



BEMCO HYDRAULICS LIMITED



BEMCO

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57

ANNUAL REPORT & ACCOUNTS 2014-2015

BEMCO HYDRAULICS LIMITED

*** SHRI ***

DIRECTORS:

M. M. MOHTA	- Chairman – Non Executive
ANIRUDH MOHTA	- Managing Director - Executive
URMILA DEVI MOHTA	- Director – Non Executive
R. M. SHAH	- Director – Independent Non- Executive
N. K. DAGA	- Director – Independent Non- Executive
DILIP CHANDAK	- Director – Independent Non- Executive

CHIEF FINANCIAL OFFICER:

R.B. PATIL
Email: cfo@bemcohydraulics.net

COMPANY SECRETARY

Mrs. MAMTA D. JAIN (ACS 25022)
Email:cs@bemcohydraulics.net

AUDITORS

M/S A.C. BHUTERIA & CO.
Chartered Accountants
2, India Exchange Place,
KOLKATA - 700 001

COST AUDITORS

UMESH NARASIMHA KINI, B. COM, ACMA.
Cost Accountant,
Shanti Niketan, Banvasi Road,
SIRSI 581 401

INTERNAL AUDITORS

PRABHAKAR K. LANKAN
Chartered Accountants
1083, Anantshayan Galli,
BELGAUM - 590 002

TAX AUDITORS

ULHAS KINI & Co-Chartered Accountants
97, PUSHPANJALI, First floor,
Mangalwar Peth, Tilakwadi,
BELGAUM – 590 004

SECRETARIAL AUDITORS

SDR AND ASSOCIATES

Office Address Ground Floor ,
Anandi Residency 150,
Budhwar Peth, Tilakwadi,
BELGAUM - 590006.

BANKERS:

Bank of Maharashtra,
City Branch,
Kirloskar Road,
BELGAUM - 590 002
(CONSORTIUM LEADER)

State Bank Of India,
SME Branch,
Congress Road, Tilakwadi,
BELGAUM - 590 006
(CONSORTIUM MEMBER BANK)

BEMCO HYDRAULICS LIMITED**(CIN: L51101KA1957PLC001283)****Registered Office :** Udyambag, Industrial Estate, BELGAUM - 590 008**Email:** isc@bemcohydraulics.net **Website:** www.bemcohydraulics.net**Phone No.:** 0831-2441980, Fax No.0831-2441263**NOTICE**

Notice is hereby given that the Fifty Seventh Annual General Meeting of the members of Bemco Hydraulics Limited will be held at the registered office of the Company at Udyambag, Industrial Estate, Belgaum- 590008 on Friday the 25th September 2015 at 3.30 p m to transact the following businesses:

AS ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri M. M. Mohta (DIN 00068884), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. To appoint a Director in place of Smt. Urmila Devi Mohta (DIN 00068906), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT, M/s A C Bhuteria and Co, Chartered Accountants (Registration No. 303105E), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company in consultation with the Auditors and that such remuneration may be paid on a progressive billing basis to be agreed upon between the auditors and the Board of Directors."

AS SPECIAL BUSINESS

5. To appoint a Practising Company Secretary for carrying out the Secretarial Audit and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, M/s SDR & Associates a firm of Practising Company Secretaries, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company in consultation with the Secretarial Auditors and that such remuneration may be paid on a progressive billing basis to be agreed upon between the auditors and the Board of Directors."

By Order of the Board of Directors
For **BEMCO HYDRAULICS LIMITED**

Date : 7th August, 2015

Registered Office:Udyambag, Industrial Estate
BELGAUM-590008 (Karnataka)**CIN: L51101KA1957PLC001283**

E-mail: isc@bemcohydraulics.net

MAMTA D. JAINCompany Secretary
ACS- 25022Address: Plot No 572,
Rani Channamma Nagar, 2nd Stage
BELGAUM- 590 008 (Karnataka)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instructions for filing, stamping, signing and or depositing Proxy:

No instrument of Proxy shall be valid unless it is signed by the members/s or by his /her attorney duly authorised in writing or in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorised in writing, provided that an instrument of Proxy shall be sufficiently signed by any member who for any reason is unable to write his/her name, if his/her thumb impression is affixed thereto and attested by a Judge, Magistrate, Registrar or Sub-Registrar of assurances or Govt. Gazetted officers or any officer of nationalised bank.

Person appointed as the Proxy shall prove his/her identity at the time of attending the meeting and for the purpose such person shall carry proof of his/her identity via PAN Card, Voters ID or Adhar Card, Driving Licence or Passport

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
8. Pursuant to Section 91(1) of The Companies Act 2013, the Company has notified closure of Register of Members and Share Transfer Books from Monday 14th September 2015 to Friday the 25th September 2015 (both days inclusive) for determining the names of members eligible for the purposes of Annual General Meeting.
9. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Registrar.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.bemcohydraulics.net under the section 72 of the Companies Act, 2013
12. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar, for consolidation into a single folio.
13. Non-Resident Indian Members are requested to inform Registrar, immediately of:
- Change in their residential status on return to India for permanent settlement.
 - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. Voting through electronic means:
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 57th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):
The instructions for shareholders voting electronically are as under:
- I. The voting period begins on Monday the 21st September 2015 (10.00 am) and ends on Wednesday the 23rd September 2015 (5.30 pm). The e-voting module shall be disabled by CDSL for voting thereafter. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday 18th September 2015, may cast their vote electronically.

- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- III. The shareholders should log on to the e-voting website www.evotingindia.com
- IV. Click on "Shareholders" tab.
- V. Now Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL; 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- VI. Next enter the Image Verification as displayed and Click on Login.
- VII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company then your existing password is to be used.
- VIII. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha -numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 than enter RA00000001 in the PAN field.
Dividend	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format)
Bank Details OR Date of Birth (DOB)	As recorded in your demat account or in the Company records in orders to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank Details field as mentioned in instruction (v)

- IX. After entering these details appropriately, click on "SUBMIT" tab.
- X. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- XI. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XII. Click on the EVSN for the relevant BEMCO HYDRAULICS LIMITED on which you choose to vote.
- XIII. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XIV. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details,
- XV. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- XVI. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XVII. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- XVIII. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XIX. Note for Non – Individual Shareholders and Custodians.
 - Non – Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www. https://www.evotingindia.com](https://www.evotingindia.com) and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XX. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com
- XXI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

- XXII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XXIII. Mr. S. R. Deshpande, Practicing Company Secretary (CP No. 01865) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XXIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XXV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.bemcohydraulics.net and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

An Explanatory Statement under Section 102 of the Companies Act 2013

Re-appointment of Secretarial Auditor for the FY 2015-16 is referred to the members through an ordinary resolution but as a Special Business, because Section 102(2) defines any business other than (a) adoption of accounts, (b) declaration of Dividend (c) re-appointment of rotational Directors and (d) re-appointment of statutory auditors, as special business and demand an explanatory business.

M/S SDR Associates, who have furnished Secretarial audit report for the year 2014-15 are proposed to be re-appointed, since their report is addressed to the members, let the appointment shall be made by the members themselves.

**Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting
(Pursuant to Clause 49 of the Listing Agreement)**

Name of the Director	Shri Madan Mohan Mohta	Smt. Urmila Devi Mohta
Date of Birth	05.09.1939	01.10.1945
Date of Appointment	23.03.1991	30.05.1992
DIN	00068884	00068906
Nationality	Indian	Indian
Expertise in specific functional areas	Wide experience Management, he was managing director 31.03.2014	Vast Management experience and a Woman Director.
Qualifications	B.com	Matriculate
List of Public/ Private Companies in which outside Directorship held as on 31 st March 2015	<ul style="list-style-type: none"> - Mohta Capital Pvt Ltd - Sri Ramachandra Enterprises Pvt Ltd - U.D.Finnvest Pvt Ltd - Bemco Precitech Pvt Ltd - U.D.Polyproducts Pvt Ltd 	<ul style="list-style-type: none"> - Mohta Capital Pvt Ltd - Sri Ramachandra Enterprises Pvt Ltd - U.D.Finnvest Pvt Ltd - Bemco Precitech Pvt Ltd - U.D.Polyproducts Pvt Ltd - Bemco Fluidtechnik Pvt Ltd
Chairman/member of the Committees of the Public Companies on which he is a Director as on 31 st March 2015	NIL	NIL
No of Shares held	67183	208668
Relationship with any Director of the Company	Father of Mr. Anirudh Mohta, Managing Director & Husband of Smt. Urmila Devi Mohta, Director	Wife of Mr. Madan Mohan Mohta & Mother of Mr. Anirudh Mohta, Managing Director

By Order of the Board of Directors
For BEMCO HYDRAULICS LIMITED

Date : 7th August, 2015

Registered Office:

Udyambag, Industrial Estate
 BELGAUM-590008 (Karnataka)
CIN: L51101KA1957PLC001283
 E-mail: isc@bemcohydraulics.net

MAMTA D. JAIN

Company Secretary
 ACS- 25022
 Address: Plot No 572,
 Rani Channamma Nagar, 2nd Stage
 BELGAUM- 590 008 (Karnataka)

BEMCO HYDRAULICS LIMITED

(CIN: L51101KA1957PLC001283)

Registered Office: Udyambag, Industries Estate, BELGAUM – 590 008

Email: isc@bemcohydraulics.net * Website: www.bemcohydraulics.net

Phone No 0831- 2441980, Fax No.0831-2441263

BOARD'S REPORTTo
The Members,

The Directors have pleasure in presenting before you the 57th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015

1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

[Read with Section 134 of the Companies Act 2013 and Rule 5 (i) of Cos (Accounts) Rules, 2014]

(Rs. in lakhs)

Particulars	2014-2015	2013-14
Gross Income	3,861.47	3,223.05
Profit Before Interest and Depreciation	608.91	(177.34)
Finance Charges	329.40	393.10
Gross Profit	279.50	(570.44)
Provision for Depreciation	131.37	120.45
Net Profit Before Tax	148.13	(690.89)
Provision for Tax	(237.00)	214.24
Net Profit After Tax	(88.87)	(476.65)
Balance of Profit brought forward	(372.13)	104.52
Balance available for appropriation	(461.00)	(372.13)
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	(461.00)	(372.13)

General Information about the Company, the Board's perception of future of the company considering market competition, production constraints, government policies etc., Major events concerning the company are to be highlighted.

- Capital Goods Industry had to face the set back during the year under report. The performance of the Company was affected by the overall recessionary trend in the Industry. Therefore, your company was short of targeted turnover by Rs. 200/- Lakhs approximately. The PBT for the year is of Rs. 148.13 Lakhs as against the Loss of Rs. 690.89 for the previous year. Thus, in spite of adverse market conditions the Company could come out of the red.
- Company has formed a Subsidiary Company named BEMCO FLUIDTECHNIK PRIVATE LIMITED - (CIN U29248KA2015PTC078838) to manufacture mainly Critical Hydraulic valves, pumps & Power Packs.
- During the year of operation your Company has allotted 4,00,000 Equity Shares of Rs. 10/- each, at a Premium of Rs. 60/- each, aggregating to a sum of Rs. 2,80,00,000/-, to the promoters and non-promoters on preferential basis. This was done to strengthen the Net Worth of the Company, which was eroded on account of losses incurred during Financial Year 2013-14

2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

Subsequent to the date of Financial Statements (i.e. after 31st March 2015) no significant event has occurred.

3. CHANGE IN THE NATURE OF BUSINESS:

During the year under operation there was no change in the nature of business.

4. DIVIDEND:**Equity Shares:**

On account of inadequacy of profit during the year, the Board regrets its inability to recommend any dividend on equity shares.

Preference Shares:

Considering the inadequacy of profit for the year under report, the Company is unable to pay dividend for the year including arrears thereof for the year ended on 31st March 2014 as under:

F. Y. ended on	No. of Preference Shares	Amount of Dividend IN Rs.
31 st March 2014	3,38,000	37,18,000
31 st March 2015	3,20,000	35,20,000
TOTAL OF ARREARS		72,38,000

In view of the above, Company is carrying the above amount as Contingent Liability towards Dividend on Preference Shares

As, no Dividend is paid on preference shares for F.Y. 2013-14 and also for F.Y. 2014-15 as your Company is still carrying Brought Forward Losses, the Preference Share holders would get voting rights on par with equity share holders, in terms of the provisions of Section 47 of the Companies Act 2013 on and after the forthcoming AGM.

5. BOARD MEETINGS :

The Board of Directors met 8 times during this financial year.

- | | |
|--------------------------|---------------------------|
| 1. On 1st April 2014 | 2. On 28th May 2014 |
| 3. On 8th August 2014 | 4. On 12th September 2014 |
| 5. On 10th November 2014 | 6. On 19th December 2014 |
| 7. On 13th February 2015 | 8. On 27th March 2015 |

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL :

Appointment, Re-appointment, Change in Designation, Resignation of Directors (along with fact of resignation), Managing Directors, Whole Time Directors, KMP, Independent Directors

DIRECTORS

1. Mr. M. M. Mohta

The tenure of Mr. M. M. Mohta as Managing Director of the Company ended on 31st March 2014 and thereafter he opted not to continue as Managing Director. The Board elected him as Non-Executive Chairman of the company.

2. Mr. Anirudh Mohta

Mr. Anirudh Mohta was the Joint Managing Director up to 31st March 2014 and appointed as Managing Director of the Company by the Board for a period of 5 years w. e. f. 1st April 2014, on the terms and conditions recommended by the Nomination and Remuneration Committee which were approved by the members of the Company in 56th AGM held on 12th September 2014.

3. Mrs. Urmila Devi Mohta

Mrs. Urmila Devi Mohta is Non – Executive Director had retired by rotation in terms of the provisions of Companies ACT 1956 and reappointed as Non Executive Director of the Company in the 56th AGM held on 12th September 2014. She is liable to Retire by Rotation.

4. Mr. N. K. Daga

Mr. N. K. Daga who retired by Rotation in terms of the provisions of Companies ACT 1956, at the 56th AGM and appointed as an Independent Director of the Company for a period of 5 years from the conclusion of 56th AGM held on 12th September 2014.

5. Mr. Ramesh Shah

Mr. Ramesh Shah was appointed as an Independent Director of the Company in the 56th AGM, for a period of 5 years from the conclusion of 56th AGM held on 12th September 2014.

6. Mr. Dilip Chandak

Mr. Dilip Chandak was appointed as an Independent Director of the Company in the 56th AGM, for a period of 5 years from the conclusion of 56th AGM held on 12th September 2014.

KEY MANAGERIAL PERSONNEL – KMP

1. Mr. Anirudh Mohta – Managing Director

Mr. Anirudh Mohta – Managing Director of the Company is appointed as KMP in terms of the provisions of Section 203 of the Companies Act 2013, in the Board Meeting held on 28th May 2014.

2. Mr. R. B. Patil - CFO

Mr. R. B. Patil who was General Manager Finance of the Company till 31st March 2014 was appointed as CFO and KMP of the Company in the Board Meeting held on 28th May 2014, on the terms and conditions, as recommended by the Nomination and Remuneration Committee in its meeting held on 28th May 2014.

3. Mrs. Mamta D. Jain – Company Secretary

Mrs. Mamta D. Jain a qualified Company Secretary, having Membership No ACS-25022, has been appointed as Company Secretary and KMP of the Company in the Board Meeting held on 27th March 2015, on the terms and Conditions, as recommended by the Nomination and Remuneration Committee in its meeting held on 27th March 2015.

7. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received necessary declaration from each Independent Director of the Company confirming that, they meet the criteria of Independence as prescribed both under the Companies Act 2013 and Clause 49 of the Listing Agreement with the Stock Exchange.

