009 with effect from August 31, 2009.

The Board of Directors of the Company met eight (8) times during the year on April 02, 2009, April 30, 2009, July 31, 2009, August 22, 2009, October 28, 2009, November 21, 2009, January 30, 2010 and March 19, 2010. The Directors attendance record, directorships and committee positions is noted below:

Name of the Director	Director Identification Number (DIN)	Category	Attendance at Meetings during the year 2009-10		Number of Directorships held in other Public Limited Cos. as on March 31, 2010		Number of committee Chairmanship /membership held in other Public Limited Cos. as on March 31, 2010	
			Board Meeting	10th AGM Sep. 30, 2009	Chairman	Director	Chairman	Director
Mr. Nitin Sontakke	00124619	CMD	7	YES	-	-	-	-
Mr. David Kunder	00002529	ED	8	YES	-	-	-	-
Mr. Satish Bhagwat	00124517	ED	8	YES	-	-	-	-
Mr. Apoorv Sontakke*	00124732	ED	4	NA	-	-	-	-
Mr. Santosh Dhankude	01726682	ED	7	YES	-	-	-	-
Dr. Vikas Pai*	00395317	NED(I)	4	NA	-	-	-	-
Mr. Anil Agashe	00395239	NED(I)	8	YES	-	-	-	-
Dr. Vitthal Bachal**	00326794	NED(I)	2	YES	-	-	-	-
Mr. Nandkishor Lahoti	01976036	NED(I)	8	YES	-	-	-	-
Mr. Niranjan Phadke#	02533631	NED(I)	8	NO	-	-	-	-

* Resigned as Director w.e.f. August 31, 2009.

** Resigned on April 18, 2010.

Appointed as Director liable to retire by rotation at the Annual General Meeting on September 30, 2009.

NOTES:

- The above number excludes the directorships / committee memberships held in Private Companies, Companies registered under section 25 of the Companies Act, 1956. Also it includes the chairmanship/membership only in the Audit Committee and Shareholders' Grievance Committee.
- CMD – Chairman and Managing Director.
- NED (I) – Non-Executive & Independent Director.
- ED – Executive Director.
- During 2009-10, the Company did not advance any loans to any of its Directors.
- NA – Was not a director as on the date of the AGM.
- In terms of clause 49(IV) (G) (ia), it is hereby disclosed that Mr. Apoorv Sontakke, Director Marketing (Export), is son of Mr. Nitin Sontakke, Chairman & Managing Director. Except for the relationship, there is no other inter-se relationship amongst other Directors.

Mr. Santosh Dhankude and Mr. Nandkishor Lahoti are liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, have offered themselves for reappointment. Relevant details pertaining to them are provided in the Notice of the Annual General Meeting and Explanatory Statement attached thereto.

Code of Conduct /Ethics

The Company has prescribed a Code of Conduct for its directors and senior management. The directors and senior management of the Company have submitted their affirmation on compliance with the Code of Conduct for the effective period. The declaration by the Managing Director to that effect forms part of this report. The information as required under Annexure 1A to Clause 49 was made available to all Directors.

AUDIT COMMITTEE

Constitution of Audit Committee

The Composition of the Committee as well as the particulars of attendance at the Committee during the year are given in the table below. The Audit Committee met five (5) times during the year on April 30, 2009, July 31, 2009, August 22, 2009, October 28, 2009 and January 30, 2010.

Name of Member	Position	Category	Meetings Attended
Mr. Niranjan Phadke	Chairman	Independent	5
Mr. Anil Agashe	Member	Independent	5
Mr. David Kunder	Member	Executive Director	5

The previous Annual General Meeting was held on September 30, 2009. Mr. Niranjan Phadke, Chairman of the Audit Committee did not attend the meeting. The composition of the Committee complied with the requirements of Clause 49 of Listing Agreement and section 292A of the Companies Act, 1956.

Mr. Akhilesh Soni, Company Secretary and Compliance Officer, acts as the Secretary to the Audit Committee. In addition to the above, the Committee Meetings were also attended by the General Manager (Accounts), Statutory Auditors and Internal Auditors. Other executives of the Company also attended the meeting as and when required.

Terms of Reference

The broad terms of reference of the Committee are to review and recommend the financial statements and to review the adequacy of internal control systems and internal audit function. The powers and detailed terms of reference of the Committee as approved by the Board are given below:

I Powers

- a) To investigate any activity within its terms of reference;
- b) To seek information from any employee;
- c) To obtain outside legal or other professional advice;
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

II Terms of Reference

The Audit Committee to review the Reports of the Internal Auditors with the Statutory Auditors periodically and discuss their findings. The role of the Audit Committee to be as follows:-

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient & credible.
- b) Recommending the appointment and removal of Statutory Auditors, fixation of remuneration etc.
- c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on :
 - Any changes in accounting policies and practices;
 - Major accounting entries based on exercise of judgments by management;
 - Qualifications in draft audit report;
 - Significant adjustments arising out of audit;
 - The going concern assumption;
 - Compliance with accounting standards;
 - Compliance with stock exchange and legal requirements concerning financial statements;
 - Any related party transactions i.e. transactions of the Company of material nature with promoters or the management, their subsidiaries or relatives etc, that may have potential conflict with the interests of Company at large;

- d) Reviewing with the management, Statutory and Internal Auditors, the adequacy of internal control systems.
- e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f) Discussing with internal auditors any significant findings and follow up thereon.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussing with statutory auditors before the commencement of audit, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- i) Reviewing the Company's financial and risk management policies.
- j) Looking into the reasons for substantial defaults in the payment to the creditors.
- k) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, right's issue, preferential issue etc.) the statement of funds utilized for the purpose other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency of monitoring the utilization of proceeds of a public or right issue and making appropriate recommendation to the Board to take up steps in this matter.

In addition to the above, the Committee shall have such functions / role / powers as may be specified in the Companies Act, Listing Agreement with stock exchanges or any other applicable law. The audit committee is furnished with all the required information for review.

REMUNERATION COMMITTEE

Constitution of Remuneration Committee

The composition of the Committee as well as the particulars of attendance at the Committee during the year are given in the table below. The remuneration committee met one (1) time during the year on March 19, 2010.

Name of the Members	Position	Category	Meetings Attended
Mr. Niranjan Phadke	Chairman	Independent	1
Mr. Anil Agashe	Member	Independent	1
Mr. Nandkishor Lahoti	Member	Independent	1

Terms of Reference

The following are the terms of reference of the Remuneration Committee:

- a. To determine the remuneration, review performance and decide on variable pay of executive Directors;
- b. Establishment and administration of employee compensation and benefit plans;
- c. Such other matters as related to employee benefits.

Remuneration Policy

All Executive Directors including Chairman and Managing Director and Whole Time Directors receive Salary & Perquisites. Details of the remuneration of Directors for the year 2009-10 are as under: (Rs. in Lacs)

Name of the Director	Salary & Perquisites	Commission	Sitting Fees	Total
Mr. Nitin Sontakke	24.00	Nil	Nil	24.00
Mr. David Kunder	9.00	Nil	Nil	9.00
Mr. Satish Bhagwat	9.00	Nil	Nil	9.00
Mr. Apoorv Sontakke	3.75	Nil	Nil	3.75
Mr. Santosh Dhankude	9.00	Nil	Nil	9.00
Mr. Anil Agashe	Nil	Nil	Nil	Nil
Dr. Vitthal Bachal	Nil	Nil	Nil	Nil
Dr. Vikas Pai	Nil	Nil	Nil	Nil
Mr. Nandkishor Lahoti	Nil	Nil	Nil	Nil
Mr. Niranjan Phadke	Nil	Nil	Nil	Nil
Total	54.75	Nil	Nil	54.75

SHAREHOLDERS/ INVESTOR GRIEVANCE COMMITTEE

Constitution

The constitution and functioning of the Committee is given below:

Name of the Member	Position	Category	Meetings Held	Meetings Attended
Mr. Niranjan Phadke	Chairman	Independent	4	4
Mr. Anil Agashe	Member	Independent	4	4
Mr. David Kunder	Member	Executive Director	4	4

Terms of Reference

The broad terms of reference includes the following:

1. Redressal of shareholder and investors' complaints including but not limited to transfer of shares and issue of duplicate share certificates, non-receipt of balance sheet, non-receipt of declared dividend, etc and
2. Monitoring transfer, transmissions, dematerialization, re-materialization, splitting and consolidation of shares issued by the Company.

The Committee met four times during the year on April 30, 2009, July 31, 2009, October 28, 2009 and January 30, 2010. Mr. Akhilesh Soni, Company Secretary is the Compliance Officer of the Company. The Compliance Officer can be contacted at the Registered Office of the Company as given in General Shareholders Information.

As per clause 47(f) of the listing agreement with stock exchanges, the Company has informed the e-mail-id cs@bluebirdindia.net for redressal of investors' complaints. The equity shares of the Company are compulsorily traded in electronic form on the stock exchanges therefore there has not been any instance or request for physical transfer of shares. As on March 31, 2010 there are only 3 equity shares held in physical form.

A total of 37 queries /complaints were received by the Company from shareholders/investors. All the complaints were resolved by the Company to the satisfaction of the investors and as on March 31, 2010, there were no pending letters of complaints.

FINANCE COMMITTEE

Constitution of Finance Committee

The committee members met 15 times during the year under review on April 8, 2009, May 12, 2009, May 22, 2009, June 16, 2009, June 23, 2009, July 30, 2009, August 31, 2009, September 26, 2009, December 14, 2009, December 21, 2009, December 23, 2009, January 29, 2010, February 08, 2010, February 15, 2010 and March 7, 2010. The constitution and functioning of the Committee is given below:

Name of Member	Position	Category	Meetings attended
Mr. Nitin Sontakke	Chairman	Executive Director	15
Mr. Satish Bhagwat	Member	Executive Director	15
Mr. David Kunder	Member	Executive Director	15

Terms of Reference :

- Opening of bank accounts, specifying signatories to operate bank accounts and closing of bank accounts;
- Review and approve applications for financing of new proposals and/or revision of existing proposals for financing for the purpose of the business of the Company,
- Receive, analyze, compare the proposals/sanctions from various banking and financial institutions,
- Authorize fresh borrowings together with the moneys already borrowed by the Company, not to exceed a sum of Rs. 500 Crores from Banking, Non-Banking and any other Financial Institutions,
- Authorize lease, mortgage or otherwise dispose off the undertaking of the Company with the Banking and/or Financial Institutions for the purpose of borrowing moneys,
- Authorize short term investments upto Rs. 100 Crores with Financial Institutions or Banks,
- Lay down the risk management policy for the Company and to set limits of liquidity and interest rate risks,
- To delegate any of its powers to any of its member or officer of the Company or to its sub-committee, if any formed for the purpose,
- Any other matter that the Board may consider from time to time,
- To obtain legal or other professional advice,
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

GENERAL BODY MEETINGS

Venue, date and time of the Annual General Meetings (AGM) during last three years are as under:

Financial Year	Meeting	Date & Time	Venue	Special Resolutions passed
2006-07	8th Annual General Meeting	August 24, 2007 at 12.00 Noon	The President Hotel, 34/11, Erandawane, Prabhat Road, Pune - 411 004	1. Reduction in remuneration of Mr. Nitin Sontakke, Chairman & Managing Director 2. Reduction in remuneration of Mr. Satish Bhagwat, Director 3. Reduction in remuneration of Mr. David Kunder, Director 4. Reduction in remuneration of Mr.H.B. Arora, Director
2007-08	9th Annual General Meeting	September 26, 2008 at 11.00 AM	The President Hotel, 34/11, Erandawane, Prabhat Road, Pune - 411 004	1. Maintenance of Register of Members in electronic form with Registrar & Transfer Agent, Intime Spectrum Registry Limited, Pune.
2008-09	10th Annual General Meeting	September 30, 2009 at 11.30 AM	The President Hotel, 34/11, Erandawane, Prabhat Road, Pune - 411 004	None

Special Resolution passed through Postal Ballot

No special resolution was passed during the last year through Postal Ballot.

DISCLOSURES

i. Related Party Transactions

Materially significant related party transactions are disclosed in detail in note no. 13 of the Schedule 19(B) forming part of the Annual Accounts for the year 2009-10. Adequate care was taken to ensure that the potential conflict of interest did not harm the interests of the Company at large.

ii. Legal Compliances

The Company follows a formal management policy and system of legal compliance & reporting to facilitate periodical review by the Board of Directors, of compliance status of laws applicable to the Company and steps taken to rectify non-compliances, if any.

There were no instances of material non-compliance and no strictures or penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the previous year.

The Company did not enter into any transaction of material nature with any of its Promoters, Directors or Management or their relatives that may have potential conflict with the interest of the Company.

iii. Mandatory and Non-mandatory requirements

The Company has complied with all mandatory requirements laid down by the Clause 49. The non-mandatory requirements complied with, have been disclosed at the relevant places.

iv. CEO /CFO Certification

The CEO and CFO certification of the Financial Statements for the year 2009-2010 is forming part of the report.

COMMUNICATION TO SHAREHOLDERS

The Company has been sending Annual Reports, notices and other communication to household of each shareholders through post.

The quarterly, half-yearly and audited annual financial results of the Company were submitted to the stock exchanges soon after the Board meeting approval. The Company also published the quarterly, half-yearly and audited annual financial results in at least two leading newspapers - Business Standard (English) / Financial Express (English) & Pudhari (Marathi) / Loksatta (Marathi). These are also promptly put on the Company's website www.bluebirdpune.com

The Company also informs Stock Exchanges in a prompt manner, all price sensitive or such other matter, which in its opinion are material and relevant for the shareholders. Further the Company has also been complying with the listing requirements for filing of its financial results under the EDIFAR system of SEBI. These are available on the SEBI website www.sebiedifar.nic.in

GENERAL SHAREHOLDERS INFORMATION

a. 11th Annual General Meeting

Date & Time Thursday, September 30, 2010 at 9:30 AM
Venue The President Hotel, 34/11, Prabhat Road, Pune – 411 004

b. Tentative Financial Calendar

First Quarter results Second week of August 2010
Half Yearly results Second week of November 2010
Third Quarter results Second week of February 2011
Results for the year-end August 2011

c. Date of Book Closure

Tuesday, September 21, 2010 till Thursday, September 30, 2010 (both days inclusive)

d. Listing on Stock Exchanges and Security Code

At present, the equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Security codes of the same are as below:

Name of Stock Exchange	Security Code
Bombay Stock Exchange Limited (BSE)	532781
National Stock Exchange of India Limited (NSE)	BLUEBIRD
ISIN (Equity Shares)	INE475H01011.

The company has paid the annual listing fees for the year 2010-11 to both of the above stock exchanges.

e. Market Price Data

The closing market price of equity share on March 31, 2010 (last trading day of the year) was Rs. 14.75 on BSE and Rs. 14.70 on NSE.