8. COMPOSITION OF COMMITTEES:

a.	AUDIT COMMITTEE	
	Chairman:	Mr. R. M. Shah – Independent Director
	Other Members:	Mr. N. K. Daga- Independent Director Mr. Anirudh Mohta – Managing Director
b.	NOMINATION AND REMUNERATION COMMITTEE	
	Chairman:	Mr. R. M. Shah – Independent Director
	Other Members:	Mr. Dilip Chandak – Independent Director Mrs. Urmila Devi Mohta – Non Executive Director
c.	STAKE HOLDERS RELATIONSHIP COMMITTEE	
	Chairman:	Mr. Dilip Chandak – Independent Director
	Other Members:	Mr. Anirudh Mohta – Managing Director Mrs. Urmila Devi Mohta – Non Executive Director
d.	COMMITTEE FOR PREVENTION OF SEXUAL HARRSSMENT OF WOMAN AT WORKPLACE	
	Chairman:	Miss Kirti Ramchandra Devale – Company Employee
	Other Members:	Mrs. Urmila Devi Mohta – Non Executive Director

9. VIGIL MECHANISM:

The Vigil Mechanism acts as an additional internal element of the Company's compliance and integrity policies. All employees, directors, vendors, suppliers, dealers and consultants, including auditors and advocates who are associated with BEMCO can raise concerns regarding malpractices and events which may negatively impact the company. Vigil Mechanism has been established under the supervision of the Chief financial Officer of the Company. The Audit Committee and the CFO reviews the working of the Vigil Mechanism from time to time and make suggestions, if needed. The Vigil protects the whistleblower against victimization for the disclosures made by him/her and ensures complete confidentiality of the whistleblower's identity and the information provided by him/her. The investigation is conducted honestly, neutrally and in an unbiased manner. The subject or other involved persons in relation with the protected disclosure are also given an opportunity to be heard. Strict disciplinary actions are taken against anyone who conceals or destroys evidences related to protected disclosures made under this mechanism. The Vigil Mechanism policy also provides for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

10. DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

11. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JV**(1) Subsidiary Company:**

A subsidiary company namely BEMCO FLUIDTECHNIK PRIVATE LIMITED - (CIN U29248KA2015PTC078838) has been incorporated on 13th February 2015 to carry out the business of

- To manufacture, produce, fabricate, design, install, repair or otherwise acquire, buy, sell, exchange, distribute trade, deal in or deal with, import and export, take on lease or give on lease, hydraulic pumps, valves, accumulators, hydraulic motors, hydraulic equipments, cylinders, power packs with hydraulic, mechanical, pneumatic, electric, electronic or computerized control systems, hydraulic aero planes, hydraulic and mechanical jacks, tractor components, components for earth moving machinery and material handling equipments and spares, accessories and sub-assemblies for the above, involving hydraulic systems.

The Subsidiary is formed with Mr. Jagdish Narasinha Joshi, on 80:20 ratio (i.e. 80% Shares of Bemco Hydraulics Limited and 20% of Mr. Jagdish Narasinha Joshi).

Authorized Share Capital of this Company is Rs. 25,00,000/-.

Issued, subscribed and Paid up Share Capital of this Company is Rs. 1,00,000/-.

During the year under report this Company did not Commence its business. No Activities have been carried out in the year F. Y. 2014-15

(2) Associate Companies:

In terms of sub Section (6) of Section 2 of the Companies Act 2013, the company has no Associate Company.

12. EXTRACT OF ANNUAL RETURN:

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is given as a part of this Annual Report (FORMAT IN ANNEXURE I)

13. AUDITORS

The Auditors, M/s A. C. Bhuteria & Company, Chartered Accountants, (Firm Registration No. 303105E) retire at the conclusion of ensuing Annual General Meeting and, being eligible; offer themselves for reappointment for a period of one year from the conclusion of this Annual General Meeting [AGM] till the conclusion of 58th AGM.

Present Auditors were appointed in the 43rd AGM held on 29th September 2001 and since then they are carrying out the audit of the Company and are eligible for re-appointment for the FY 2015-16, in terms of Second Proviso to Section 139(2) of the Companies Act 2013.

14. SECRETARIAL AUDIT:

Secretarial audit report as provided by M/s SDR & ASSOCIATES, a Firm of Practicing Company Secretaries, is annexed to this Report.

QUALIFICATIONS IN AUDIT REPORTS

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made—

- (a) by the statutory auditor in his report: Nil and
- (b) by the Secretarial Auditor in their Secretarial Audit report.

The secretarial auditors have qualified their report on the aspect of non appointment of Company Secretary during the substantial part of financial year ended 31st March 2015. In this regard, the Board desires to stress the fact that till 31st March 2014, Company was not required to appoint a whole time Company Secretary as its capital was less than Rs. 5 crores. After notification of section 204 on 1st April 2014, the Company made frantic efforts to appoint a Secretary but then it could not obtain services of a suitable qualified company Secretary hence the appointment could not be made at an early date. But no sooner the eligible and willing CS was available; the Company has complied; the legal provisions by appointing Ms Mamta D. Jain (ACS-25022) as Company Secretary on 27th March 2015.

So far as furnishing of copy of altered Articles is concerned the same is just technical because the explanatory statement annexed to notice convening last AGM was self explanatory on this point. A copy thereof is being delivered now.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:
A. CONSERVATION OF ENERGY:

Steps taken / impact on conservation of energy, with special reference to the following:	Company uses electrical energy for its operations.
Steps taken by the company for utilizing alternate sources of energy including waste generated	So far company has not explored any alternate source of energy
Capital investment on energy conservation equipment	Nil

B. Technology absorption:

1	Efforts, in brief, made towards technology absorption.	Company's Designing & Engineering team continuously keep track and keep updating new technology in field of operation.
2	Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	Products manufactured are technically superior to Conventional Products
3	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: (a) Details of technology imported. (b) Year of import. (c) Whether the technology been fully absorbed (d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore.	Not Applicable. Company has not Imported any Technology during the last 3 years.

C. Foreign exchange earnings and Outgo

C.I.F. VALUE OF IMPORTS, EXPENDITURE AND EARNING IN FOREIGN CURRENCY

Particulars	2014-2015 Rs.	2013-2014 Rs.
i). C.I.F. Value of Imports: Raw Materials And Components	42,69,618	54,65,317
ii). Expenditure in Foreign Currency:(paid/payable)		
Traveling	61,618	3,45,987
Exhibition Expenses: (InnoTrans Berlin Germany)	Nil	6,96,509
Technical Know How (Paid/Payable)	33,66,778	1,59,31,128
Technical Assistance		51,09,065
Agency Commission	Nil	Nil
iii). Earnings in Foreign Exchange: FOB value of Exports	5,82,19,313	65,76,500

16. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

(a)	Accepted during the year;	NIL
(b)	Remained unpaid or unclaimed as at the end of the year;	N. A.
(c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: i. at the beginning of the year ii. maximum during the year iii. at the end of the year	N. A. N. A. N. A.
(d)	Details of deposits which are not in compliance with the requirements of Chapter V of the Act	N. A.

17. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

No regulatory authority has passed any orders having material impact on the Company.

18. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

There are sound internal controls commensurate with nature and size of the Company that have been incorporated in the Policy to detect the financial discrepancies well in time. Key policies are defined, understood and enforced. Operating procedures are clearly defined; detailed and harmonized procedures are available across the organization. Several controls are preventive in nature and automated. All stakeholders are aware of their roles and responsibilities with respect to processes and controls. The culture of compliance with laid down guidelines and procedures is evident through the actions and behavior of individuals and teams. The Management Information System ensures that adequate and accurate information is available for reporting and decision making. The Audit committee also evaluates the operating effectiveness of Internal Financial Control systems.

Moreover:

- Internal Audit is carried out at regular intervals by an Independent Chartered Accountant, who submits his report to the Audit Committee and Board.
- Statutory Auditors carry out the verification of Books on every Quarter before submitting their Limited Review Report.

Board is prompt in maintaining the adequacy of Internal Financial Controls with reference to the Financial Statements

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The investments in shares and other securities held by the Company were made much prior to notification of section 186 of the Companies Act, 2013 and after notification of section 186 of the Companies Act, 2013 the company has not made any investment in shares and securities except a sum of Rs. 80,000/- in its subsidiary company.

SECURED LOANS: Company has not provided any Secured Loan to anybody during the year

UNSECURED LOANS: Company has not provided any Loan except to its Employees as Salary Advance

CURRENT/NON-CURRENT INVESTMENTS:

- Company has not made any investments neither in Share Capital (except its subsidiary company) nor in any other Form.
- During current FY 2015-16,till date, Company has invested Rs. 80,000/- for 8,000 Equity Shares of Rs. 10/- each, in its Subsidiary Company namely BEMCO FLUIDTECHNIK PRIVATE LIMITED

GUARANTEES:

- In normal course of business; Company does issue Bank Guarantees & Indemnity Bonds for Getting Advances from Customers / to collect the retention Money from Customers during warranty period of supply of Goods.

SECURITIES EXTENDED

- In normal course of business Company needs to provide the Warranty certificates for the goods supplied. And no other security is extended during the year.

20. RISK MANAGEMENT POLICY :

- The RISK MANAGEMENT POLICY is in compliance with Section 134 (3) (n) of the Companies Act 2013 and the amended Clause 49 of the Listing Agreement (w. e. f. 1st October 2014) which requires the Company to lay down procedure for risk assessment and procedure for risk minimization. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

- The Board ensures that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management. The Company enables compliance with all appropriate laws and regulations, wherever applicable, through the adoption of best practices.
- The Board of Directors of the Company and the Audit Committee periodically reviews and evaluates the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments are responsible for implementation of the risk management system as may be applicable to their respective areas of functioning, and they report to the Board and Audit Committee when circumstances require.
- Company is working at the Norms laid down in the ISO 9001-2008 & ISO 14001-2004 and strictly follow all the norms and procedures to overcome the various risk factors.

21. CORPORATE SOCIAL RESPONSIBILITY POLICY :

As the company does not fall within the criteria laid down in section 135 of the Companies Act, 2013, nothing under this head is applicable statutorily but the Boards' commitment to social cause remains.

22. RELATED PARTY TRANSACTIONS :

Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 as ANNEXURE – II

23. FORMAL ANNUAL EVALUATION:

The Board consisting of Mr. Anirudh Mohta as the Managing Director, Mr. M.M. Mohta as Non Executive Chairman and Mrs. Urmiladevi Mohta as Women Director all from promoter group and Mr. Ramesh Shah, Mr. Dilip Chandak and Mr. N. K. Daga as independent non executive Directors have a system of self evaluation in the form of firstly, the independent Directors carrying out evaluation of Executive Director Mr. Anirudh Mohta through separate meeting of independent Directors where, the promoter Directors are not present. In the process of evaluation, the independent Directors have made many suggestions to the Managing Director for better performance. Similarly, the promoter Directors have through their own separate meetings, which are not attended by independent Directors, evaluated the performance of independent Directors and have raised many questions about role of independent directors and on the whole the promoter directors and Executive Director have appreciated the performance of independent Directors especially the contribution made in the deliberations of the Board of Directors by Chairman of the Audit Committee Mr. R. M. Shah. In addition, the performance evaluation of Mr. M. M. Mohta, the Chairman of the Board of Directors and Mrs. Urmiladevi Mohta a women director is made by rest of Directors and here too lot of suggestions are made for overall qualitative change in the deliberations of the Board.

24. DISCLOSURE ABOUT COST AUDIT

Cost audit of the cost records maintained by the Company is conducted by Mr. Umesh Kini, practicing Cost Auditor Sirsi, and the company has filed such cost audit report for the financial year ended on 31st March 2014 with the MCA. Cost audit report was self explanatory. Further, the Company appointed Mr. Umesh Kini, practicing Cost Auditor Sirsi, as a Cost Auditor for Cost Records Compliance Certification.

25. RATIO OF REMUNERATION TO EACH DIRECTOR :

Details / Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration as per ANNEXURE - III

26. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed.

27. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Bemco Hydraulics Limited is committed to good Corporate Governance. It was a mandatory requirement under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd; till 30th September 2014 & vide SEBI Circular CIR/CFD/POLICY CELL/7/2014 dated 15.09.2014 thereafter though it is not applicable to our Company as neither the paid Capital exceeds Rs. 10/- Crore nor Net WORTH exceeds Rs. 25/- Crores but BEMCO continues to follow good corporate Governance practices.

Your Company has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement. A report on Corporate Governance is included as a part of this Annual Report (ANNEXURE IV)

Certificate from the Practicing Company Secretary / Secretarial Auditor of the company confirming the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

Directors confirm that the payment of remuneration to the Managerial Personnel is in accordance with Schedule V Part II, Section II (A).

28. EVENT BASED DISCLOSURES:

The Company has made an issue of 4,00,000 Equity Share of Rs. 10/- each, for cash at a premium of Rs. 60/- , aggregating to a sum of Rs. 280/- Lakhs to the Promoters, Promoters Group and Other than Promoters.

Place : Belgaum
Dated : 7th August 2015

M. M. MOHTA
Chairman
DIN-00068884
2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

ANIRUDH MOHTA
Managing Director
DIN-00065302
2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

ANNEXURE INDEX

Annexure Number	Details of Annexure
I	Annual Return Extracts in MGT 9
II	AOC2 - Related Party Transactions disclosure
III	Ratio of Remuneration
IV	Corporate Governance.