Monthly Equity Share Price movement during 2009-10 at BSE & NSE						
Month	BSE			NSE		
	High	Low	Volume	High	Low	Volume
April 2009	19.50	14.80	4,65,114	19.50	14.30	6,72,167
May 2009	32.90	16.25	31,82,833	31.50	16.05	39,43,345
June 2009	35.75	22.85	11,90,577	36.15	23.05	1,77,233
July 2009	30.65	20.10	2,33,216	30.70	19.15	2,75,910
August 2009	31.10	24.50	4,21,984	31.00	24.00	2,24,287
September 2009	37.00	28.50	13,17,775	34.05	28.30	15,11,282
October 2009	37.70	26.90	12,05,424	37.90	26.80	20,40,017
November 2009	30.40	26.00	3,33,020	30.30	26.00	5,35,837
December 2009	33.40	27.20	21,28,950	33.70	26.85	17,23,117
January 2010	34.80	26.20	19,71,525	35.00	26.00	29,11,855
February 2010	31.85	23.05	9,84,143	31.80	23.10	14,31,474
March 2010	25.00	14.75	20,39,922	25.00	14.70	24,08,750

f. Distribution of shareholding as at March 31, 2010

By size of shareholding

Shareholding of Nominal Shares (of Rs. 10 each)	Shareholders Number	Percentage of Total	Share Amount Rs.	Percentage Of Total
1 - 5000	18963	87.9668	29847650	8.5279
5001 - 10000	1333	6.1836	10932560	3.1236
10001 - 20000	605	2.8065	9275050	2.6500
20001 - 30000	231	1.0716	5903990	1.6869
30001 - 40000	98	0.4546	3545020	1.0129
40001 - 50000	80	0.3711	3759770	1.0742
50001 - 100000	121	0.5613	9055440	2.5873
100001 - 999999999	126	0.5845	277680520	79.3373
Total	22210	100.00	350000000	100.0000

By category of shareholders

Category	No. of Shares		Total Shares	Percentage
	Electronic	Physical		
Promoter & Promoters' Group (including person acting in concert)	17411913	--	17411913	49.7483
Banks, Financial Institutions and Mutual Fund	99224	--	99224	0.2835
Foreign Institutional Investors/ NRIs / OCB/ Foreign Companies	2454830	--	2454830	7.0139
Bodies Corporate	4791085	--	4791085	13.6888
Clearing Member	1096513	--	1096513	3.1329
Public	9146432	3	9146435	26.1327
TOTAL	34999997	3	35000000	100.0000

g. Dematerialisation of Securities

The equity shares of the Company are traded compulsorily in the dematerialized segment of all the stock exchanges. Except for 3 equity shares, which are in physical form, all other equity shares are in dematerialized form.

h. Company has not issued any GDRs/ADRs/Share warrants or any convertible instruments

i. Registered Office

Blue Bird (India) Limited,
759/74, Prabhat Road, Deccan Gymkhana,
Pune 411 004

j. Plant location

Maharashtra : Gat no. 277,278,287 Zalanwadi,
Gorhe Khurd, Pune- Panshet Road,
Pune- 411042.

Karnataka : Plot No. 22-24, Sr No 17-18
Antharasanahalli, 1st Phase,
Antharasanahalli Village,
KIADB Industrial Area, Tumkur- 572106

k. Compliance Officer

Mr. Akhilesh Soni, Company Secretary,
Blue Bird (India) Limited, 759/74, Prabhat Road,
Deccan Gymkhana, Pune – 411 004
Phone: +91 20 25676163
Fax: +91 20 25676164
E-Mail -Id: a.soni@bluebirdindia.net

l. Investor Services

E-Mail-Id : cs@bluebirdindia.net

m. Registrar & Transfer Agent

Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited)
Block No. 202, 2nd Floor, Akshay Complex,
Near Ganesh Temple, Off Dhole Patil Road,
Pune- 411001.
Phone: +91 20 26050084
Fax: +91 20 26053503

For and on behalf of the Board of Directors

Place: Pune
Date: August 31, 2010

Nitin Sontakke
Chairman & Managing Director

DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT

I hereby declare that all the designated personnel in the Senior Management of the Company have affirmed compliance with the Code of Conduct as applicable to them for the financial year ended March 31, 2010.

Place: Pune,
Date: August 31, 2010

For Blue Bird (India) Limited

Nitin Sontakke
Chairman and Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Blue Bird (India) Limited

We have examined the compliance of conditions of Corporate Governance by Blue Bird (India) Limited for the year ended March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of an opinion on the financial statements of the company.

In our opinion and to best of our information and according to the explanations given to us, we certify that the Company, except for non-attendance in the last Annual General Meeting by the Audit Committee Chairman and a delay in submission of corporate governance report for March 2010 quarter, has complied with the other conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreements.

We state that no Investor Grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For M/s Shashank Patki and Associates,
Firm Regn. No. 122054W
Chartered Accountants,

Shashank Patki
Partner
Membership No. 035151

Place: Pune
Date: August 31, 2010

**CHIEF EXECUTIVE OFFICER (CEO) AND
CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

To
The Board of Directors,
Blue Bird (India) Limited

We, the undersigned, in our respective capacities as Managing Director and Director Finance of Blue Bird (India) Limited ("the Company"), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2010 and based on our knowledge and belief, we state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (i) significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place : Pune
Date : August 31, 2010

Nitin Sontakke
Chairman and Managing Director

David Kunder
Director Finance

AUDITORS' REPORT

TO THE MEMBERS OF BLUE BIRD (INDIA) LIMITED,

We have audited the attached Balance Sheet of Blue Bird (India) Limited, as at March 31, 2010 and the Profit and Loss Account for the year ended on that date annexed thereto and cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting, the amounts and disclosures in the financial statements. An audit also includes 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.

- 1) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we annex hereto, a statement on the matters specified in paragraph 4 of the said order,
- 2) Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account of the Company;
 - d) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report are in compliance with accounting standards referred to in section 211(3C) of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that, none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, **subject to note no. 11 regarding accounts prepared on going concern basis since the company is confident of revival after approval of CDR proposal despite cash loss and notices received from a lender and a few creditors u/s 433 and 434 of the Companies Act, 1956 and note no. 16 regarding estimated provision made for doubtful debtors**, the said accounts read with Notes to accounts 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:
 - (i) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
 - (ii) In the case of the Profit & Loss Account, of the loss of the Company for the year ended on that date.
 - (iii) In the case of the Cash flow statement of the cash flows of the company for the year ended on that date.

For M/s Shashank Patki & Associates
Firm Regn. No. 122054W
Chartered Accountants

Shashank Patki
Partner
Membership No. 035151

Place: - Pune
Date: June 09, 2010

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date on the accounts for the year ended March 31, 2010 of Blue Bird (India) Limited)

- 1) a) The Company has maintained proper computerised records showing full particulars, including quantitative details and situation of its fixed assets.
b) As informed to us, major fixed assets (Land, Buildings and Plant & Machinery) of the Company have only been physically verified by the Management during the year. The company has formulated a policy of verification of land, Buildings and Plant and Machinery once in a year and of other assets once in two years. No material discrepancies were reportedly noticed by the management on such verification.
c) The company has not disposed off a substantial part of fixed assets during the year.
- 2) a) As informed to us, the inventory of the company has once been physically verified by the management during the year. Further detailed stock audit is conducted by independent auditors appointed by consortium banks, twice during the year.
b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories and discrepancies noticed on physical verification between stock and the book records were not material and have been properly dealt with in the accounts.
- 3) The Company has taken unsecured interest free loan from directors. As per information and explanation given to us, the terms and conditions thereof are prima- facie, not prejudicial to the interests of the company. Except this, according to the information and explanations given to us, the company has not granted/ taken any loans secured or unsecured to/from companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956.
- 4) In our opinion and according to the information and explanations given to us, the company has an internal control system for the purchase of inventory and fixed assets and for the sale of goods and services. **However, the same (including for credit assessment of debtors and recovery from Debtors) needs to be strengthened so as to be commensurate with the size of the company and nature of its business.** Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any other instance of continuing failure to correct major weaknesses in internal control.
- 5) a) In our opinion and to the best of our knowledge and belief, and according to the information and explanations given to us, the transactions that needed to be entered in the Register maintained under Section 301 of the Companies Act, 1956, have been so entered.
b) According to the information and explanation given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, exceeding the value of Rs. Five Lacs in respect of any party during the year.
- 6) As per the information and explanations given to us, there are no deposits accepted from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder.
- 7) In our opinion, the Company has a reasonable internal audit system commensurate with its size and nature of its business.
- 8) According to the information and explanations, given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) Section 209 of the Companies Act, 1956 for the industry in which the company operates.

- 9) a) **According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the company is irregular in depositing undisputed amounts outstanding including Provident fund, Employees State Insurance, Sales tax and other material statutory dues with the appropriate authorities. TDS of Rs. 29.98 Lacs and Income Tax of Rs. 521.41 lacs was outstanding on 31st March 2010 for more than six months.**
- b) Disputed Income Tax demands have been deposited with the Income Tax Authorities.
- 10) The Company does not have accumulated losses as at 31.03.2010. However it has incurred cash losses during the financial year ended on that date.
- 11) According to the information and explanations given to us, **the company defaulted in the payment of its dues to financial institutions, banks during the year.** As mentioned in Note No. 11, the Company has submitted a CDR proposal, pending consideration by CDR cell of Reserve Bank of India.
- 12) According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) The company is not a chit or a nidhi /mutual benefit fund/society, therefore, the clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- 14) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures or other investments and hence, the requirements of Para 4 (xiv) are not applicable to the company.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- 16) The Company has not during the year, availed any term loans from Bank. **Term loans availed in earlier years have not been utilized for the purpose for which they were sanctioned.**
- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow of the Company, we report that no funds raised on Short Term Basis have been used for Long Term Investment.
- 18) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- 19) During the year, the company has issued Non Convertible Debentures. As informed to us, no security has been created for the same.
- 20) The Company has not raised any money by public issue of shares during the year.
- 21) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For M/s Shashank Patki & Associates
Firm Regn. No. 122054W
Chartered Accountants

Shashank Patki
Partner
Membership No. 035151

Place: - Pune
Date: June 09, 2010

BLUE BIRD (INDIA) LIMITED
BALANCE SHEET AS AT MARCH 31, 2010

Particulars	Schedule	As at March 31, 2010 Rs. in Lacs	As at March 31, 2009 Rs. in Lacs
Sources of Funds			
Share Capital	1	3,500.00	3,500.00
Reserves and Surplus	2	11,671.34	16,922.78
		15,171.34	20,422.78
Loan Funds			
Secured Loans	3	47,703.18	50,176.38
Unsecured Loans	4	15,355.11	375.00
		63,058.29	50,551.38
Deferred Tax Liability		-	575.87
TOTAL		78,229.63	71,550.03
Application of Funds			
Fixed Assets			
Gross Block	5	11,153.27	11,045.52
Less : Accumulated Depreciation		2,882.47	2,130.96
Net Block		8,270.80	8,914.56
Capital Work in Progress (incl. Advances)		1,874.61	1,863.83
		10,145.41	10,778.39
Deferred Tax Asset		2,167.30	-
Current Assets, Loans and Advances			
Inventories	6	26,948.18	36,572.33
Sundry Debtors	7	44,058.36	34,158.81
Cash and Bank balances	8	178.83	1,341.11
Loans and Advances	9	800.87	1,363.75
		71,986.24	73,436.00
Less : Current Liabilities and Provisions			
Current Liabilities	10	5,552.23	11,921.85
Provisions	11	517.09	742.51
		6,069.32	12,664.36
Net Current Assets		65,916.92	60,771.64
TOTAL		78,229.63	71,550.03
Significant Accounting Policies and Notes forming part of the Accounts	19		

As per our Report of even date.

For M/s Shashank Patki & Associates,
Firm Regn No. 122054W
Chartered Accountants,

For and on behalf of the Board

Shashank Patki
Partner
Membership No.-035151

Nitin Sontakke
Chairman & Managing Director

David Kunder
Director Finance

Satish Bhagwat
Director Technical

Santosh Dhankude
Director Production

Akhilesh Soni
Company Secretary

Place : Pune
Date : June 09, 2010

BLUE BIRD (INDIA) LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

Particulars	Schedule	For the Year Ended March 31, 2010 Rs. in Lacs	For the Year Ended March 31, 2009 Rs. in Lacs
Income			
Sales - Domestic		38,038.64	46,553.82
- Export		1,977.89	2,265.26
- Trading		471.13	905.21
- Construction Division		2,315.00	497.74
		42,802.66	50,222.03
Other Income	12	257.05	224.48
Total Income		43,059.71	50,446.51
Expenditure			
Material Consumption	13	33,449.36	44,008.63
(Increase)/Decrease in Inventory	14	3,623.16	(7,376.71)
Other Manufacturing Expenses	15	592.26	1,458.65
Employee Cost	16	816.56	774.62
Administrative and Selling Expenses	17	4,089.24	2,128.54
Depreciation		747.39	681.63
Interest & Finance Charges	18	7,782.12	6,453.84
Total Expenditure		51,100.09	48,129.20
Profit before Tax		(8,040.38)	2,317.31
Less : Provision for Taxation			
- Current Tax		1.50	736.70
- Deferred Tax		(2,743.17)	93.50
- Fringe Benefit Tax		-	16.82
		(2,741.67)	847.02
Profit after Tax		(5,298.71)	1,470.29
Less : Tax provision for earlier years		47.27	(5.89)
Add : Balance of profit brought Forward		8,477.89	7,073.49
Profit available for Appropriation		3,226.45	8,537.89
Appropriation			
Proposed Dividend		-	-
Tax on Dividend		-	-
Transfer to General Reserve		-	60.00
Balance carried to Balance Sheet		3,226.45	8,477.89
Total Appropriation		3,226.45	8,537.89
Basic/Diluted Earnings per Share		(15.14)	4.20
Significant Accounting Policies and Notes forming part of the Accounts	19		

As per our Report of even date.

For M/s Shashank Patki & Associates,
Firm Regn No. 122054W
Chartered Accountants,

For and on behalf of the Board

Shashank Patki
Partner
Membership No.-035151

Nitin Sontakke
Chairman & Managing Director

David Kunder
Director Finance

Satish Bhagwat
Director Technical

Santosh Dhankude
Director Production

Akhilesh Soni
Company Secretary

Place : Pune
Date : June 09, 2010

Schedules forming part of Balance Sheet as at March 31, 2010

Particulars	As at March 31, 2010 Rs. in Lacs	As at March 31, 2009 Rs. in Lacs
Schedule 1 - Share Capital		
Authorised Share Capital 45,000,000 Equity Shares of Rs.10/- each (Previous year 45,000,000 Equity Shares of Rs.10/- each)	4,500.00	4,500.00
Issued, Subscribed and paid-up 35,000,000 Equity Shares of Rs.10/- each fully paid-up (Previous year 35,000,000 Equity Shares of Rs.10/- each fully paid-up)	3,500.00	3,500.00
TOTAL	3,500.00	3,500.00
Schedule 2 - Reserves and Surplus		
General Reserve :		
Opening Balance	423.78	363.78
Add: Transferred from Profit & Loss Account	-	60.00
	423.78	423.78
Share Premium As per last Balance sheet	8,021.11	8,021.11
	8,021.11	8,021.11
Profit and Loss Account (as per account annexed)	3,226.45	8,477.89
TOTAL	11,671.34	16,922.78
Schedule 3 - Secured Loans		
Term Loans (Secured by way of hypothecation & mortgage of Fixed Assets of the company and charged by way of hypothecation of Inventories & Book Debts and personal guarantee of a Director and his relatives)	8,508.61	8,293.54
Working Capital Borrowings (Secured by way of hypothecation of Inventories and Book Debts and charge on Fixed Assets of the company and personal guarantee of a Director and his relatives and pledge of shares of promoters)	39,194.57	41,882.84
TOTAL	47,703.18	50,176.38
Schedule 4 - Unsecured Loans (Repayable within One year)		
From Banks	4,062.23	-
From Others	1,188.12	375.00
Non Convertible Debentures	10,104.76	-
TOTAL	15,355.11	375.00