ANNEXURE - I

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN As on the financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
i)	CIN	L51101KA1957PLC001283
ii)	Registration Date	14/03/1957
iii)	Name of the Company	BEMCO HYDRAULICS LIMITED
iv)	Category / Sub category of the Company	Public Company/ Limited by Shares
v)	Address of the Registered Office and contact details	
	Address	Udyambag, Industrial Estate
	Town/City	BELGAUM
	State	KARNATAKA
	Pin Code:	590008
	Country Name:	INDIA
	Country Code	091
	Telephone (With STD Area Code Number)	0831-2441980
	Fax Number	2441263
	Email Address	finance@bemcohydraulics.net
	Website	www.bemcohydraulics.net
vi)	Whether shares listed on recognized Stock Exchanges(s)	YES
vii)	Name, Address & contact details of Registrar & Transfer Agent, if any:	
	Registrar & Transfer Agents (RTA):-	ADROIT CORPORATE SERVICES PVT LTD
	Address	17-20, Jaferbhoy Industrial Estate, Makawana Road, Marol Naka,
	Town/City	Andheri(E) MUMBAI
	State	MAHARASHTRA
	Pin Code:	400059
	Telephone (With STD Area Code Number)	022-42270400
	Fax Number	022-28503748
	Email Address	info@adroitcorporate.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Hydraulics Press	8462	44.67
2	Pumps for Dispensing Fuel	8413	0
3	Hydraulic Equipments	8425	52.48
4	Scrap Turnings, Shavings, Chips, Milling waste, Fillings, Trimmings and Standings, wheatheror not in Bundles	7204	0.01
5	Spares for Hydraulics Press	8466	2.84

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	BEMCO FULIDTECHNIK PVT LTD	U29248KA2015PTC078838	Subsidiary	70.00%	

VI. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	18,728	-	18,728	1.05%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	9,68,703	-	9,68,703	54.22%	12,18,703	-	12,18,703	55.73%	20.51%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f-i) Directors Relatives	16,728	-	16,728	0.94%	35,456	-	35,456	1.62%	52.82%
f-ii) Directors	3,29,111	-	3,29,111	18.42%	3,79,111	-	3,79,111	17.34%	13.19%
Sub Total (A) (1)	13,33,270	-	13,33,270	74.62%	16,33,270	-	16,33,270	74.69%	18.37%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	13,33,270	-	13,33,270	74.62%	16,33,270	-	16,33,270	74.69%	18.37%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	93	-	93	0.01%	93	-	93	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	93	-	93	0.01%	93	-	93	0.00%	0.00%

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	85,821	1,500	87,321	4.89%	188602	1500	1,90,102	8.69%	54.07%
ii) Overseas			-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	83,706	2,10,380	2,94,086	16.46%	77066	198700	2,75,766	12.61%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	70,380	-	70,380	3.94%	80873	0	80,873	3.70%	0.00%
c) Others (specify)									
Non Resident Indians	1,000	-	1,000	0.06%	916	0	916	0.04%	-9.17%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members	550	-	550	0.03%	0	0	-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Directors	-	-	-	0.00%	0	5680	5,680	0.26%	100.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	2,41,457	2,11,880	4,53,337	25.37%	3,47,457	2,05,880	5,53,337	25.30%	18.07%
Total Public (B)	2,41,550	2,11,880	4,53,430	25.38%	3,47,550	2,05,880	5,53,430	25.31%	18.07%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	15,74,820	2,11,880	17,86,700	100.00%	19,80,820	2,05,880	21,86,700	100.00%	18.29%

ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	ANANYA ANIRUDH MOHTA	16728	0.94%	-	16,728	0.76%	-	0.00%
2	ANIRUDH MOHTA	68260	3.82%	-	1,03,260	4.72%	-	33.90%
3	MADAN MOHAN MOHTA	18728	1.05%	-	18,728	0.86%	-	0.00%
4	MADAN MOHAN PREM RATAN MOHTA	67183	3.76%	-	67,183	3.07%	-	0.00%
5	MOHTA CAPITAL PVT LTD	465606	26.06%	-	6,65,606	30.44%	-	30.05%
6	SRI RAMCHANDRA ENTERPRISE S (P) LTD.	284697	15.93%	-	3,34,697	15.31%	-	14.94%
7	U D FINNVEST PVT LTD	218400	12.22%	-	2,18,400	9.99%	-	0.00%
8	URMILA DEVI MOHTA	193668	10.84%	-	2,08,668	9.54%	-	7.19%

iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total Shares of the Company				No of Shares	% of total Shares of the Company
1	Mohta Capital Pvt Ltd	4,65,606	26.06	01.04.2014	2,00,000	Preferential Allotment	6,65,606	30.44
				13.02.2015				
		6,65,606	30.44	31.03.2015				
2	Sri Ramachandra Enterprises Pvt Ltd	2,84,697	15.93	01.04.2014	50,000	Preferential Allotment	3,34,697	15.31
				13.02.2015				
		3,34,697	15.31	31.03.2015				
3	Urmila Devi Mohta	1,93,668	10.84	01.04.2014	15,000	Preferential Allotment	2,08,668	9.54
				13.02.2015				
		2,08,668	9.54	31.03.2015				
4	Anirudh Mohta	68,260	3.82	01.04.2014	35,000	Preferential Allotment	1,03,260	4.72
				13.02.2015				
		1,03,260	4.72	31.03.2015				

iv) Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Shareholder's Name	Shareholding		Date(*)	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total Shares of the Company				No of Shares	% of total Shares of the Company
1	Sungrace Finvest Pvt Ltd	85,000	4.76	01.04.2014	1,00,000	Preferential Allotment	1,85,000	8.46
				13.02.2015				
		1,85,000	8.46	31.03.2015				
2	Harsha Hitesh Javeri	35,220	1.97	01.04.2014				
				04.04.2014	185	Transfer	35,405	1.62
				02.05.2014	595	Transfer	36,000	1.65
				16.05.2014	550	Transfer	36,550	1.67
				30.05.2014	400	Transfer	36,950	1.69
				13.06.2014	400	Transfer	37,350	1.71
				20.06.2014	425	Transfer	37,775	1.73
				18.07.2014	500	Transfer	38,275	1.75
				08.08.2014	350	Transfer	38,625	1.77
				15.08.2014	345	Transfer	38,970	1.78
				22.08.2014	400	Transfer	39,370	1.80
				29.08.2014	900	Transfer	40,270	1.84
				12.09.2014	200	Transfer	40,470	1.85
				05.12.2014	570	Transfer	41,040	1.88
		31.03.2015	25	Transfer	41,065	1.88		
		41,065	1.88	31.03.2015				

3	Hitesh Ramji Javeri	35,160	1.97	01.04.2014				
				04.04.2014	240	Transfer	35,400	1.62
				02.05.2014	600	Transfer	36,000	1.65
				30.05.2014	325	Transfer	36,325	1.66
				06.06.2014	250	Transfer	36,575	1.67
				20.06.2014	1500	Transfer	38,075	1.74
				24.10.2014	178	Transfer	38,253	1.75
				29.08.2014	400	Transfer	38,653	1.77
				28.11.2014	750	Transfer	39,403	1.80
				05.12.2014	30	Transfer	39,433	1.80
				31.03.2015	375	Transfer	39,808	1.82
				39,808	1.82	31.03.2015		
4	Rajesh Garg	4,000	0.22	01.04.2014				
				19.09.2014	(500)	Transfer	3,500	0.16
				12.12.2014	(500)	Transfer	3,000	0.14
				31.12.2014	(1,000)	Transfer	2,000	0.09
		2,000	0.09	31.03.2015				
5	G C Jha	3,466	0.19	01.04.2014		NIL		
						movement during the year	3,466	0.16
		3,466	0.16	31.03.2015				
6	Basant Kumar Mohota	2,500	0.14	01.04.2014		NIL		
						movement during the year	2,500	0.11
		2,500	0.11	31.03.2015				
7	Mahendra Girdharilal	1,660	0.09	01.04.2014				
				28.11.2014	(1,065)	Transfer	595	0.03
				05.12.2014	(100)	Transfer	495	0.02
				12.12.2014	(51)	Transfer	444	0.02
				19.12.2014	(30)	Transfer	414	0.02
				09.01.2015	(200)	Transfer	214	0.01
				16.01.2015	(200)	Transfer	14	0.00
		14	0.00	31.03.2015				
8	Arun Bhaurao Kakatkar	1,600	0.09	01.04.2014		NIL		
						movement during the year	1,600	0.07
		1,600	0.07	31.03.2015				
9	Kalpesh Mahendrakumar Zaveri	1,600	0.09	01.04.2014				
				31.12.2014	200	Transfer	1,800	0.08
		1,800	0.08	31.03.2015				
10	Anant Waman Sardesai	1,560	0.09	01.04.2014		NIL		
						movement during the year	1,560	0.07
		1,560	0.07	31.03.2015				
11	Anikit Mahendra Shah	1,500	0.08	01.04.2014		NIL		
				19.12.2014		movement during the year	1,500	0.07
		1,500	0.07	31.03.2015				

12	Deepa Hitesh Shah	628	0.04	01.04.2014				
				19.12.2014	735	Transfer	1,363	0.06
				31.12.2014	271	Transfer	1,634	0.07
				09.01.2015	128	Transfer	1,762	0.08
				16.01.2015	76	Transfer	1,838	0.08
				23.01.2015	610	Transfer	2,448	0.11
				31.03.2015	2,448	0.11		
13	Piyush Rajanikant Shah	600	0.03	01.04.2014				
				06.02.2015	500	Transfer	1,100	0.05
				20.02.2015	718	Transfer	1,818	0.08
				06.03.2015	381	Transfer	2,199	0.10
				13.03.2015	1	Transfer	2,200	0.10
				20.03.2015	1	Transfer	2,201	0.10
				31.03.2015	2,201	0.10		

* Date of transfer has been considered as the date on which the beneficiary position was provided by the Depository of the Company

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total Shares of the Company				No of Shares	% of total Shares of the Company
1	Madan Mohan Mohta	18,728	1.05	01.04.2014		NIL movement during the year	18,728	0.86
		18,728	0.86	31.03.2015	-			
2	Anirudh Mohta	68,260	3.82	01.04.2014		Preferential Allotment	1,03,260	4.72
				13.02.2015	35,000			
		1,03,260	4.72	31.03.2015				
3	Urmila Devi Mohta	1,93,668	10.84	01.04.2014		Preferential Allotment	2,08,668	9.54
				13.02.2015	15,000			
		2,08,668	9.54	31.03.2015				
4	R M Shah	5,680	0.32	01.04.2014		NIL movement during the year	5,680	0.26
		5,680	0.26	31.03.2015				
5	Dilip Chandak	-	-	01.04.2014		NIL holding/ movement during the	-	0.00
		-	-	31.03.2015				
6	N K Daga	-	-	01.04.2014		NIL holding/ movement during the	-	0.00
		-	-	31.03.2015				
7	R.B.Patil	35	0.00	01.04.2014		NIL movement during the year	35	0.00
		35	0.00	31.03.2015				
8	Mamta D Jain	-	-	01.04.2014		NIL holding/ movement during the	-	0.00
		-	-	31.03.2015				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,42,26,392	8,15,14,571		21,57,40,963
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	13,42,26,392	8,15,14,571	-	21,57,40,963
Change in Indebtedness during the financial year				
* Addition				-
* Reduction	6,02,44,263	3,43,02,886		9,45,47,149
Net Change	6,02,44,263	3,43,02,886	-	9,45,47,149
Indebtedness at the end of the financial year				
i) Principal Amount	7,39,82,129	4,72,11,685		12,11,93,814
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	7,39,82,129	4,72,11,685	-	12,11,93,814

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Anirudh Mohta	(₹)
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14,00,000	14,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,75,368	1,75,368
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	- as % of profit		-
	- others, specify		-
5	Others, please specify - Retirement Benefits	4,02,000	4,02,000
	Total (A)	19,77,368	19,77,368
	Ceiling as per the Act	30,00,000	30,00,000

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors					Total Amount
		Madan Mohan Mohta	Urmila Devi Mohta	Ramesh M Shah	Dilip P Chandak	Naval K Daga	(₹)
1	Independent Directors						
	Fee for attending board committee meetings	-	-	9,000	9,000	9,000	27,000
	Commission						-
	Others, please specify						-
	Total (1)	-	-	9,000	9,000	9,000	27,000

2	Other Non-Executive Directors						
	Fee for attending board committee meetings	5,000	8,000				13,000
	Commission *						-
	Others	-					-
	Total (2)	5,000	8,000	-	-	-	13,000
	Total (B)=(1+2)	5,000	8,000	9,000	9,000	9,000	40,000
	Total Managerial Remuneration						20,17,368
	Overall Ceiling as per the Act						N.A.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Name	Rajagonda B Patil	Mamta Dharmendra Jain	(₹)
		Designation	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,32,000.00	-		4,32,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,91,154.00	-		1,91,154.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	6,23,154.00	-	-	6,23,154.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL

M. M. MOHTA
Chairman
DIN-00068884
2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

ANIRUDH MOHTA
Managing Director
DIN-00065302
2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

Place : Belgaum
Dated : 7th August 2015

ANNEXURE – II

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	Not Transactions have taken place during the year.
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

(a)	Name(s) of the related party and nature of	L & G Steel And Commodities (P) Ltd- CIN U51900KA2009PTC049969. Plot No.3, Defence Colony, R. C. Nagar, 2nd Stage, Belgaum - 590008 Daughter & Grandson of Mr. M. M. Mohta & Mrs. Urmila Devi Mohta are Director of this Company
(b)	Nature of contracts/arrangements/transactions	Purchase & Sale of Goods
(c)	Duration of the contracts/arrangements/transactions	For F Y 2014-15
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	1) Purchase of Steel worth Rs 2,69,73,338/- 2) Purchase of Welding Machine worth Rs. 52,750/- 3) Sale of Scrap worth Rs. 2,04,740/- 4) Sale of Job Work worth Rs. 3,369/-
(e)	Date(s) of approval by the Board, if any:	28 th May 2014
(f)	Amount paid as advances, if any:	Nil

Place : Belgaum
Dated : 7th August 2015

M. M. MOHTA
Chairman
DIN-00068884
2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

ANIRUDH MOHTA
Managing Director
DIN-00065302
2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

ANNEXURE – III

Ratio of Remuneration

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Only Mr. Anirudh Mohta – MD is remunerated and Ratio of his Remuneration to that of the median remuneration of the Employees of the Company works out to 15.69						
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name	Designation	2014-15	2013-14	Incr. %		
	Anirudh Mohta	MD	17,25,368	9,82,487	75.61		
	R B Patil	CFO	5,99,400	5,71,320	4.91		
(iii) the percentage increase in the median remuneration of employees in the financial year;	2013-14	2014-15		Incr. %			
	1,03,548	1,09,934		6.17%			
(iv) the number of permanent employees on the rolls of company;	249						
(v) the explanation on the relationship between average increase in remuneration and company performance;	Though during the financial year 2013-14 the Company sustained loss. Still then, keeping in view larger interest of the Company, an average hike of 12% was considered reasonable for all employees.						
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	As against loss of Rs. 690..89 Lakhs, during the FY 2013-14, the Company has come out of red during 2014-15 and booked PBT of Rs. 148.13 Lakhs that justifies the payment of Remuneration to KMP.						
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	2013-14			2014-15			
		Rate	No of Shares	Market Cap	Rate	No of Shares	Market Cap
	Opening Rate	50.75	14,46,700	7,34,20,025	62.00	17,86,700	11,07,75,400
	Closing Rate	65.00	17,86,700	11,61,35,500	87.20	21,86,700	19,06,80,240
	EPS	(35.23)			(6.91)		
	PE Ratio	(1.85)			(12.62)		
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	1. Average Percentile Increase already made in the salaries of employees other than managerial in the last Financial year = 7.96%						
	2. percentile increase in the managerial remuneration = -10.64%						
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	Name & Designation of KMP	Remuneration (Rs. In Lakhs)	% of remuneration to Revenue		PAT		
	Anirudh Mohta – MD	19.50	0.50%	(21.94)%			
	R. B. Patil - CFO	6.04	0.16%	(6.76)%			
	During the year the average increase in the Remuneration of KMP was 65.96% as against 16.53% growth in the total revenue of the operation.						
(x) the key parameters for any variable component of remuneration availed by the directors;	Not Applicable						
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	Not Applicable						
(xii) affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid to all Employees is in accordance with the Remuneration Policy						

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY:

(i) designation of the employee;	None of the Employee of the Company including Managing Director is in receipt of Remuneration exceeding Rs. 60/- Lakhs per annum or at the said rate for any part of the year.
(ii) remuneration received;	
(iii) nature of employment, whether contractual or otherwise;	
(iv) qualifications and experience of the employee;	
(v) date of commencement of employment;	
(vi) the age of such employee;	
(vii) the last employment held by such employee before joining the company;	
(viii) the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	
(ix) whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	
The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;	
The employee, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;	
The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.	

Place : Belgaum
Dated : 7th August 2015

M. M. MOHTA
Chairman
DIN-00068884
2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

ANIRUDH MOHTA
Managing Director
DIN-00065302
2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

ANNEXURE – IV

REPORT ON CORPORATE GOVERNANCE

Report on Corporate Governance

In accordance with Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited, the report containing the details of Corporate Governance Systems and process of Bemco Hydraulics Limited is as follows:

1. **Company's Philosophy on Code of Corporate Governance.**

Bemco Hydraulics Limited is committed to good Corporate Governance. It was a mandatory requirement under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd; till 30th September 2014 & vide SEBI Circular CIR/CFD/POLICY CELL/7/2014 dated 15.09.2014 thereafter though it is not mandatory to our Company as neither the paid-up Capital exceeds Rs. 10/- Crore nor Net WORTH exceeds Rs. 25/- Crores, but BEMCO continues to follow good corporate Governance practices as such this Report is furnished as matter of Board commitment to transparency.