Schedule 5 : Fixed Assets (At Cost) Schedules forming part of Balance Sheet as at March 31, 2010

(Rs. in Lacs)

Assets	Gross Block			Depreciation / Amortisation			Net Block	
	As at April 1, 2009	Additions During the year	Deletions During the year	As at April 1, 2009	For the year	Deletions During the year	As at March 31, 2010	As at March 31, 2009
Land - Freehold	732.84	-	-	-	-	-	732.84	732.84
Land - Leasehold	370.34	-	-	37.05	10.78	-	322.51	333.29
Building	3,532.94	15.63	-	234.43	118.17	-	3,195.97	3,298.51
Office Premises	440.25	-	-	31.26	14.70	-	394.29	408.99
Plant & Machinery	5,027.48	94.64	18.00	1,580.29	524.70	6.23	3,005.36	3,447.19
Furniture & Fixture	278.49	7.30	-	55.74	17.86	-	212.19	222.75
Vehicles	277.33	-	0.86	93.27	26.27	0.43	157.36	184.06
Computer	174.74	2.85	-	60.46	28.58	-	88.55	114.28
Other Assets	211.11	6.19	-	38.46	17.11	-	161.73	172.65
	11,045.52	126.61	18.86	2,130.96	758.17	6.66	8,270.80	8,914.56
Transfer to WIP / Advance	-	-	-	-	10.78	-	-	-
					<u>747.39</u>			
Previous Year	8,072.77	2,985.22	12.47	1,448.12	681.63	6.05	8,914.56	6,624.65

Note : 1) Leasehold Land includes an amount of Rs 17.24 lacs (previous year Rs. 17.24 lacs) representing deposit paid to Landlords for land taken on leave & licence / Lease. The Lease deeds have expired pending renewal.

2) Final sale deed is pending for certain formalities to be completed by the seller in respect of freehold land of Rs. 623.39 lacs (previous year Rs. 623.39 lacs) & factory building of Rs. 451.70 lacs (previous year Rs. 451.70 lacs) at Tumkur. Agreement to sale has properly been executed by paying the requisite stamp duty & registration charges.

3) Movable assets at the regional offices closed during the year are in the process of transfer.

Schedules forming part of Balance Sheet as at March 31, 2010 (Contd...)

Particulars	As at March 31, 2010 Rs. in Lacs	As at March 31, 2009 Rs. in Lacs
Schedule 6 - Inventories (At lower of cost or net realisable value) (Taken, Certified and Valued by the Management)		
Raw Material	11,195.29	15,365.26
Land (Stock in trade)	1,103.80	2,934.82
Finished Goods	14,334.80	17,888.50
Stock in Trade / transit	3.39	129.30
WIP- Construction	310.90	254.45
TOTAL	26,948.18	36,572.33
Schedule 7 - Sundry Debtors (Unsecured, Considered Good)		
Over six months	39,292.99	12,442.90
Others	4,765.37	21,715.91
Considered Doubtful	2,510.20	10.20
Less : Provision for Doubtful Debts	(2,510.20)	(10.20)
TOTAL	44,058.36	34,158.81
Schedule 8 - Cash and Bank Balances		
Cash in hand	26.90	543.20
Balance with Banks		
- In Current Accounts	24.74	657.99
- In Fixed Deposits (including interest accrued of Rs. 16.71 lacs (Previous year Rs. 17.53 lacs)	127.19	139.92
	151.93	797.91
TOTAL	178.83	1,341.11
Schedule 9 - Loans and Advances (Unsecured, Considered Good)		
Advance Recoverable in cash or in kind or for value to be received	800.87	1,363.75
TOTAL	800.87	1,363.75
Schedule 10 - Current Liabilities		
Sundry Creditors	4,337.22	1,637.82
Other Current Liabilities	1,199.89	235.69
Interest accrued but not due	15.12	603.80
Book Overdraft(since cleared)	-	9,444.55
TOTAL	5,552.23	11,921.85
Schedule 11 - Provisions		
Provision for Tax	517.09	742.51
Proposed Dividend	-	-
Provision for Tax on Dividend	-	-
TOTAL	517.09	742.51

Schedules forming part of Profit and Loss Account for the year ended March 31, 2010

Particulars	For the Year Ended March 31, 2010 Rs. in Lacs	For the Year Ended March 31, 2009 Rs. in Lacs
Schedule 12 - Other Income		
Interest (Gross) (Tax deducted at Source Rs.0.96 lacs, Previous year Rs 2.55 Lacs)	8.94	36.26
Interest on Income tax Refund	2.70	-
Other Income	245.41	188.22
TOTAL	257.05	224.48
Schedule 13 - Material Consumption		
Opening Stock	18,300.08	11,112.89
Add : Purchases	27,448.37	51,195.82
	45,748.45	62,308.71
Less : Closing Stock	12,299.09	18,300.08
TOTAL	33,449.36	44,008.63
Schedule 14 - Change in Inventory		
Opening Stock - Finished Goods	18,017.80	10,652.50
Opening Stock - WIP (Construction Activity)	254.45	243.04
Closing Stock - Finished Goods	14,338.19	18,017.80
Closing Stock - WIP (Construction Activity)	310.90	254.45
(Increase)/Decrease in Inventory	3,623.16	(7,376.71)
Schedule 15 - Other Manufacturing Expenses		
DTP Charges	0.32	0.69
Labour Charges	209.86	249.90
Freight and Octroi	128.73	360.63
Processing Charges	120.51	145.01
Power & Fuel	96.51	140.54
Subcontract - Constuction Activity	-	472.31
Repairs and Maintenance - Plant & Machinery	36.33	89.57
TOTAL	592.26	1,458.65
Schedule 16 - Employee Cost		
Salaries & Wages	743.69	680.28
Contribution to Provident Fund & Other Funds	49.76	48.79
Staff Welfare	23.11	45.55
TOTAL	816.56	774.62

Schedules forming part of Profit and Loss Account for the year ended March 31, 2010 (Contd...)

Particulars	For the Year Ended March 31, 2010 Rs. in Lacs	For the Year Ended March 31, 2009 Rs. in Lacs
Schedule 17 - Administration and Selling Expenses		
Rent	131.42	102.29
Insurance	54.86	51.19
Postage and Telephone	42.50	55.30
Printing and Stationery	11.32	13.52
Travelling and Conveyance	145.74	228.16
Legal and Professional Fees	49.05	390.90
Bank Charges & Commission	376.60	295.82
Repairs and Maintenance		
- Buildings	4.46	6.00
- Others	24.13	45.63
	28.59	51.63
Bad Debts	24.89	194.78
Advertisement	37.80	171.24
Commission on Sales	33.46	53.93
Business Promotion	-	3.07
Exchange rate variation	152.73	4.28
Loss on sale of assets	6.81	4.83
Provision for Doubtful Debts	2,500.00	-
Other Miscellaneous Expenses	493.47	507.60
TOTAL	4,089.24	2,128.54
Schedule 18 - Interest and Finance Charges		
Term Loans	952.89	923.45
Other Loans	6,829.23	5,530.39
TOTAL	7,782.12	6,453.84

Schedule 19 – Significant Accounting Policies and Notes to Accounts

Nature of Operations

Blue Bird (India) Limited [“The Company”] is engaged in the manufacturing of Student Books / Exercise Books, Printing and Publication of books, trading of paper and Commercial Printing etc. The Company is also engaged in construction activity.

A) Significant Accounting Policies

1. Basis of Accounting

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

2. Use of Estimates

The preparation of financial statements requires making certain estimates and assumptions necessary for reporting of amounts in the financial statements and notes thereto. Differences, if any, between actual and estimates are recognized in the period in which they materialize.

3. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs related to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use.