The principles of transparency, accountability, trusteeship and integrity are at the core of the Company's basic character. The Company firmly believes in the right of its stakeholders to information regarding the Company's business and financial performance.

The Company continues to commit itself to maintain the standards of integrity, transparency, accountability and equity in all facets of its operations and all its interactions with its stakeholders including the shareholders, employees and government. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholders value, keeping in view the needs and interest of all its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

2. **Board of Directors**

a. **Composition of the Board & Category of Directors**

During the financial 2014-15, the strength of your Company's Board was six directors comprising of one executive director and five non-executive directors including one woman director as required under clause 49(II)(A)(1) of the listing agreement. Three out of six Directors were Independent Directors, which duly complied with the requirement of clause 49 of the Listing Agreement.

Name of the Director	DIN	Designation	Category of Directorship
Shri Madan Mohan Mohta	00068884	Chairman	Promoter Non Executive Chairman
Shri Anirudh Mohta	00065302	Managing Director	Promoter Executive Director
Smt. Urmila Devi Mohta	00068906	Director	Promoter Non Executive Director
Shri Ramesh Manickchand Shah	00068653	Director	Non Executive Director Independent
Shri Nawal Kishore Daga	00142170	Director	Non Executive Director Independent
Shri Dilip Premraj Chandak	00644673	Director	Non Executive Director Independent

No Director is related to any other Director on the Board in terms of provisions of Companies Act, 2013, except for Mr. Anirudh Mohta and Smt. Urmila Devi Mohta who are related to Mr. Madan Mohan Mohta as Son and Wife.

b. **Selection of Independent Directors.**

Considering the requirement of Companies Act, 2013, company has appointed Independent Directors considering their expertise and number of Directorship and Membership held in various committees of other companies.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, give a declaration that he meets the criteria of independence as provided under law.

c. **Meetings of Independent Directors**

The company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or managerial personnel. Such meetings are conducted informally to enable independent Directors to discuss matters pertaining to the company's affairs and put forth their views to the Chairman and Managing Director.

One meeting of Independent Directors was held during the year.

d. **Code of Conduct**

The Company has in place a comprehensive Code of Conduct applicable to all the employees and Non-executive Directors including Independent Directors. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the code has been put on the Company's website (www.bemcohydraulics.net). The Code has been circulated to Directors and Management Personal, and its compliance is affirmed by them annually.

A declaration signed by the Company's Managing Director is published in this Report.

e. **Board Meetings, Board Committee Meetings and Procedures**

The Board has constituted four committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Committee for Prevention of Sexual Harassment of Woman at Workplace. The Board is authorized to constitute additional functional Committees, from time to time depending on business needs.

Minimum four pre-scheduled board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the company's specific needs. In case of urgency of matters, resolutions are passed by circulation.

The meetings are usually held at the registered office of the company at Udyambag, Industrial Estate, Belgaum – 590 008.

The items/matters required to be please before the Board, *inter alia*, include:

- Annual operating plans and budgets and any updates.
- Capital budget, purchase and disposal of plant, machinery and equipment.
- Quarterly, half yearly and annual results of the company.
- Minutes of the meeting of the audit committee and other committees of the board.
- Information on recruitment and remuneration of senior officers just below the board level.
- Materially important show cause, demand, prosecution notices and penalty notices, if any.
- Fatal and serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company, or substantial non- payments by clients.
- Any issue which involves possible public or product liability/claims of substantial nature.
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any).
- Appointment, remuneration and resignation of Directors
- Formation/reconstitution of Board Committees
- Terms of reference of Board Committees
- Declaration of Independent Directors at the time of appointment/annually
- Disclosure of Directors' interest and their shareholding
- Appointment or removal of the Key Managerial Personnel
- Appointment of Internal Auditors and Secretarial Auditors
- Annual Secretarial Audit Report submitted by Secretarial Auditor
- Significant changes in accounting policies and internal controls
- Statement of significant transactions, related party transactions and arrangements entered by private limited companies.
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee
- Internal Audit findings and External Audit Reports.
- Status of business risk exposures, its management and related action plans
- Borrowing of monies, giving guarantees or providing security in respect of loans.
- Brief on statutory development, changes in government policies, among other with impact thereof, Directors' responsibilities arising out of any such developments.
- Compliance certificate certifying compliance with all laws as applicable to the Company.
- Reconciliation of Share Capital Audit Report.

The aforesaid information is generally provided as a part of the agenda of the Board Meeting or is placed at the table during the course of the Meeting. The senior management staffs are also invited to the Board Meeting to present reports on the Company's operations and internal control systems. The detailed agenda is sent to the Directors a week before the Board Meeting. In special and exceptional circumstances, additional or supplementary items(s) on the agenda are permitted to be taken up as 'any other item' with the permission of the Chairman. The Board also periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

f. Number of Board Meetings

During the financial year under review, 8(Eight) Board Meetings were held & the details of Board Meetings are given below:

Sr.No	Date of Meeting	Board Strength	No of Directors Present
1	1st April 2014	6	6
2	28th May 2014	6	6
3	8th August 2014	6	6
4	12th September 2014	6	5
5	10th November 2014	6	6
6	19th December 2014	6	6
7	13th February 2015	6	6
8	27th March 2015	6	6

g. Director's attendance record and directorship held.

Attendance of Directors at Board Meetings, Last Annual General Meeting (AGM) and Number of other Directorships and Chairmanships/Memberships of Committees of each Director in various Companies:

Sr. No	Name of Director	Attendance at Meetings During 2014-15		No. of other Directorships other as on 31.03.2015 (#)	No. of Committee positions held in other Companies	
		Board	AGM		Chairman	Member
1.	Anirudh Mohta	8	Present	5	Nil	Nil
2.	Madan Mohan Mohta	8	No	5	Nil	Nil
3.	Urmila Devi Mohta	8	Present	6	Nil	Nil
4.	Ramesh Manickchand Shah	8	Present	2	Nil	Nil
5.	Dilip Premraj Chandak	8	Present	5	Nil	Nil
6.	Nawal Kishore Daga	8	Present	-	Nil	Nil

Notes: # The Directorships held by Directors as mentioned above, do not include Firms, Trusts & HUFs.

3. Board Committees

The Company has constituted Board level Committees to delegate particular matters that require greater and more focused attention in the affairs of the Company. All the decisions pertaining to the constitution of Committees are taken by the Board of Directors of the Company.

As on 31st March, 2015 the Company has four (4) Board level Committees namely the Audit Committee, Remuneration Committee, Shareholder's/Investors' Grievance Committee and the Share Transfer Committee.

a. AUDIT COMMITTEE

Chairman: Mr. R. M. Shah – Independent Director
Other Members: Mr. N. K. Daga- Independent Director
Mr. Anirudh Mohta – Executive Director

b. NOMINATION AND REMUNERATION COMMITTEE

Remuneration Policy and other details are furnished in the Corporate Governance.

Chairman: Mr. R. M. Shah – Independent Director
Other Members: Mr. Dilip Chandak – Independent Director
Mrs. Urmila Devi Mohta – Non Executive Director

c. STAKE HOLDERS RELATIONSHIP COMMITTEE

Chairman: Mr. Dilip Chandak – Independent Director
Other Members: Mr. Anirudh Mohta – Executive Director
Mrs. Urmila Devi Mohta – Non Executive Director

d. COMMITTEE FOR PREVENTION OF SEXUAL HARASSMENT OF WOMAN AT WORKPLACE

Chairman: Miss Kirti Ramchandra Devale – Company Employee
Other Members: Mrs. Urmila Devi Mohta – Non Executive Director

a. AUDIT COMMITTEE:

As per section 177 of the Companies Act, 2013 & Clause 49 of the Listing Agreement, company has re-constituted Audit Committee.

The Committee comprises of Two Independent Directors & one Executive Director viz Shri R. M. Shah – Chairman, Shri Dilip Chandak- Member, Shri Anirudh Mohta- Managing Director. All Members of the Audit Committee possess accounting and financial management knowledge.

The Audit Committee met four times during the year on 28th May 2014, 08th August 2014, 10th November 2014 & 13th February 2015. The maximum time gap between any two consecutive meetings did not exceed four months. The minutes of the meetings of the Audit Committee are reviewed and noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings along with sitting fees paid are given below:

Name of the Member	Category of Directorship	Position	No of Meetings attended
Shri R. M. Shah	Independent Director	Chairman	4
Shri Dilip Chandak	Independent Director	Member	4
Shri Anirudh Mohta	Executive Director	Member	4

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 12th September 2014 to answer shareholder queries.

Further the Audit Committee has been granted powers as prescribed under Clause 49 (II)(C) of the Listing Agreement.

The terms of reference of the Audit Committee includes the following:

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the replacement or removal of the statutory auditor, internal auditor and practicing company secretary and the fixation of their fees.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the Management, the annual financial statement before submission to the Board for approval, with particular reference to:
 - a. Matters required as part of the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
- Reviewing with the Management, quarterly and half-yearly financial statements before submission to the Board for Approval.
- Reviewing with the Management, performance of the Statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, 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.
- Discussion with the internal auditors of any significant findings and follow-up thereon.

- 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.
- Discussions with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post audit discussion to ascertain any areas of concern.
- Carrying out any other functions as specified in the terms of reference, as amended from time to time.

The powers of the Audit Committee, pursuant to its terms of reference, include the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice;
- To secure attendance of outsiders with relevant expertise, if considered necessary;

Further, the Audit Committee mandatorily reviews the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee) submitted by Management.
- Management letters/ letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Internal Auditors;
- The uses/applications of funds raised through an issue (public issue, rights issue, preferential issue etc.) by major category (Capital expenditure, Working Capital etc) as a part of the review of the quarterly financial statements;
- If applicable, on an annual basis, statements duly certified by statutory auditors, regarding utilization of funds for purposes other than those stated in the offer documents/prospectus/notice issued for raising funds through public issue, rights issue, preferential issue etc. and shall recommend to the Board appropriate steps to be taken up in the matter;

The Audit Committee is also appraised on information with regard to related party transactions and periodically presented with the following statements/details:

- Statement in summary form of transactions with related parties in the ordinary course of business.
- Details of material individual transactions with related parties, which are not in the ordinary course of business, if any.
- Details of material individual transactions with related parties or others, which are not on an arm's length basis, if any, together with Management's justification for the same.

b. NOMINATION & REMUNERATION COMMITTEE AND POLICY

As per Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the board has re-constituted Nomination and Remuneration Committee. The Committee also looks after the compensation structure at the Board level.

Composition of the Committee.

Chairman:	Mr. R. M. Shah	- Independent Director
Other Members:	Mr. Dilip Chandak	- Independent Director
	Mrs. Urmila Devi Mohta	- Non Executive Director

Terms of Reference of the Committee, inter alia, includes the following:

- a. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- b. To carry out evaluation of every Director's performance.
- c. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- d. To formulate the criteria for evaluation of independent directors and the board.
- e. To recommend/review remuneration of Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
- f. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- g. To perform such other functions as may be necessary or appropriate for the performance of its duties.

Meeting Details:

The Nomination & Remuneration Committee met Four times during the year on 1st April 2014, 28th May 2014, 08th August 2014 and 27th March 2015. The minutes of the meetings of the Nomination & Remuneration Committee are reviewed and noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings along with sitting fees paid are given below:

Name of the Member	Category of Directorship	Position	No of Meetings attended
Shri R. M. Shah	Independent Director	Chairman	4
Shri Dilip Chandak	Independent Director	Member	4
Smt. Urmila Devi Mohta	Non -Executive Director	Member	4

Remuneration Policy.

The Remuneration to Director, Key Management personnel and senior management is determined by the Board of Directors taking in to account the parameters laid down in schedule V to the Companies Act, 2013. So far the Company has remunerated its managerial personnel well within the limits laid down in schedule V and shareholders' approval is obtained in the Annual General Meeting in case of directors. Remuneration of Whole-time/Managing/Executive Directors largely consists of base remuneration, perquisites, gratuity, bonus and other allowances. The Non- Executive Directors are entitled to sitting fee for attending the meetings of the Board.

The details of Remuneration paid/payable during the year to Directors & Key Management Personnel are as under:-

Name of the Director	Basic Salary & Allowances	Perquisites	Retirement Benefits	Sitting Fees	Total
Shri Anirudh Mohta	14,00,000	3,25,368	2,52,000	-	19,77,368
Shri Madan Mohan Mohta	-	-	-	5,000	5,000
Smt. Urmila Devi Mohta	-	-	-	8,000	8,000
Shri R.M.Shah	-	-	-	9,000	9,000
Shri N.K.Daga	-	-	-	9,000	9,000
Shri Dilip Chandak	-	-	-	9,000	9,000

POLICY FOR SELECTION AND APPOINTMENT OF NON EXECUTIVE DIRECTORS AND THEIR REMUNERATION

Criteria of Selection of Non Executive Directors

The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation law, governance and general management.

The A&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under section 164 of the Companies Act, 2013

The A&R Committee shall consider the following attributes/ criteria, whilst recommending to the Board the candidature for appointment as Director.

- i). Qualification, expertise and experience of the Directors in their respective fields
- ii). Personal, Professional or business standing
- iii). Diversity of the Board.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level

REMUNERATION

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board Meetings.

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e KMPs NA Executive Committee Members) and A&R Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein- above, whilst recommending the annual increment and performance incentive to the A & R Committee for its review and approval.

c. STAKE HOLDERS RELATIONSHIP COMMITTEE

As per clause 49 of the listing agreement and Companies Act, 2013 Stake Holders Relationship Committee was constituted by the Board on 28th May 2014.

Composition of the Committee:

Chairman:	Mr. Dilip Chandak	- Independent Director
Other Members:	Mr. Anirudh Mohta	- Executive Director
	Mrs. Urmila Devi Mohta	- Non Executive Director

Terms of reference

The committee acts in accordance with the terms of reference specified by the Board from time to time as per the guidelines set out in the Listing Agreement of the Stock Exchanges, which inter-alia include overseeing and reviewing all matters connected with investors' complaints and redressed mechanism as per applicable statutory and regulatory provisions.

The gist of terms of reference is as under:

- Redressing complaints and grievances of shareholders pertaining to transfer of shares, non receipt of annual reports, and non receipt of dividends declared dematerialization/dematerialization of shares etc.
- Overseeing the performance of Registrar and Share Transfer Agents.
- Reviewing all matters connected with Servicing of Investors.
- Recommending measures for overall quality improvement for Investors Services.

Meeting Details

The Committee met four times during the year on 1st April 2014, 28th May 2014, 8th August 2014 and 27th March 2015. The attendance of members was as follows:

Name of the Member	Category of Directorship	Position	No of Meetings attended
Dilip Chandak	Independent Director	Chairman	4
Anirudh Mohta	Executive Director	Member	4
Urmila Devi Mohta	Non Executive Director	Member	4

Compliance Officer

Shri R. B. Patil, Chief Financial Officer was the compliance officer till 28.03.2015 and upon appointment of Smt. Mamta D Jain, as Company Secretary & Compliance Officer for complying with requirement of securities laws and listing agreement with Stock Exchanges.