4. Depreciation/Amortisation

- a. Depreciation is provided on fixed assets, under Straight Line Method at rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on additions/deletions during the year is provided on pro-rata basis.
- b. Premium & other expenditure on leasehold land is amortised over the period of lease.

5. Inventories

- a. Raw Material, components, stores and spares and land (stock in trade) are valued at lower of cost or net realizable value. Cost is determined on First In First Out (FIFO) basis.
- b. Work-in-progress in respect of construction activity is valued at cost. Cost includes land cost, direct materials and labour and a proportion of operating overheads including borrowing costs. In case work is completed for more than 25% of the total work in each case, work-in-progress is valued inclusive of estimated profit on percentage completion basis.
- c. Finished goods are valued at lower of cost or net realizable value. Cost includes direct materials and labour and proportion of manufacturing overheads based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business.
- d. Stock in Trade / transit is valued at cost.

6 Revenue Recognition

- a. Sales are excluding duties and taxes, net of usual trade discounts. Revenue from sale of goods is recognized on the basis of dispatch of goods when ownership, risk & reward is transferred to the customers.
- b. Sales of construction activity are excluding duties and taxes. Revenue from sale of property is recognized on transfer of ownership to the customers. Revenue from construction contracts is recognized on the basis of bills submitted on certification of work carried out.
- c. Revenue from interest is recognized on time proportion basis.

7. Foreign Currency Transactions

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction.
- b. Monetary assets and liabilities denominated in foreign currencies are translated into rupee currency at the year end. Non-monetary foreign currency assets are carried at cost.
- c. Any gains or losses on account of exchange differences either on settlement or on transaction are recognized in the profit and loss account.

8. Retirement benefits and other employee benefits (AS – 15)

Retirement benefits and other employee benefits in the form of Provident Fund and Gratuity are charged to Profit & Loss account of the year when the contribution to the respective fund is due.

9. Taxation

Tax expense comprises of both current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred income taxes reflect the combined impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

10. Impairment Loss

As per Accounting Standard AS-28 'Impairment of Assets' effective from April 01, 2004, the Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired and if such indication exists, the carrying value of such asset is reduced to its recoverable amount and a provision is made for such impairment loss in the Profit and Loss Account.

11. Borrowing Costs

Borrowing Costs attributable to the acquisition and construction of the qualifying assets are capitalized as part of the cost of respective assets upto the date when such asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are charged to Profit & Loss Account.

12. Earning Per Share

Basic Earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has not issued any dilutive potential equity shares and accordingly, the basic earning per share and diluted earning per share are the same.

13. Provisions, Contingent Liabilities and Contingent Assets

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities if material are disclosed by way of notes to accounts. Contingent assets are not recognized.

B) NOTES TO ACCOUNTS

1. Contracts remaining to be executed on capital account and not provided for Rs.196.00 Lacs (Previous Year Rs. 519.00 Lacs)
2. Contingent Liability not provided for-
 - a) Bank Guarantees issued by banks on behalf of the Company Rs. 163.15 Lacs (Previous year Rs.163.15 lacs) for import of Plant & Machinery against licenses granted under EPCG Scheme for payment of Customs Duty.
 - b) Other Bank Guarantees – Rs. 46.90 Lacs (Previous Year Rs.48.10 lacs)
 - c) Guarantee Bonds issued in favour of the Customs Authorities amounting to Rs. 1524.00 lacs (Previous year Rs. 1,524.00 Lacs) for fulfillment of export obligations of USD 134.15 Lacs equivalent to Rs.6,123.13 Lacs for import of machinery against licenses granted under EPCG Scheme. The Company has to fulfill the said export obligation by August 06, 2016. The Company has fulfilled export obligations of USD 106.93 lacs upto March 31, 2010, however, the cancellation of the guarantee bonds to that extent is in process.
 - d) Fines/Penalties for default in payment of statutory dues (Amount not ascertainable).
 - e) Disputed Income Tax demands in respect of earlier years Rs. 22.06 Lacs (Previous Year Rs.22.06 lacs). The amount has been paid under protest against these demands.
3. Non convertible Debentures were to be redeemed in full latest by August 31, 2009. The debentures have not been redeemed.
4. Employee Cost includes Managing and Whole Time Directors' Remuneration under section 198 of the Companies Act, 1956 as under : (Rs. in Lacs)

Particulars	March 31, 2010	March 31, 2009
i) Salary and Allowances	54.75	60.00
ii) Contribution to Provident Fund and Other Funds	0.00	0.00
TOTAL	54.75	60.00

No commission has been paid to the directors.

5. Computation of Managerial Remuneration as per Section 198 & 349 of the Companies Act, 1956 :

Rs.in Lacs

	Particulars	March 31, 2010	March 31, 2009
1.	Profit before tax as per Profit and Loss Account	(8,040.38)	2,317.31
2.	Add : Expenses not to be considered as per Section 349-Directors' Remuneration	54.75	60.00
3.	Add: Provision for Doubtful debts	2,500.00	0.00
4.	Less: Fringe Benefit Tax	0.00	16.82
5.	Net Profit Computed as per Section 349 of the Companies Act, 1956	(5,485.63)	2,360.49
6.	10% of the above	-	236.05

Managerial Remuneration for previous year is within the above limits. During the current year the Company has incurred losses. The Managerial remuneration for the year is within the limits prescribed by schedule XIII to the Companies Act, 1956.

6. Auditors Remuneration

Rs. in Lacs

	Particulars	March 31, 2010	March 31, 2009
i)	Audit Fees	4.41	3.86
ii)	Tax Audit Fees	0.00	0.95
iii)	Taxation and Other Matters	2.21	2.19
	TOTAL	6.62	7.00

7. Earnings per Share [EPS] -

	Particulars	March 31, 2010	March 31, 2009
1.	Net Profit after Tax [Rs. Lacs]	(5,298.71)	1,470.29
2.	No. of Weighted Average Equity Shares	35,000,000	35,000,000
3.	Face Value of each Equity Share	Rs.10.00	Rs.10.00
4.	Basic/Diluted Earnings per Share [EPS] (Rs.)	(15.14)	4.20

8. Deferred tax Liabilities consist of the following:

Rs. in Lacs

	Particulars	March 31, 2010	March 31, 2009
	Deferred tax Liabilities on account of timing difference of depreciation on Fixed Assets	576.00	575.87
	Deferred Tax Asset on account of timing difference of provision for doubtful debts and unabsorbed losses	(2,743.30)	0.00
	Deferred Tax Liabilities / (Assets)(Net)	(2,167.30)	575.87
	Charge for the year	(2,743.17)	93.50

The Company is confident of earning future profits (sufficient to recover Deferred Tax Assets) after CDR package becomes effective.

9. Material Consumption is net of sale of raw material of Rs. 192.66 Lacs (Previous Year Nil)

10. Other liabilities include Rs. 2.01 Lacs (Previous year Rs.2.12 Lacs) being amounts refundable to unsuccessful share applicants in the public issue and Rs. 3.50 Lacs (previous year Rs. 3.67Lacs) being dividend warrants not encashed by shareholders. These amounts are lying in separate bank accounts.

11. The Company, during the year, incurred cash loss. Also it could not recover its dues from the customers in time. This has resulted into a cash crunch faced by the Company. Consequently, the Company defaulted in repayment of interest and principal amounts to its lenders. The Company has also received notices under Section 433 and 434 of the Companies Act, 1956 from a lender and a few suppliers for non payment of their dues. The Company is in negotiations with these parties for reschedulement / extension of time. The Company is confident of settling the matter amicably.

The Company has submitted a Corporate Debt Restructuring (CDR) proposal to CDR cell of Reserve Bank of India, seeking extension of time for repayment of its borrowings and interest thereon and certain other concessions effective January 31, 2010. In the said proposal, payment of all dues has been considered to be made in a phased manner. The proposal has been admitted by the CDR cell subject to fulfillment of certain conditions. The Company is confident of compliance of all the requisite formalities and of getting the proposal approved from CDR cell. The viability of CDR proposal is assessed by an independent agency appointed by the lead bank of consortium.