Prohibition of Insider Trading

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

Investors Grievance Redressal

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Sr. No.	Types of Complaints	Number of Complaints
1	Non Receipt of Share Certificate after Transfer	2

d. COMMITTEE FOR PREVENTION OF SEXUAL HARASSMENT OF WOMAN AT WORKPLACE

- | | | |
|----|------------------------------|----------|
| 1. | Miss Kirti Ramchandra Devala | Chairman |
| 2. | Smt. Urmila Devi Mohta | Member |
| 3. | Mr. Anirudh Mohta | Member |

4. Subsidiary Company

First subsidiary company namely BEMCO FLUIDTECHNIK PRIVATE LIMITED - (CIN U29248KA2015PTC078838) has been incorporated on 13th February 2015. Company has not yet started its activity till 31st March 2015. The company does not have any material unlisted subsidiary and hence, is not required to nominate any Independent Director of the Company on the Board of subsidiary.

5. General Body Meeting

Annual General Meetings

During the preceding three years, the Company's Annual General Meetings were held at Registered Office of the Company at Udyambag Khanapur Road, Udyambag, Belgaum – 590008 Karnataka State.

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

Year	Date	Time	Special Resolutions Passed
2013-14	12.09.2014	3.30pm	<ul style="list-style-type: none"> Adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 To keep the Register of Members consisting of equity shares in both mode at Company's Registrar and Transfer Agents (RTA) at Mumbai.
2012-13	29.07.2013	3.30pm	<ul style="list-style-type: none"> Borrowing Power, by way of loans to the Board of Directors shall not exceed the sum of Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only)
2011-12	30.07.2012	3.30pm	<ul style="list-style-type: none"> Borrowing Power, by way of loans to the Board of Directors shall not exceed the sum of Rs. 15,00,00,000/- (Rupees Fifteen Crores Only)

Special Resolution(s) passed through Postal Ballot

During the year, the members of the Company have approved two resolutions 01. Authorizing the Board to borrow up to Rs. 50 crores and 02. Authorizing the Board to create charges, mortgages, pledge and hypothecation on movable and or immovable, tangible and intangible properties of the Company by passing a Special Resolution through postal ballot effective 12th September 2014.

The Board has appointed Shri SDR & Associates, Company Secretaries, Belgaum as a Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

The details of the voting pattern in respect of special resolution passed as under:

Sr No	Resolution Ordinary / Special	Particulars	% votes in favour	% votes Against
ITEMS ON THE AGENDA OF 56TH AGM				
1	Special	To approve and adopt new set of Articles of Association in substitution of the existing	100%	NIL
2	Special	To approve keeping of register of members and related records along with correspondence with RTA, M/s Adroit Corporate Services private Limited, Mumbai	100%	NIL
ITEMS ON THE AGENDA OF POSTAL BALLOT				
1	Special	Resolution under section 180(1)(c) and 180(2) of the Companies Act, 2013 authorizing the Board to borrow up to Rs. 50 crores	99.97%	0.03%
2	Special	Resolution under section 180(1(a)) of the Companies Act, 2013 authorizing the Board to create charges, mortgages, pledge and hypothecation on movable and or immovable, tangible and intangible properties of the Company.	99.95%	0.05%

Disclosure on materially significant related party transactions:

During the period under review, the Company had not entered into any material transaction with any of its related parties.

None of the transaction with any of related parties was in conflict with the Company's interest. The Company's major related party transactions are generally with its associate.

Whistle Blower Policy

The company has framed a whistle Blower Policy which has been accepted by the Board of Directors in its Meeting held on 28th May 2014.

Bemco Hydraulics Limited ("Bemco") is committed to complying with the domestic laws that apply to them, satisfying the Company's Code of Conduct and Ethics, and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines, and other penalties. That can be costly. Consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and free of any fear of retaliation.

Means of Communication

Quarterly results: The Company's quarterly results are published in Indian Express & Kannada Prabha and are displayed on its website www.bemcohydraulics.net.

Website: The Company's website www.bemcohydraulics.net contains a separate dedicated section "Investor Information" where shareholder's information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on complaint and its current status.

Designated Exclusive email-id: The Company has designated the following email-id exclusively for investor servicing:

For all queries: isc@bemcohydraulics.net

e. General Shareholders Information.

Company Registration Details

The Company is registered in the State of Karnataka, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L51101KA1957PLC001283.

Annual General Meeting:

Venue : Registered Office at Khanapur Road, Udyambag, BELGAUM-590 008

Time : 3.30 PM

Day & Date : Friday 25, 2015

Financial Year

1st April to 31st March

Financial Calendar

During the year the financial results were announced as under:

First Quarter : 08th August 2014

Second Quarter : 10th November 2014

Third Quarter : 13th February 2015

Annual : 28th May 2014

Date of Book Closure:

Monday, September 14, 2015 to Friday, September 25, 2015 (both the days inclusive)

Dividend Payment Date:

No dividend has been declared by the Company on equity shares for the financial year 2014-15.

Listing on Stock Exchange:

Equity Shares

BSE LIMITED (BSE)

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai - 400 001

Script Code : 522650

ISIN : INE142E01014

Stock Market Price Data

Details of Monthly high/ Low during the year 2014-15 on the BSE

Month	Bombay Stock Exchange			Volume(No)
	High Price (`)	Low Price (`)	Closing Price (`)	
Apr-14	65.40	58.90	58.90	1476
May-14	61.80	55.80	60.00	1777
Jun-14	62.95	52.25	62.70	3549
Jul-14	67.00	57.00	61.80	2123
Aug-14	63.15	55.15	63.15	3447
Sep-14	73.45	58.10	70.00	7154
Oct-14	74.00	62.75	62.90	1727
Nov-14	72.30	59.05	68.75	3684
Dec-14	104.00	65.35	99.90	7124
Jan-15	152.00	84.20	125.00	11025
Feb-15	164.00	88.60	89.10	3847
Mar-15	99.00	83.05	87.20	1480

Distribution of Shareholding:

The distribution of shareholding as on March 31, 2015

Shares Slab	Shareholders	% age	Total Shares	Amount (`)	% age
Up to - 100	1725	83.45	164315	16,43,150	7.51
101 - 500	281	13.59	69536	6,95,360	3.18
501 -1000	29	1.40	21764	2,17,640	1.00
1001 -2000	11	0.53	15947	1,59,470	0.73
2001 -3000	3	0.15	7149	71,490	0.33
3001 -4000	1	0.05	3466	34,660	0.16
4001 -5000	0	0.00	0	0	0.00
5001 -10000	1	0.05	5680	56,800	0.26
10001-20000	3	0.15	50456	5,04,560	2.31
20001-50000	3	0.15	115873	11,58,730	5.30
50001-& above	10	0.48	1732514	17,32,5140	79.23
Total	2067	100.00	2186700	2,18,67,000	100.00

Shareholding Pattern as on 31st March 2015. (Equity listed Capital)

Category Code	Category of shareholder	Number of shareholders	Total Number of Shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian	8	1633270	74.69
(2)	Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	8	1633270	74.69
(B)	Public Shareholding			
(1)	Institutions	1	93	0.01
(2)	Non-institutions	2052	553337	25.30
	Total Public Shareholding	2053	553430	25.31
(C)	Shares held by Custodians and against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	0	0	0.00
(2)	Public	0	0	0.00
	Total (A) +(B)+(C)	2061	2186700	100.00

Shareholding Pattern as on 31st March 2015. (Unlisted Redeemable Non Convertible Preference)

Category Code	Category of shareholder	Number of shareholders	Total Number of Shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian	3	320000	100.00
(2)	Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	3	320000	100.00
(B)	Public Shareholding			
(1)	Institutions	0	0	0.00
(2)	Non-institutions	0	0	0.00
	Total Public Shareholding	0	0	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	0	0	0.00
(2)	Public	0	0	0.00
	Total (A) +(B)+(C)	3	320000	100.00

Payment of Listing Fees

Annual listing fee for the year 2015-16 has been paid by the Company to BSE.

Payment of Depository Fees

Annual Custody fee for the year 2015-16 has been paid by the Company to NSDL and CDSL.

Registrar and Share Transfer Agent (R & T Agent)
M/s. Adroit Corporate Services Pvt. Ltd

19, Jaferbhoy Industrial Estate, Makawana Road, Marol Naka, Andheri (E), Mumbai – 400 059

 Phone No.: 022-2859 0942, 2859 4060, 2859 6060 Fax No.: 022-2850 3748 Email: adroits@vsnl.net
Share Transfer System.

Share Transfer are processed and share certificates duly endorsed are delivered within a period of seven day from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc of the Company's securities to the Managing Director. A summary of transfer/transmission of securities of the company so approved by the Managing Director is placed at every Board meeting/ Stakeholders' Relationship Committee. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities are required under Clause 47© of the Listing Agreement and files a copy of the said certificate with Stock Exchanges.

Dematerialization of shares and liquidity.

Mode of Holding	% age
NSDL	52.17
CDSL	38.42
Physical	09.41
TOTAL	100.00

As on 31st March 2015, 19,80,820 equity shares out of 21,86,700 of the total equity share capital being 90.59 % of the Company, were held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). ISIN allotted to the Company's equity shares is INE142E01014

Secretarial Reconciliation of Share Capital

A qualified practicing Company Secretary carried out the reconciliation of share capital pursuant to SEBI (Depositories and Participants) Regulations, 1996, on quarterly basis to reconcile the total admitted equity capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued/paid-up listed equity capital of the Company.

The Secretarial reconciliation report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the dematerialisation form.

Plant Location & Address for Correspondence:

The Investors can personally contact or send their correspondence either to *Share Transfer Agent* or at the Company's following address:

BEMCO HYDRAULICS LTD

Khanapur Road, Udyambag
 Belgaum – 590 008
 Tel: 0831-2441980, 2440173, 2440270,
 Fax: 0831-2441263
 Email: isc@bemcohydraulics.net
finance@bemcohydraulics.net

CEO AND CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

Certificate on Compliance with Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Management Personal, affirmation that they have complied with the Code of Conduct for the financial year 2014-15.

For **BEMCO HYDRAULICS LIMITED**

M. M. MOHTA

Chairman
 DIN-00068884
 2 Mohanam, 10th Cross, Bhagya Nagar,
 Belgaum, 590006, Karnataka

ANIRUDH MOHTA

Managing Director
 DIN-00065302
 2 Mohanam, 10th Cross, Bhagya Nagar,
 Belgaum, 590006, Karnataka

Place : Belgaum
 Dated : 7th August 2015

CERTIFICATE IN TERMS OF CLAUSE 49(IX) OF THE LISTING AGREEMENT

To,
The Board of Directors
Bemco Hydraulics Limited

1. We have reviewed financial statements and the cash flow statement of Bemco Hydraulics Limited for the year ended 31st March 2015 and to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit committee:
 - i. That there are no Significant changes in internal control over financial reporting during the year;
 - ii. That there are no Significant changes in accounting polices during the year and
 - iii. That there are no instances of significant fraud of which we have become aware.

For and on behalf of the Board of Directors

R.B.PATIL
Chief Financial Officer

ANIRUDH MOHTA
Managing Director
DIN-00065302
2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka.

Place : BELGAUM
Dated : 07-08-2015

S. R. DESHPANDE
COMPANY SECRETARY

150, BUDHWAR PETH
TILAKWADI, BELGAUM
deshpandecs@gmail.com
Phone 0831-2467378
Cell 9845058386

CERTIFICATE OF CORPORATE GOVERNANCE

To
THE MEMBERS
BEMCO HYDRAULICS LIMITED
BELGAUM

I have examined the compliance of conditions of Corporate Governance by **BEMCO HYDRAULICS LIMITED**, (the Company) for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange. In this connection attention is invited to SEBI circular No.CIR/CFD/POLICY CELL/7/2014/ dated 15.9.2014 that says compliance with provisions of clause 49 of listing agreement shall not be mandatory, for the time being, in respect of companies having paid equity share capital not exceeding Rs. 10 crores and net worth not exceeding Rs. 25 crores as on the last day of the previous financial year. This circular is effective from 1st October 2014. As the Company's paid up equity share capital and net worth is less than the limit so fixed, the compliance with provisions of clause 49 is not mandatory to it on and from 1st October 2014.

Nonetheless, as clause 49 was mandatory to the Company till 30th September 2014, this report is given.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to the review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the company. I state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

On the basis of my examination of the records produced, explanations and information furnished, in my opinion and to the best of my information and according to the explanation given to me and the representations made by the Directors and the management, I certify that subject to the observations that:

- i. *Company did not appoint a whole time Company Secretary till 27th March 2015 as a result there was no Company Secretary to act as Secretary to the audit committee,*
- ii. *Absence of a risk management committee, though policy exists,*
- iii. *No special resolution passed for transactions with related parties as the Company claims them to be below 10% of the annual turnover of the Company.*
- iv. Company has a subsidiary BEMCO FLUIDTECHNIK PRIVATE LIMITED on and from 13th February 2015 but that does not become a 'material non listed subsidiary' as its income or net worth does not exceed 20% of income or net worth company, hence no requirement of appointment of at least one independent Director on such subsidiary,

The Company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

Place : Belgaum
Dated : 7th August 2015

S. R. DESHPANDE
Company Secretary
C.P. No. 1865

MANAGEMENT DISCUSSION AND ANALYSIS

Bemco Hydraulics Limited ('BEMCO' or 'the Company'), is known for more than five decades as capital Goods Manufacturer, particularly in Hydraulic Presses and its allied hydraulic equipments. Since inception, Bemco is serving the Nation by providing the quality products to various Government Sectors such as Defence, Indian Railways, Nuclear project, Space Centers etc. apart from many private sectors in India and overseas customers.

Since, we are press manufacturers basically and our expertise lies in the field of hydraulics and the most critical machines required for process of manufacture. With the experience in the field, we are improving the design, incorporating new features / updated technologies, from time to time, with the intention to supply the sophisticated presses to our customers' and also to meet the need of updated trend in the Indian and Overseas Market.

In the course, to fetch the Market need, earlier we had tied up with M/s Towler Brothers of UK – for manufacture of high pressure pumps, M/s. Vogel of Germany – for C frame presses and M/s. Cesare Galdabini of Italy – for servo presses.

OVERVIEW, STRUCTURE & DEVELOPMENT

Bemco has a proven track record of customization of hydraulic systems to many critical applications.

During past few years your company has spent on the Development of light weight hydraulics re-railing equipment. This equipment is primarily designed to re-rail all types of de-railed rail vehicles. However it is also used for various applications like lifting and shifting of heavy structures, girders, machineries etc. With all critical inputs imported from the reputed overseas manufactures, Bemco's Re-railing equipment is comparable with any global brands.

It is proud to mention here that Your Company is the sole supplier for re-railing Equipment to Indian railways and 3rd of its kind in the Globe. With the good response due to quality of product the overseas customers' have also shown their interest to have such a developed updated Re-Railing Equipment and we met with their requirement too.

Economy

Since past few years, not only the Indian Economy but overall Global Economy experiencing the many hurdles, while stepping forward on its way towards growth.

In spite of a big hit to Indian Economy during the year 2013-14, the management is seeing the rising sun in the forthcoming years as there is major political changes are being taken place and new positive.

Performance Highlights

The estimated Gross revenue, during year under report has been hit by not only by Indian recessionary trend but also by downward trend in Global Economy.

The company's status in this respect is as under:

- The net Revenue Income during year under review has been increased by **19.81%**, as against decrease by **16.87%** during previous year (FY 2013-14)
- Gross profit during the year under review is **Rs. 608.90 Lakhs** as against the Gross loss of **Rs. 177.34 Lakhs** during the previous year ended on 31st March 2014.
- The Profit Before Tax during the year under review is **Rs. 148.83 Lakhs** as against the Loss Before Tax loss of **Rs. 690.89 Lakhs** during the previous year ended on 31st March 2014.
- The Loss After Tax during the year under review is **Rs. 88.87 Lakhs** as against the Loss After Tax loss of **Rs. 474.65 Lakhs** during the previous year ended on 31st March 2014.
- The Loss occurred for the year 2014-15 contains the Impact of Writing off of Deferred Tax Assets to the tune of **Rs. 238.86 Lakhs**:

Your company is in continual process of changing over of product-mix by using the advanced technology & adding some critical components in the product list of the company.

At present your Company has already executed the orders worth **Rs. 450.37 Lakhs** till date and the orders worth **Rs. 1774.72 Lakhs** are in hand to execute in the current year. In addition to this, orders worth **Rs. 1774/- Lakhs** are in pipelines. Further healthy enquiries are being received regularly, and the management feels that most of them will be converted into firm orders. However, company is setting the sales target, for 2015-16, of Rs. 3846.66/- Lakhs on conservative basis.

Company is studying the possibilities of adding the line of Mechanical Presses in its product mix which may help to grow its sales turnover.

To sum up, the outlook for the next year looks bright.

Internal Controls and their adequacy

BEMCO has a adequate system of internal control to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets. The internal control is supplemented by extensive programme of internal audits, periodical review by management, documented policies, guidelines and procedures.

Human Resources

During 2013-14, the focus from an organization development perspective was to implement strong processes and controls to continuously improve efficiencies and improve organization capabilities.

The process of realigning the organization along functional lines in various areas of business like business acquisition, business execution and technology adoption continued through 2013-14. On the operations side of business, management changes were undertaken to create more focus and greater accountability.

For and on behalf of the Board of Directors

M. M. MOHTA

Chairman
DIN-00068884

2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

ANIRUDH MOHTA

Managing Director
DIN-00065302

2 Mohanam, 10th Cross, Bhagya Nagar,
Belgaum, 590006, Karnataka

Place : Belgaum
Dated : 7th August 2015

SDR AND ASSOCIATES

**OFFICE ADDRESS GROUND FLOOR ,
 ANANDI RESIDENCY 150,
 BUDHWAR PETH, TILAKWADI,
 BELGAUM 590006.**

FORM MR 3

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
 (Appointment and Remuneration) Rules, 2014]

To,
 The Members,
 BEMCO HYDRAULICS LIMITED, Belgaum.

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by BEMCO HYDRAULICS LIMITED (herein after called 'the company') Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, subject to the audit observations given at appropriate places in the report, the Company has, during the audit period covering the financial year ended on 31st March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to reporting made herein after.
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March 2015, according to the provisions of:
 - i. The Companies Act, 2013(the Act) and the Rules made there under;
 - ii. The Securities Contracts(Regulation) Act,1956 (SCRA) and the Rules made there under,
 - iii. The Depositors Act, 1996 and the Regulations and Bye laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Director Investment, Overseas Direct Investment and External Commercial Borrowings, Not Applicable during the financial year
 - v. The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992, (SEBI Act)
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011,
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992,
 - c. The Securities and Exchange Board of India (Issue of capital and Disclosure requirements) Regulations, 2009,
 - d. The Securities and exchange Board of India(Employees Stock option scheme and employees stock purchase scheme) Guidelines, 1999 - Not Applicable during the financial year
 - e. The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations 2008 - Not Applicable during the financial year
 - f. The Securities and exchange Board of India (Registrars to an Issue and share transfer agents) Regulations, 1993, regarding the Companies Act and dealing with client,
 - g. The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009 - Not Applicable during the financial year
 - h. The Securities and Exchange Board of India (Buy back of securities) Regulations, 1998 - Not Applicable during the financial year
 - vi. **INDUSTRY SPECIFIC ACTS**
 The Company being engaged in the manufacture of hydraulic equipment and as an engineering goods manufacturer, the Company is covered by all major Acts and legislations which apply to any industrial company; thus, there is no industry specific law applicable to it.
 We have also examined compliance with the applicable clauses of the following –
 - a. Secretarial Standards issued by the Institute of Company Secretaries of India - Not Applicable during the financial year
 - b. The Listing agreement entered in to by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines, standards etc. mentioned above subject to the following observations:

COMPANIES ACT, 2013

The Company has appointed whole time Company Secretary on 27th March 2015 at the fag end of the financial year, thus for the whole of the year, the Company did not have a whole time Company secretary.

LISTING AGREEMENT

A copy of altered Articles of Association, altered in 56th Annual General Meeting held on 12th September,2014 adopting Table F not furnished to Stock Exchange as per Clause 33.

Attention is invited to the Company's secretary's certification on corporate governance under clause 49 of the listing agreement which are in the nature of disclosures.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and based on the verification of the minutes book for the year under review there were no instances of any Director having expressed a dissenting view.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period,

- a. the Company has issued 4,00,000 (four lakhs) equity shares of Rs. 10 each for cash at a premium of Rs. 60 per share aggregating to a sum of Rs. 2,80,00,000/- (two crores eighty lakhs only)
- b. the company has passed special resolution u/s 180(1)(a) of the Companies Act, 2013 in the 56th annual general meeting held on 12th September 2014 authorizing the Board to create charges on assets and properties of the Company by way of mortgage, hypothecation in favour of Banks and financial institutions in connection with term loans and other credit facilities. However, there was no sale of any undertaking or part thereof during the financial year.

For SDR & Associates
Practicing Company Secretaries

NAME	ROSHAN R RAIKAR
DESIGNATION	PARTNER
M.NO/CP.NO	32941, 12146
ADDRESS	190/11, KHANAPUR CROSS ROAD, NEAR RPD COLLEGE GROUND, TILAKWADI, BELGAUM - 590006

Place – Belgaum

Date – 07th August,2015

Annexure – A to Secretarial Audit Report dated 07th August, 2015

To,
 The Members,
 BEMCO HYDRAULICS LIMITED,
 Belgaum.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is a part of financial audit.
4. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc., wherever required.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SDR & Associates
Practicing Company Secretaries

NAME	ROSHAN R RAIKAR
DESIGNATION	PARTNER
M.NO/CP.NO	32941, 12146
ADDRESS	190/11, KHANAPUR CROSS ROAD, NEAR RPD COLLEGE GROUND, TILAKWADI, BELGAUM - 590006

Place – Belgaum

Date – 07th August,2015

A.C.BHUTERIA & CO.

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEMCO HYDRAULICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Bemco Hydraulics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, We give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- iii. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with this Report are in agreement with the books of account.
- iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- v. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 2.44 (c) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For A.C. Bhuteria & Co
Chartered Accountants
Firm Regn. No. 303105E**

**(Mohit Bhuteria)
Partner**

Membership No.056832

Place: Kolkata
2, India Exchange Place 2nd Floor Room No: 10 Kolkata- 700 001
Phone: 2230 6990,
E-mail: m_bhuteria@yahoo.co.in
Website: www.acbhuteria.com
Date: 29-05-2015

Annexure to Independent Auditor's Report referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

- i.
 - a. The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b. The fixed assets have been physically verified by the management in a phased manner, over a period of three years, which in our opinion is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
- ii.
 - a. Physical Verification of inventory has been conducted at regular intervals by the management. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification as compared to book record.
- iii. As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 and accordingly Para 3 (iii) of the Order is not applicable.
- iv. In our opinion and according to the information & explanation given to us, there is an adequate internal control system commensurate with the size of the Company & nature of its business for the purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. On the basis of our examination of books and records of the Company, in our opinion and according to the information and explanations given to us, the company has not accepted deposits during the year and therefore the directives issued by the Reserve bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company.

- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We are, however, not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii.
- a. The Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable to it with the appropriate authority. There are no undisputed amount payable in respect of applicable statutory dues which were in arrears as at 31.03.2015 for a period of more than six months from the date they became payable.
 - b. According to the information & explanation give to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute except as stated below:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Karnataka Tax on Entry of Goods, 1979	Entry Tax	53,028/-	2006-07	Commercial Tax Officer (Audit & Recovery), Belgaum
Karnataka Tax on Entry of Goods, 1979	Entry Tax	20,066/-	2007-08	Commercial Tax Officer (Audit & Recovery), Belgaum
Karnataka Tax on Entry of Goods, 1979	Entry Tax	24,206/-	2008-09	Commercial Tax Officer (Audit & Recovery), Belgaum
Karnataka Tax on Entry of Goods, 1979	Entry Tax	49,442/-	2009-10	Commercial Tax Officer (Audit & Recovery), Belgaum

- c. According to the information & explanation give to us, there is no such amount which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under.
- viii. The Company has accumulated losses exceeding fifty percent of its net worth as at the end of the financial year. It has not incurred cash losses during the financial year covered by our audit, but has incurred cash losses in the immediately preceding financial year.
- ix. Based on our audit procedures and as per the information & explanation given by the management, there has been delays in repayment of dues to working capital bankers aggregating to Rs. 1,73,40,452/- which had been made good during the year. The Company has not issued any debentures. The company has not defaulted in payment of dues to any financial institutions.
- x. The Company has not given any guarantee for loan taken by others from banks or financial institutions and accordingly Para 3 (x) of the Order is not applicable.
- xi. In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which they were raised.
- xii. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

**For A.C. Bhuteria & Co
Chartered Accountants
Firm Regn. No. 303105E**

**(Mohit Bhuteria)
Partner
Membership No.056832**

Place: Kolkata
2, India Exchange Place 2nd Floor Room No: 10 Kolkata- 700 001
Phone: 2230 6990,
E-mail: m_bhuteria@yahoo.co.in
Website: www.acbhuteria.com
Date: 29-05-2015

BALANCE SHEET AS ON 31ST MARCH 2015

	Note Ref.	31-Mar-15 Rs	31-Mar-14 Rs
I EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	2.1	5,39,33,500.00	4,99,33,500.00
(b) Reserves & Surplus	2.2	2,20,56,276.36	1,46,47,801.64
		7,59,89,776.36	6,45,81,301.64
(2) Non-Current Liabilities			
(a) Long Term Borrowings	2.3	5,71,72,170.46	7,09,97,781.28
(b) Deferred tax Liability (Net)		-	-
(c) Other Long Term Liabilities	2.4	37,54,701.00	35,48,733.00
		6,09,26,871.46	7,45,46,514.28
(3) Current Liabilities			
(a) Short Term Borrowings	2.5	11,18,61,397.55	20,30,85,859.94
(b) Trade Payables	2.6	7,54,67,887.78	8,00,76,185.30
(c) Other Current Liabilities	2.7	4,31,04,983.57	7,82,32,177.62
(d) Short Term provisions	2.8	43,12,556.00	34,61,516.00
		23,47,46,824.90	36,48,55,738.86
TOTAL		37,16,63,472.72	50,39,83,554.78
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	2.9		
(i) Tangible Assets		7,35,78,463.00	7,92,54,016.00
(ii) Intangible Assets		1,94,23,498.00	2,63,33,302.00
		9,30,01,961.00	10,55,87,318.00
(b) Non-Current Investments	2.10	44,760.00	41,760.00
(c) Deferred Tax Assets (Net)	2.11	-	2,38,86,000.00
(d) Long term Loans and advances	2.12	11,96,277.00	12,77,410.96
(e) Other Non-Current Assets	2.13	64,07,156.00	1,19,31,141.00
		10,06,50,154.00	14,27,23,629.96
(2) Current Assets			
(a) Inventories	2.14	17,87,81,319.00	21,61,50,689.00
(b) Trade receivables	2.15	7,00,62,555.22	12,46,17,976.35
(c) Cash and Bank Balances			
(i) Cash and Cash Equivalents	2.16	6,25,479.34	28,97,204.92
(ii) Other Bank Balances	2.17	1,16,99,989.00	51,40,623.00
(d) Short Term Loans and Advances	2.18	98,43,976.16	1,24,53,431.55
(e) Other Current Assets	2.19	-	-
		27,10,13,318.72	36,12,59,924.82
TOTAL		37,16,63,472.72	50,39,83,554.78

Significant accounting policies and notes to financial statements 1 & 2

As Per our Report of Even Date
 for M/s A.C. BHUTERIA & CO.
 Chartered Accountants
 firm Regn No.:303105E

Mohit Bhuteria
 Partner

Mamta D Jain
 Company Secretary

R B Patil
 CFO

Anirudh Mohta
 Managing Director

M M Mohta
 Chairman

Membership No.:056832

ACS - 25022

PAN:AANPP9374M

DIN:00065302

DIN:00068884

Place: Kolkata

Date: 29/05/2015

Place: Belgaum

Date: 29/05/2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31-Mar-15

	Note Ref.	31-Mar-15 Rs	31-Mar-14 Rs
I REVENUE FROM OPERATIONS (Gross)	2.20	40,00,22,028.10	35,35,69,958.98
Less: Excise duty		3,33,90,643.00	3,31,54,433.00
REVENUE FROM OPERATIONS (Net)		36,66,31,385.10	32,04,15,525.98
II OTHER INCOME	2.21	1,95,15,900.02	18,89,289.30
III TOTAL REVENUE (I + II)		38,61,47,285.12	32,23,04,815.28
IV EXPENSES			
Cost of Material Consumed	2.22	18,04,67,833.38	15,21,27,438.04
Changes in inventories of finished goods	2.23	1,89,74,527.00	3,48,81,408.00
Employee benefits expense	2.24	6,60,24,144.00	5,64,57,694.98
Finance Cost	2.25	3,29,40,461.15	3,93,10,119.06
Depreciation and amortization expense	2.26	1,31,37,187.00	1,20,44,807.00
Other expenses	2.27	5,97,90,261.87	9,65,72,502.90
TOTAL EXPENSES		37,13,34,414.40	39,13,93,969.98
V PROFIT BEFORE TAX (VII-VIII)		1,48,12,870.72	(6,90,89,154.70)
VI TAX EXPENSES			
(1) Current Tax		(20,000.00)	-
(2) Deferred Tax		(2,38,86,000.00)	2,14,97,000.00
(3) Income tax earlier years		2,05,869.00	(72,910.00)
		(2,37,00,131.00)	2,14,24,090.00
VII PROFIT/ (LOSS) FOR THE PERIOD (V - VI)		(88,87,260.28)	(4,76,65,064.70)
VIII EARNINGS PER EQUITY SHARE:	2.28		
(1) Basic		(6.91)	(35.23)
(2) Diluted		(6.91)	(35.23)

Significant accounting policies and notes to financial statements

1 & 2

As Per our Report of Even Date
for M/s A.C. BHUTERIA & CO.
Chartered Accountants
firm Regn No.:303105E

Mohit Bhuteria
Partner

Mamta D Jain
Company Secretary

R B Patil
CFO

Anirudh Mohta
Managing Director

M M Mohta
Chairman

Membership No.:056832

ACS - 25022

PAN:AANPP9374M

DIN:00065302

DIN:00068884

Place: Kolkata

Date: 29/05/2015

Place: Belgaum

Date: 29/05/2015

BEMCO HYDRAULICS LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain fixed assets which are stated at revalued amounts. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All the Assets and Liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of activities, the Company has ascertained its operating cycle as 12 months for the purpose of Current and Non Current classification of Assets and Liabilities.

b) Use of Estimates

The preparation of the financial statements is in conformity with Indian GAAP which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statement. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Tangible Fixed Assets and Capital Work in Progress

(i) Recognition

Tangible assets are stated at their original cost net of recoverable taxes, duties, trade discounts and rebates less accumulated depreciation and impairment, if any except in case of certain fixed assets which have been revalued and stated at revalued amounts less accumulated depreciation. The cost of fixed asset comprises its purchase price, borrowing costs and any directly attributable cost of bringing the asset to its working condition for its intended use.

Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use as at the reporting date.

(ii) Depreciation

Depreciation on tangible fixed assets is charged on straight line method over the useful life/remaining useful life of the asset as per Schedule II of the Companies Act 2013. Depreciation on assets purchased / acquired during the year is charged from the date of addition / purchase of the asset. Similarly, depreciation on assets sold / discarded during the year is charged up on the sale / discard of the assets.

Where depreciable assets are disposed of, discarded, demolished or destroyed, the net surplus or deficiency, if material, is disclosed separately.

d) Intangible Fixed Assets

(i) Recognition

Intangible fixed assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

(ii) Amortization

Intangible assets are amortized on straight line basis over the estimated useful economic life of the asset. The company presumes that the useful economic life of Technical Knowhow and Computer Software is five years from the year in which it is acquired and is ready to use and therefore, Technical Knowhow and Computer Software is amortized on straight line basis over a period of five years from the year in which it is acquired and is ready to use. The amortisation charge for each period is recognised as an expense.

e) Non-Current/Long Term Investment

Non- Current/ Long-term investments are stated at cost. Provision is made for diminution in the value of investments, if the same is considered to be other than temporary in nature. The carrying amount of long-term investments is determined on an individual investment basis.

f) Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories comprises of costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Estimates of net realisable value are based on the most reliable evidence available at the time the estimates are made as to the amount the inventories are expected to realise. The cost of inventories are arrived at by applying the weighted average cost formula.

Scrap is valued at net realizable value. Excise duty payable on finished goods lying in the factory is provided for and included in closing stock of finished goods.

g) Employee Benefits

1 Short term employee benefits :

Short-term employee benefits are employee benefits (other than termination benefits) such as salary, wages and performance incentive which fall due wholly within twelve months after the end of the period in which the employees render the related service and are recognised as expense in the period in which the related service is rendered.

2 Post-employment Benefits

Post-employment benefits are employee benefits (other than termination benefits) which are payable after the completion of employment.

a. Defined Contribution Plans

The Company has Defined Contribution Plans for Post employment benefits in the form of Superannuation Fund and Provident & Pension Fund for all employees which are administered by Life Insurance Corporation (LIC) and Regional Provident Fund Commissioner respectively. Superannuation Fund and Provident Fund are classified as defined contribution plans as the Company pays fixed contributions into a separate entity (a fund) and has no further obligation beyond making contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

b. Defined Benefit Plans

Funded Plan: The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity, which is administered through Life Insurance Corporation (LIC).

Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

c. Other Long-term Employee Benefit

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit method.

3 Termination benefits are recognised as an expense as and when incurred.

4 The Actuarial gains and losses arising during the year are recognised in the Statement of Profit and Loss.

h) Research and Development:

No intangible asset arising from research (or from the research phase of an internal project) is recognised. Revenue expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Development costs of products are charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised.

i) Revenue Recognition

Sale of goods

Sales are recognised net of returns, trade discounts and rebates when the seller has transferred the property in the goods to the buyer for a consideration. The transfer of property in goods, in most cases, results in or coincides with the transfer of significant risks and rewards of ownership to the buyer. However, there may be situations where transfer of property in goods does not coincide with the transfer of significant risks and rewards of ownership. Revenue in such situations is recognised at the time of transfer of significant risks and rewards of ownership to the buyer.

Sales include excise duty but excludes value added tax and central sales tax collected.

Rendering of services

Revenue from maintenance contracts are recognized pro-rata over the period of contract.

Revenue from other service contracts are recognized when services are rendered and related costs are incurred.

Other income

Interest accrues on the time basis determined by the amount outstanding and the rate applicable.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Other items of income are recognized on accrual basis.

j) Borrowing Cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of that asset upto the date the asset is ready for use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

k) Foreign Currency Transactions.

Initial recognition

A foreign currency transaction is recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Measurement of foreign currency monetary items at Balance Sheet date

Foreign currency monetary items are reported using the closing rate. However, in certain circumstances, where the closing rate may not reflect with reasonable accuracy the amount in reporting currency that is likely to be realised or where the closing rate is unrealistic and it is not possible to effect an exchange of currencies at that rate at the balance sheet date, the relevant monetary item is reported in the reporting currency at the amount which is likely to be realised from, or required to disburse, such item at the balance sheet date.

Exchange difference

Exchange differences arising on the settlement of monetary items or on reporting an enterprise's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise (except Net Investment in a Non-integral Foreign Operation).

l) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The net profit or loss for the period attributable to equity shareholders is the net profit or loss for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares is the number of equity shares outstanding at the

beginning of the period, adjusted by the number of equity shares bought back or issued during the period multiplied by the time-weighting factor.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The number of equity shares is the aggregate of the weighted average number of equity shares and the weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed to have been converted into equity shares at the beginning of the period or, if issued later, the date of the issue of the potential equity shares. Potential equity shares are treated as dilutive when, and only when, their conversion to equity shares would decrease net profit per share from continuing ordinary operations.

m) Taxation:

Tax expense for the period, comprising current tax and deferred tax, is included in the determination of the net profit or loss for the period. Provision is made for current tax based on tax liability computed in accordance with relevant tax rates and tax laws.

Provision is made for deferred tax for all the timing differences arising between taxable income and accounting income at currently or substantively enacted tax rates, subject to the consideration of prudence in respect of deferred tax assets. Whenever there exists any unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet Date.

n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the enterprise; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or a reliable estimate of the amount of the obligation cannot be made. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent Assets are neither recognised nor disclosed in the Financial Statements.

o) Impairment of Assets:

Impairment is ascertained at each Balance Sheet date in respect of cash generating units. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

p) Leases

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Amortization of capitalized Leased asset is computed on Straight Line Method over the useful life of the asset. Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight line basis.

q) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent only when it has a short maturity of three months or less from the date of acquisition.

r) Cash Flow Statement

The cash flow statement reports cash flows during the period classified by operating, investing and financing activities. Cash flows from operating activities are reported using the indirect method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

s) Post-sales client support and warranties

The Company provides its clients with a fixed-period warranty for corrections of errors and support on all its fixed-price, fixed-time frame contracts. Costs associated with such support services are accrued at the time when related revenues are recorded and included in statement of profit and loss. The Company estimates such costs based on historical experience and the estimates are reviewed annually for any material changes in assumptions.

(2) NOTES TO FINANCIAL STATEMENTS
(2.1) SHARE CAPITAL

(a) Authorized Share Capital	As at	31-Mar-15	As at	31-Mar-14
	Quantity (Nos.)	Amount (Rs.)	Quantity (Nos.)	Amount (Rs.)
Equity Shares of Rs. 10/- each	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Preference Shares of Rs. 100/- each	4,00,000	4,00,00,000	4,00,000	4,00,00,000
	44,00,000	8,00,00,000	44,00,000	8,00,00,000

(b) Issued Share Capital	As at	31-Mar-15	As at	31-Mar-14
	Quantity (Nos.)	Amount (Rs.)	Quantity (Nos.)	Amount (Rs.)
Equity Shares of Rs. 10/- each	22,22,750	2,22,27,500	18,22,750	1,82,27,500
Preference Shares of Rs. 100/- each	3,27,268	3,27,26,800	3,27,268	3,27,26,800
	25,50,018	5,49,54,300	21,50,018	5,09,54,300

(c) Subscribed Share Capital	As at	31-Mar-15	As at	31-Mar-14
	Quantity (Nos.)	Amount (Rs.)	Quantity (Nos.)	Amount (Rs.)
Equity Shares of Rs. 10/- each	22,00,000	2,20,00,000	18,00,000	1,80,00,000
Preference Shares of Rs. 100/- each	3,20,000	3,20,00,000	3,20,000	3,20,00,000
	25,20,000	5,40,00,000	21,20,000	5,00,00,000

(d) Fully Paid-up Share Capital	As at	31-Mar-15	As at	31-Mar-14
	Quantity (Nos.)	Amount (Rs.)	Quantity (Nos.)	Amount (Rs.)
Equity Shares of Rs. 10/- each fully paid	21,86,700	2,18,67,000	17,86,700	1,78,67,000
Shares Forfeited	-	66,500	-	66,500
	21,86,700	2,19,33,500	17,86,700	1,79,33,500
Preference Shares of Rs. 100/- each fully paid	3,20,000	3,20,00,000	3,20,000	3,20,00,000
	25,06,700	5,39,33,500	21,06,700	4,99,33,500

(e) Reconciliation of Equity shares of Rs. 10/- each outstanding at the beginning and at the end of the reporting period.	As at	31-Mar-15	As at	31-Mar-14
	Quantity (Nos.)	Amount Rs.	Quantity (Nos.)	Amount Rs.
Balance as at the beginning of the period	17,86,700	1,79,33,500	14,46,700	1,45,33,500
Add/(Less): Equity Shares of Rs. 10/- each issued during the year on Preferential basis	4,00,000	40,00,000	3,40,000	34,00,000
Balance as at the end of the period	21,86,700	2,19,33,500	17,86,700	1,79,33,500

(f) Reconciliation of Preference shares of Rs. 100/- each outstanding at the beginning and at the end of the reporting period.	As at	31-Mar-15	As at	31-Mar-14
	Quantity (Nos.)	Amount Rs.	Quantity (Nos.)	Amount Rs.
Balance as at the beginning of the period	3,20,000	3,20,00,000	3,38,000	3,38,00,000
Add: Allotment during the year	-	-	-	-
Less: Redemption during the year	-	-	(18,000)	(18,00,000)
Balance as at the end of the period	3,20,000	3,20,00,000	3,20,000	3,20,00,000

(g) Shareholders holding more than 5% of Equity Share Capital.	As at	31-Mar-15	As at	31-Mar-14
	(Nos.)	(%)	(Nos.)	(%)
1 Mohta Capital Pvt Ltd	6,65,606	30.44	4,65,606	26.06
2 Sri Ramchandra Enterprises Pvt Ltd	3,34,697	15.31	2,84,697	15.93
3 U D Fininvest Pvt Ltd	2,18,400	9.99	2,18,400	12.22
4 Urmila Devi Mohta	2,08,668	9.54	1,93,668	10.84
5 Sungrace Finvest Pvt Ltd	1,85,000	8.46	-	-

(h) Rights/preferences attached to Equity Shares

The Company has Equity Shares having par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share. Holders of Equity Shares are entitled to dividend, in proportion to the paid up amount, proposed by Board of Directors subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts.

(i) Rights, Preferences and Restrictions attached to Preference Shares of Rs. 100/- each

The dividend on preference shares proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting. Each holder of Preference Share is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to the said shares. In the event of liquidation of the Company before redemption of preference shares, the holders of preference shares will have priority over equity shares in the payment of dividend and repayment of capital but shall not be entitled to any surplus arising thereto.

(j) Terms of redemption of preference shares.

Particulars	As at	31-Mar-15	As at	31-Mar-14
	Quantity (Nos.)	Amount (Rs.)	Quantity (Nos.)	Amount (Rs.)
(i) 11% Cumulative Redeemable Preference shares of Rs. 100/- each redeemable at par on 31/03/2031.	3,00,000	3,00,00,000	3,00,000	3,00,00,000
(ii) 11% Cumulative Redeemable Preference shares of Rs. 100/- each redeemable at par on 31/03/2020.	20,000	20,00,000	20,000	20,00,000

(k) Shareholders holding more than 5% of Preference Share Capital.	As at	31-Mar-15	As at	31-Mar-14
	(Nos.)	%	(Nos.)	%
1 Mohta Capital Pvt Ltd	1,90,000	59.38	1,90,000	59.38
2 U D Finnvest Pvt Ltd	65,000	20.31	65,000	20.31
3 Sri Ramchandra Enterprises Pvt Ltd	65,000	20.31	65,000	20.31

(2.2) RESERVES AND SURPLUS

Particulars	As at 31 Mar 15 Rs. P.	As at 31 Mar 14 Rs. P.
Capital Reserve		
Opening Balance	6,44,876.00	6,44,876.00
(A)	6,44,876.00	6,44,876.00
Capital Redemption Reserve		
Opening Balance	14,73,200.00	14,73,200.00
(B)	14,73,200.00	14,73,200.00
Securities Premium Account		
Opening Balance	2,08,31,700.00	38,31,700.00
Add: Addition during the year	2,40,00,000.00	1,70,00,000.00
(C)	4,48,31,700.00	2,08,31,700.00
Revaluation Reserve:		
Opening Balance	2,24,10,905.00	2,29,39,215.00
Less: Adjustment on account of Transitional Provisions	(77,04,265.00)	-
Less: Transferred to General Reserve on account of depreciation for the year on revalued amounts.	(2,71,160.00)	5,28,310.00
[Refer Note No. 2.09 (C)]	(D)	2,24,10,905.00
General Reserve		
Opening Balance	65,00,000.00	65,00,000.00
Add: Transferred from Revaluation Reserve	2,71,160.00	-
[Refer Note No. 2.09 (C)]	(E)	67,71,160.00
Surplus/(Deficit) in the Statement of Profit & Loss		
Opening Balance	(3,72,12,879.36)	1,04,52,185.34
Add: Surplus/(deficit) for the period	(88,87,260.28)	(4,76,65,064.70)
(F)	(4,61,00,139.64)	(3,72,12,879.36)
Balance carried forward		
Total (A to F)	2,20,56,276.36	1,46,47,801.64

(2.3) LONG TERM BORROWINGS

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Secured		
Term Loans		
- From Banks [see note (i) & (ii) below]	53,99,192.00	1,11,21,500.00
- Motor Car loan from Banks [see note (iii) below]	59,31,578.46	38,44,180.78
Unsecured		
Deferred Payment Liabilities	4,58,41,400.00	5,60,32,100.50
	5,71,72,170.46	7,09,97,781.28

Note:

- (i) Term loan from Bank of Maharashtra is secured by equitable mortgage of Land & Building and 1st charge on the Fixed Assets of the company on pari-passu basis with State Bank of India and personal guarantee of three directors of the company. Interest payable thereon is at base rate + 4.75% repayable in 53 monthly installments of Rs. 1.86 lacs each and last installment of Rs. 1.42 Lakhs after a moratorium period of 6 months. Interest shall be serviced as and when applied. As on 31-03-2015, 31 installments are due for repayment amounting to Rs. 57,18,500/- excluding interest (P.Y. Rs. 79,53,500/-).
- (ii) Term loan from State Bank of India is secured by equitable mortgage of Land & Building and 1st charge on the Fixed Assets of the company pari-passu basis with Bank of Maharashtra and personal guarantee of three directors of the company. Interest payable thereon is at base rate + 4.60% repayable in 40 monthly installments after a moratorium period of 8 month. Of the 40 installments, first 20 installments would be of Rs 2 lacs each and the balance 20 installments would be of Rs. 3 lacs each. As on 31-03-2015, 19 installments are due for repayment amounting to Rs. 55,12,692/- excluding interest (P.Y. Rs. 82,00,000/-).
- (iii) Motor Car Loans from banks are secured by hypothecation of motor car, repayable in equated monthly installments carrying interest on reducing balance method varying between 10% per annum to 12.5% per annum. As on 31-03-2015, 788 installments (Previous Year 734 installments) are due for repayment amounting to Rs 83,83,435/- excluding interest (Previous Year Rs 62,55,421/-)

(2.4) OTHER LONG TERM LIABILITIES

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Other Payables- Deposits	37,54,701.00	35,48,733.00
	37,54,701.00	35,48,733.00

(2.5) SHORT TERM BORROWINGS

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Secured		
Loans repayable on demand		
- Cash credit/ Packing Credit from Banks [see note (i) & (ii) below]	5,57,32,502.33	11,18,17,470.72
Raw Material Assistance Scheme from NSIC [see note (iii) below]	89,17,210.22	97,53,818.22
Unsecured		
Loans repayable on demand		
- Loans from Related Parties (Refer Note 2.30)	3,52,11,685.00	6,08,55,367.00
- Loans from other parties	1,20,00,000.00	2,06,59,204.00
	11,18,61,397.55	20,30,85,859.94

Note

- (i) Cash credit availed from Bank of Maharashtra is secured by hypothecation of inventory and receivables upto 120 days as primary security and equitable mortgage of factory land and building and personal guarantee of three directors of the Company. Interest on cash credit is payable at floating rate being base rate of respective bank plus spread varying between 5% to 5.50% at monthly rests.
- (ii) Cash credit availed from State bank of India is secured by hypothecation of inventory and receivables upto 120 days as primary security and equitable mortgage of factory land and building and personal guarantee of three directors of the Company. Interest on cash credit is payable at floating rate being base rate of respective bank plus spread varying between 4% to 4.50% at monthly rests.
- (iii) Raw Material Assistance Scheme availed from NSIC is secured by bank guarantee amounting to Rs 10,000,000/-. Interest is payable @ 11% per annum on amount outstanding. Additional interest at the rate of 2% percent per annum is payable if payment is not made within stipulated time limit.