In view of the foregoing, the accounts have been prepared on going concern basis.

12. Segment Reporting

The Company operates mainly in five business segments namely Student Books/Exercise Books, Publication/ Commercial Printing, Exports, Trading and Construction Activity. The segment wise reports are as follows:

Rs. in Lacs

Particulars	Year ended March 31,2010	Year ended March 31,2009
1 . Segment Revenue		
Note Books	23,672.15	30,381.14
Publication	13,545.84	15,019.83
Printing	820.65	1,152.85
Exports	1,977.89	2,265.26
Construction Activity	2,315.00	497.74
Trading	471.13	905.21
Total	42,802.66	50,222.03
Less : Inter Segment Revenue		
Net Sales/Income from Operations	42,802.66	50,222.03
Total	42,802.66	50,222.03
2. Segment Results (Profit)(+) / Loss (-) before tax and interest from each segment	Fixed Assets and Manpower of the Company's business or liabilities contracted can not be identified to any business and geographical segment as the Fixed Assets and Manpower are used interchangeably between business and geographical segments and a meaningful segregation is not possible.	
Less :		
i) Interest	7,782.11	6,453.84
ii) Other Un-allocable Expenditure		
Net off Un- allocable income	43,060.93	41,450.88
Profit before Tax	(8,040.38)	2,317.31

13. Statement of Related Parties Disclosure

A. List of Related parties

Associate Companies

N.S. Shares & Investments Private Limited
Ajinkya Hotelling Private Limited
Vastu Housing Finance Corporation Limited
Bhoomiputra Infrastructure Private Limited

Key Management Personnel

Nitin Sontakke, Chairman & Managing Director
Apoorv Sontakke, Director Marketing (Exports) Upto August 31, 2009
David Kunder, Director Finance
Satish Bhagwat, Director Technical
Santosh Dhankude, Director Production

Relatives of Directors

Vidya Sontakke
Apoorv Sontakke - after September 1, 2009

B. Transactions with Related parties

Rs.in Lacs

Particulars	March 31, 2010	March 31, 2009
Remuneration to Key Management Personnel		
- Nitin Sontakke	24.00	24.00
- Apoorv Sontakke	3.75	9.00
- David Kunder	9.00	9.00
- Satish Bhagwat	9.00	9.00
- Santosh Dhankude	9.00	9.00
Rent paid to Key Management Personnel		
- Apoorv Sontakke	3.00	3.00
Deposit for Land on Lease (Outstanding)		
- Nitin Sontakke	10.60	10.60
- Vidya Sontakke	6.64	6.64
Unsecured Loan taken (Outstanding)		
- Nitin Sontakke	822.13	375.00
- David Kunder	101.04	0.00
- Santosh Dhankude	64.95	0.00

14. The Company has not given or taken any asset on financial lease as on Balance Sheet date. The Company has taken two manufacturing premises and commercial premises under cancelable operating leases. The lease agreements are usually renewable by mutual consent on mutually agreeable terms. The expenses in respect of operating leases have been accounted as Administrative Expenses.

15. In the opinion of the management, all the Current Assets, Loans and Advances are good, recoverable and approximately of the value stated, if realized in the ordinary course of the business.

16. Debtors and Creditors are subject to confirmation, reconciliation and consequential adjustments, if any. During the year, the lead bank of the consortium had appointed an independent firm of Chartered Accountants to assess the correctness and recoverability of the major customers covering substantial part of the dues of the Company. The said auditors have submitted their report.

On assessment of debtors, the management is of the opinion that it may be able to recover only some partial dues from some of its customers. Considering this eventuality, a provision for doubtful debts has been made on estimated basis.

17. Land (Stock in Trade) includes –

- (i) Advances paid for purchase of land - Nil (Previous year Rs.306.03 lacs)
- (ii) Right to purchase of land acquired under a memorandum of understanding – Nil (Previous Year - Rs. 67.37)

18. Licenced Capacity, Installed Capacity and Production

	Student Books/Exercise Books	March 31, 2010		March 31, 2009	
		Qty.(MT)	Rs. Lacs	Qty.(MT)	Rs. Lacs
1	Licenced Capacity	NA	NA	NA	NA
2	Installed Capacity [MT]	71,000	-	71,000	-
3	Opening Stock	23,682	14,967.86	15,389	9,387.19
4	Production	29,019	20,472.91	55,130	34,972.73
5	Closing Stock	23,882	12,240.48	23,682	14,967.86
6	Sales	28,819	25,650.04	41,450	29,018.13

Printing and Publication		March 31, 2010		March 31, 2009	
	Particulars	Qty.(MT)	Rs. Lacs	Qty.(MT)	Rs. Lacs
1	Installed Capacity [MT]	23,000	-	23,000	-
2	Opening Stock	3,895	2,920.64	2,008	1,265.31
3	Production	12,491	11,437.62	15,489	11,306.37
4	Outsourced	1,475	1,106.25	1,650	1,237.50
5	Total (3+4)	13,966	12,543.87	17,139	12,543.87
6	Closing Stock	4,201	2,094.32	3,895	2,920.64
7	Sales	13,660	14,366.49	15,252	16,172.68

Trading (Paper)		March 31, 2010		March 31, 2009	
	Particulars	Qty.(MT)	Rs. Lacs	Qty.(MT)	Rs. Lacs
1	Opening Stock	288	129.30	0.00	0.00
2	Purchases	686	320.67	2,304	1,034.51
3	Closing Stock	0	3.39	288	129.30
4	Sales	974	471.13	2,016	905.21

19.	Particulars	March 31, 2010		March 31, 2009	
	Major Raw Material Consumed	Qty. (MT)	Rs. Lacs	Qty. (MT)	Rs. Lacs
	Paper	42,357	20,821.74	72,060	34,041.18

20.	Value of imported & indigenous raw materials consumed.	March 31, 2010		March 31, 2009	
		%	Rs. Lacs	%	Rs. Lacs
	Imported	0.00	0.00	0.00	0.00
	Others	100.00	33,449.36	100.00	44,008.63
	Total	100.00	33,449.36	100.00	44,008.63

Rs. in Lacs

21.		March 31, 2010	March 31, 2009
	FOB Value of Exports	1,904.28	2,127.68

Rs. in Lacs

22.	CIF value of Imports	March 31, 2010	March 31, 2009
	- Raw material	0.00	0.00
	- Fixed Assets	0.00	388.32
	- Spares	0.00	7.39

Rs. in Lacs

23.	Expenditure in Foreign Currency	March 31, 2010	March 31, 2009
	- Travelling Expenses	1.21	14.45
	- Royalty	0.12	0.22

24. Disclosure as per AS 15 (As per report received from LIC of India)

The Principal assumption in actuarial valuation of Gratuity (Funded) is as under

Discount Rate	8.00%
Expected rate of return on assets	7.50%
Expected rate of future salary increase	5.00%

	March 31,2010
Change in present value of obligation	
Present value of obligations as at 01.04.2009	
Interest cost	27.04
Current service cost	2.16
Benefits paid	11.67
Actuarial Gain on obligations	(2.29)
Present value of obligations as at 31.03.2010	(11.71)
	26.87
Change, in fair value of plan assets	
Present value of obligations as at 31.03.2010	26.87
Fair value of plan assets as at the end of the year	37.26
Unfunded status	-
Unrecognised Actuarial (Gain)/Loss	-
Net (Assets)/Liability recognized in Balance Sheet	10.39
Expenses recognized in Profit and Loss account	
Current service cost	11.67
Past service cost	-
Interest Cost	2.16
Expected return on plan assets	(3.25)
Net Actuarial (Gain)/Loss recognised during the year	(11.71)
Total expenses recognized in Profit and Loss Account	(1.13)

25 Provisions

Rs. in Lacs

Sr. No.	Particulars	Opening Balance As on April 01, 2009	Additional provision during the year	Amount paid/ utilized/ reversed during the year	Closing Balance As on March 31, 2010
1	Provision for Current Tax	742.51	1.50	226.92	517.09
2	Provision for Deferred Tax	575.87	0.00	575.87	0.00

26. Previous year's figures are regrouped / rearranged wherever necessary to conform with the current year's presentation.

Signatures to Schedules 1 to 19

As per our report of even date,

**For M/s Shashank Patki & Associates,
Firm Regn. No. 122054W
Chartered Accountants,**

For and on behalf of the Board

**Shashank Patki
Partner
Membership No.-035151**

**Nitin Sontakke
Chairman &
Managing Director**

**David Kunder
Director
Finance**

**Akhilesh Soni
Company
Secretary**

Place : Pune
Date : June 09, 2010

**Santosh Dhankude
Director Production**

**Satish Bhagwat
Director Technical**

BLUE BIRD (INDIA) LIMITED
BALANCE SHEET ABSTRACT
(Statement pursuant to Part IV of Schedule VI of the Companies Act, 1956)

Balance Sheet Abstract and Company's General Business Profile

I REGISTRATION DETAILS

Registration No.	25-13842
State Code	11
Balance Sheet Date	31.03.2010

II CAPITAL RAISED DURING THE YEAR

(Rs.' 000)

Public Issue	Nil	Bonus Issue	Nil
Right Issue	Nil	Private Placement	Nil

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

(Rs.' 000)

Total Liabilities	7,822,963	Total Assets	7,822,963
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SOURCES OF FUNDS

Paid up Capital	350,000	Reserves and Surplus	1,167,134
Share Application Money	-	Unsecured Loans	1,535,511
Secured Loans	4,770,318	Deferred tax Liability	-

APPLICATION OF FUNDS

Net Fixed Assets	1,014,541	Investments	-
Net Current Assets	6,591,692	Misc. Expenses not w/off	216,730

IV PERFORMANCE OF THE COMPANY

(Rs.' 000)

Total Turnover	4,305,971	Total Expenditure	5,110,009
Profit before Tax	(804,038)	Profit after Tax	(529,871)
Earning per Share (Rs.)	(15.14)	Dividend Rate	0%

V GENERAL NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

Item Code No.	Product Description
482020	Notebooks/Student Books/Exercise Books
490199	Printing and Publication of Guides and other Books

As per our Report of even date.

**For M/s Shashank Patki & Associates,
Firm Regn. No. 122054W
Chartered Accountants,**

For and on behalf of the Board

**Shashank Patki
Partner
Membership No.-035151**

**Nitin Sontakke
Chairman &
Managing Director**

**David Kunder
Director
Finance**

**Akhilesh Soni
Company
Secretary**

Place : Pune
Date : June 09, 2010

**Santosh Dhankude
Director Production**

**Satish Bhagwat
Director Technical**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31 , 2010

Particulars	For the Year Ended March 31, 2010 Rs. in Lacs	For the Year Ended March 31, 2009 Rs. in Lacs
A. Cash Flow from Operating Activities :		
Net profit before Tax	(8,040.38)	2,317.31
Adjusted for :		
Depreciation (Charged to P&L)	747.39	681.63
Provisions / Write Offs	2,531.70	199.61
Finance Charges	7,773.18	6,417.58
Operating Profit before working capital changes	3,011.89	9,616.13
Adjustments for		
(Increase)/Decrease in Inventories	9,624.15	(14,563.90)
(Increase)/Decrease in Trade Receivables	(12,424.44)	(13,352.85)
(Increase)/Decrease in Loans & Advances	345.39	(412.22)
(Increase)/Decrease in Other Current Assets	--	--
Increase/(Decrease) in Trade Payables	(6,369.62)	10,396.36
Cash Generated from Operations	(5,812.63)	(8,316.48)
Direct Taxes paid	37.85	(843.14)
Cash Generated from Operating Activities	(5,774.78)	(9,159.62)
B. Cash Flow from Investing Activities :		
Purchases of Fixed Assets	(121.22)	(2,092.93)
Cash used in Investing Activities	(121.22)	(2,092.93)
C. Cash Flow from Financing Activities		
Share Application Money Received/(Repaid)	-	-
Proceeds from issue of Share Capital	-	-
Proceeds from/(Repayment of) Long Term Borrowings	215.07	(64.48)
Proceeds from/(Repayment of) Short Term Borrowings	12,291.83	18,009.00
Finance Charges	(7,773.18)	(6,417.58)
Dividend Paid	--	(420.00)
Provision for Tax on Dividend	--	(71.38)
Cash generated in Financing Activities	4,733.72	11,035.56
Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(1,162.28)	(216.99)
Opening Balance of Cash & Cash Equivalents	1,341.11	1,558.10
Closing Balance of Cash & Cash Equivalents	178.83	1,341.11
	(1,162.28)	(216.99)

As per our Report of even date.

**For M/s Shashank Patki & Associates,
Firm Regn. No. 122054W
Chartered Accountants,**

For and on behalf of the Board

**Shashank Patki
Partner
Membership No.-035151**

**Nitin Sontakke
Chairman &
Managing Director**

**David Kunder
Director
Finance**

**Akhilesh Soni
Company
Secretary**

Place : Pune
Date : June 09, 2010

**Santosh Dhankude
Director Production**

**Satish Bhagwat
Director Technical**

BLUE BIRD (INDIA) LIMITED

Regd. Office: 759/74 , Prabhat Road , Deccan Gymkhana, Pune 411004.

PROXY FORM

Folio No: _____

No of Shares: _____

DP ID NO: _____

Client ID No: _____

I/ We _____ of _____
_____ being member/s of the Company, do hereby appoint
_____ of _____ or failing him _____ of
_____ as my/our proxy to vote for me/us on my/our behalf at the 11th Annual
General Meeting of Blue Bird (India) Limited, to be held on Thursday, September 30, 2010 at 9.30 A.M at
The President Hotel, 34/11 Erandawane, Prabhat Road, Pune – 411004 and at any adjournment thereof.

At witness my/our hand(s) this -----day of-----, 2010.

Affix Re.1/-
Revenue Stamp
& sign across
the stamp

NOTE: The proxy form duly completed must be returned so as to reach the Registered Office of the Company not less than 48 hours, before the commencement of the Annual General Meeting.

BLUE BIRD (INDIA) LIMITED

Regd. Office: 759/74 , Prabhat Road , Deccan Gymkhana, Pune 411004.

ATTENDANCE SLIP

Folio No: _____

DP ID No: _____

Client ID No: _____

No of Shares: _____

Members Name: _____

Proxy Name: _____

I hereby record my presence at the 11th Annual General Meeting of the Company to be held on
Thursday, September 30, 2010 at 9.30 A.M at The President Hotel, 34/11 Erandawane, Prabhat Road,
Pune – 411004.

Members/ Proxy Signature

Note:

1. Please complete this attendance slip and hand it over at the entrance of the Hall.
2. No Duplicate attendance slips will be issued at the meeting venue.

Pune Plant...



Book - Post

To,

If undelivered please return to :
BLUE BIRD (INDIA) LIMITED
Head Office : 759/74, Prabhat Road, Deccan Gymkhana, Pune - 411 004, Maharashtra (India)

BLUE BIRD (INDIA) LIMITED

Head Office : 759/74, Prabhat Road, Deccan Gymkhana, Pune - 411 004. Maharashtra (India)

Tel : +91 20 25676163, Fax : +91 20 25676164

Factory : Gat No. 277, 278, 287, Zalanwadi, Gorhe Khurd, Panshet Road, Pune - 411 042. Maharashtra (India)

www.bluebirdpune.com