(2.6) TRADE PAYABLES		
Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Trade Payables		
- Due to Micro Enterprises & Small Enterprises	-	-
- Due to Other than Micro Enterprises & Small Enterprises	5,85,91,763.78	6,27,11,944.30
- Acceptances	1,68,76,124.00	1,73,64,241.00
	7,54,67,887.78	8,00,76,185.30
(2.7) OTHER CURRENT LIABILITIES		
Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Current maturities of long term debts		
- Term Loan from Banks	58,32,000.00	50,32,000.00
- Motor Car loan from Banks	24,51,856.32	24,11,240.35
- Current portion of deferred liability for Intangible Assets	68,42,000.00	1,19,88,360.50
Interest accrued but not due on borrowings car Loans	49,498.00	29,144.00
Interest accrued and due on borrowings	10,67,906.00	28,30,469.00
Other Payables		
- Gratuity Payable to LIC	24,82,111.00	-
- Advance from Customers	1,62,40,301.79	3,96,39,890.05
- Other deposits	7,95,499.00	6,17,802.00
- Liabilities for Statutory Dues	29,39,934.30	91,10,490.56
- Liabilities for Expenses	44,03,877.16	65,72,781.16
	4,31,04,983.57	7,82,32,177.62
(2.8) SHORT TERM PROVISIONS		
Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Provision for employee benefits		
- Provision for Leave Encashment	34,98,746.00	25,37,800.00
Provision - Others		
- Provision for Income Tax (Net)	-	2,07,799.00
- Provision for Product Warranty	8,13,810.00	7,15,917.00
	43,12,556.00	34,61,516.00

**FIXED ASSETS
NOTE NO. - 2.09**

SL NO	PARTICULARS	GROSS BLOCK		DEPRECIATION			NET BLOCK					
		AS AT 1-Apr-14 Year	Additions	Deductions/ Adjustments	AS AT 31-Mar-15	UP TO 1-Apr-14	For the Year	Deductions	Adjustments	TOTAL As at 31-Mar-15	As on 31-Mar-15	As on 31-Mar-14
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A	TANGIBLE ASSETS											
	LEASED											
1	LEASEHOLD LAND	1,33,10,040	-	-	-	-	-	-	-	-	1,33,10,040	1,33,10,040
	GL - 64											
	OWNED											
2	BUILDINGS	4,55,17,177	7,09,873	-	4,62,27,050	11,55,067	-	77,30,418	-	1,87,58,657	2,74,68,393	3,56,44,005
	GL - 65											
3	BOREWELL	1,57,861	-	-	1,57,861	1,38,400	-	-	-	1,49,968	7,893	1,46,293
	GL - 589											
4	PLANT AND MACHINERY	5,38,72,003	19,12,291	35,41,738	5,22,42,556	10,17,776	34,87,612	-	-	3,78,45,654	1,43,96,902	1,35,56,513
	GL - 65											
5	OFFICE EQUIPMENTS	12,53,867	41,155	-	12,95,022	1,73,131	-	2,44,030	-	9,10,835	3,84,187	7,60,193
	GL - 397											
6	VEHICLES	1,86,10,929	86,54,372	71,95,056	2,00,70,245	24,46,313	32,41,977	-	-	37,26,814	1,63,43,431	1,40,88,451
	GL - 69											
7	Goods Transport	2,46,525	6,52,725	-	8,99,250	54,584	-	-	-	3,01,109	5,98,141	-
	GL -											
8	ELECTRICAL INSTALLATIONS	37,34,292	-	-	37,34,292	50,415	-	48,195	-	33,33,118	4,01,174	4,99,784
	GL - 68											
9	FURNITURE AND FIXTURES	19,74,902	57,347	-	20,32,249	50,417	-	23,712	-	17,77,941	2,54,308	2,71,090
	GL - 67											
10	COMPUTERS	35,41,152	1,08,484	-	36,49,636	5,28,996	-	1,43,141	-	32,35,642	4,13,994	9,77,647
	GL - 250											
		14,22,18,748	1,21,36,247	1,07,36,794	14,36,18,201	56,15,099	67,29,589	81,89,496	7,00,39,738	7,35,78,463	7,92,54,016	
B	INTANGIBLE ASSETS											
	Other than Internally Generated											
11	COMPUTER SOFTWARE	4,93,255	1,27,053	-	6,20,308	1,03,934	-	-	-	1,91,120	4,29,188	4,06,069
	GL - 274											
12	TECHNICAL KNOW - HOW	7,53,48,488	-	-	7,53,48,488	69,32,923	-	-	-	5,63,54,178	1,89,94,310	2,59,27,233
	GL - 297											
		7,58,41,743	1,27,053	-	7,59,68,796	70,36,857	-	-	-	5,65,45,298	1,94,23,498	2,63,33,302
	Total	21,80,60,491	1,22,63,300	1,07,36,794	21,95,86,997	1,26,51,956	67,29,589	81,89,496	12,65,85,036	9,30,01,961	10,55,87,318	
	Previous Year	20,13,56,916	2,22,34,686	55,31,111	21,80,60,491	1,25,73,117	38,27,179	-	11,24,73,173	10,55,87,318		

C. Pursuant to Schedule II of Companies Act 2013 effective 1.04.2014, the Company has made reassessment of the useful life of the Fixed Assets in terms of that prescribed in the said Schedule. The carrying amount of existing Fixed Assets as on 1.04.2014 has been depreciated over the remaining useful life of the assets and those acquired during the year based on the useful life of the assets as specified in the said Schedule. The change in revision of useful life does not have any material impact on financial statements.

Further, in view of Schedule II, depreciation on account of revaluation of assets amounting to Rs. 2,71,160/- which was hitherto transferred from Revaluation Reserve has been charged to the Statement of Profit & Loss. Consequently, an equivalent amount has been transferred from Revaluation Reserve to General Reserve.

In case of assets where the remaining useful life in terms of Schedule II is NIL, the carrying amount of the asset after retaining residual value to the extent of Rs. 4,85,231/- representing historical cost has been charged to the Statement of Profit & Loss and Rs. 77,04,265/- representing revaluation has been charged to Revaluation Reserve. The impact of change on the profits of the year is not material.

(2.10) NON-CURRENT INVESTMENTS

Particulars	Face value (Rs.)	31-Mar-15		31-Mar-14	
		Nos	(Rs.)	Nos.	(Rs.)
<u>(Long Term Non-Trade at cost fully paid up unless otherwise stated)</u>					
Unquoted Equity Shares					
Belgaum Coal and coke Consumer Co-op Ass. Ltd	1,000	4	4,000	4	4,000
Belgaum Manufacturers Co-op Industrial Estate Ltd	100	40	4,000	40	1,000
WG Forge and Allied Industrial Limited	10	50	402	50	402
Sarswat Co-op Bank Ltd	10	783	7,830	783	7,830
Quoted Equity Shares					
Alfa Laval Limited	10	-	-	-	-
Alfred Herbert (India) Limited	6	5	40	5	40
American Refrigerator Company Limited	10	100	400	100	400
Andhra Sinter Limited	10	1,000	10,000	1,000	10,000
Best and Cropmpton Engineering Limited	10	105	1,782	105	1,782
BF Investment Ltd (Bonus)	5	26	-	26	-
BF Utilites Ltd	5	26	-	26	-
Bharat Forge Company Limited	2	130	1,300	130	1,300
Bosch Rexroth India Ltd	10	6	65	6	65
Dynamic Technologies Limited	10	40	272	40	272
E.C.E. Industries Limited	10	30	300	30	300
Eaton Fluid Power Ltd (Vickers Systems International Limited)	10	24	672	24	672
Eicher Motors Ltd (Bonus)	10	1	-	1	-
Eicher Tractors Limited	10	4	875	4	875
Elecon Engineering Co. Limited (Including Bonus)	2	360	707	360	707
Guest Keen Williams Limited	10	1	24	1	24
Jyoti Limited	10	50	722	50	722
Kulkarni Power Tools Limited (F.V Change)	5	200	602	200	602
Larsen and Tubro Limited	2	256	3,156	256	3,156
Larsen and Tubro Limited Bonus	2	128	-	128	-
LML Limited	10	27	562	27	562
Mahindra and Mahindra Limited(F.C Change)	5	52	196	52	196
Manugraph Industries Limited	2	240	1,120	240	1,120
Nesco Ltd (New Standard Engineering Company Limited)	10	40	113	40	113
Scooters India Limited	10	50	230	50	230
SLM Maneklal Industries Limited	100	1	204	1	204
Tata Construction & Projects Ltd	10	50	500	50	500
Tata Motors Ltd	2	115	924	115	924
Texmaco Ltd	10	10	240	10	240
U. T. Limited	10	100	607	100	607
Ultratech Cement (Bonus)	10	51	-	51	-
Voltas Limited	1	150	165	150	165
Quoted Debentures					
Tata Enginering & Locomotive Company Limited (NC)	150	3	300	3	300
TATA SSL Limited (NC)	50	45	2,250	45	2,250
Bharat Forge Limited (NC)	50	2	100	2	100
Un-Quoted Debentures					
Eicher Tractors Limited	100	1	100	1	100
			44,760		41,760

1. Book Value cost of Un-Quoted Investments	16,332	13,332
2. Book Value cost of Quoted Investments	28,428	28,428
3. Market Value Quoted Investments	12,81,086	8,70,659
4. Aggregate Provision for Diminution in Value of Investments	-	-
5. Quoted Investments whose market value was not available are considered at cost to arrive at market value.		

(2.11) DEFERRED TAX ASSETS

a) Particulars	Opening	Ch./Cr. To P/L A/C.	Closing
Expenses charged/credited to P/L account but allowed on Income Tax on payable basis	7,84,000	2,97,000	10,81,000
Provision for Product Warranty	2,21,000	30,000	2,51,000
Provision for doubtful debts / advances	23,78,000	(12,11,000)	11,67,000
Tax impact of difference between carrying amount of fixed assets as per books of account and as per Income Tax	(11,72,000)	(1,84,000)	(13,56,000)
Unabsorbed Business Loss/ Depreciation	1,83,31,000	42,000	1,83,73,000
Foreign Currency Fluctuations charged to revenue, allowable in future, on capitalisation to intangible asset/ payment thereof	33,44,000	(36,99,000)	(3,55,000)
	2,38,86,000	(47,25,000)	1,91,61,000

- b) Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.
- c) On consideration of prudence, deferred tax assets (net) has not been recognised and the opening balance of Rs. 2,38,86,000/- has been reversed.

(2.12) LONG TERM LOANS AND ADVANCES

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Unsecured, Considered Good		
Advance Tax / TDS (net of provision)	3,49,397.00	5,80,530.96
Deposit with Govt., Public Bodies and Others	8,46,880.00	6,96,880.00
	11,96,277.00	12,77,410.96

(2.13) OTHER NON-CURRENT ASSETS

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
<u>Other Bank Balances</u>		
- Non-Current portion of fixed deposits with original maturity of more than 12 months	45,33,275.00	1,00,31,170.00
<u>Advances recoverable in cash or in kind or for value to be received</u>		
Considered good		
- Advances to staff	18,73,881.00	18,99,971.00
	64,07,156.00	1,19,31,141.00

Note:

- (i) Above mentioned fixed deposits are held as margin money with banks against bank guarantees, letter of credit and other commitments and includes interest accrued thereon.

(2.14) INVENTORIES (At lower of cost or net realisable value, whichever is lower, unless otherwise stated)

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Raw Materials	1,42,98,592.00	3,19,01,372.00
Intermediate and Components	1,54,77,555.00	1,73,36,353.00
Stores and Spares Parts	27,51,380.00	16,84,645.00
Work-in-Progress	14,62,20,000.00	12,03,02,000.00
Finished Goods	33,792.00	4,49,26,319.00
Scrap (At estimated realisable value)	-	-
	17,87,81,319.00	21,61,50,689.00

(2.15) TRADE RECEIVABLES

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Unsecured Considered Good Outstanding for a period of not more than six months from due date of payment	3,04,08,192.35	4,87,40,090.82
Other Debts	3,96,54,362.87	7,58,77,885.53
	7,00,62,555.22	12,46,17,976.35
Unsecured Considered Doubtful Provided for Outstanding for a period exceeding six months from due date of payment	33,75,307.00	72,96,820.00
Less: Provision for Doubtful Debts	(33,75,307.00)	(72,96,820.00)
	-	-
	7,00,62,555.22	12,46,17,976.35

(2.16) CASH AND CASH EQUIVALENTS

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Balance with Banks in current account(s)	5,70,419.61	19,59,605.19
Cash-on-hand (As certified by a director)	55,059.73	9,37,599.73
	6,25,479.34	28,97,204.92

(2.17) OTHER BANK BALANCES

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Fixed deposits with original maturity of more than 12 months	1,16,99,989.00	51,40,623.00
	1,16,99,989.00	51,40,623.00

Note:

- (i) Above mentioned fixed deposits are held as margin money with banks against bank guarantees, letter of credit and other commitments and includes interest accrued thereon.

(2.18) SHORT TERM LOANS AND ADVANCES

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
<u>Advances recoverable in cash or in kind or for value to be received</u>		
<u>Considered good</u>		
- Advances to staff	25,11,102.36	36,16,137.68
- Advances to Others	34,44,925.10	50,22,204.10
Advance Tax / TDS (net of provision)	9,68,363.70	3,35,581.00
Prepaid Expenses	21,41,085.00	22,54,851.00
Balance with Excise authorities	7,78,500.00	12,24,657.77
Considered doubtful provided for	4,00,000.00	4,00,000.00
Less: Provision for Doubtful Advances	(4,00,000.00)	(4,00,000.00)
	98,43,976.16	1,24,53,431.55

(2.19) OTHER CURRENT ASSETS

Particulars	As at 31-Mar-15 Rs. P.	As at 31-Mar-14 Rs. P.
Interest Receivable	-	-
	-	-

(2.20) Revenue From Operations

Particulars	Current Year Rs. P.	Previous Year Rs. P.
Sale of goods manufactured	38,87,74,473.18	34,15,90,819.66
Sale of services	54,50,061.12	25,89,142.50
Other operating revenues	57,97,493.80	93,89,996.82
	40,00,22,028.10	35,35,69,958.98

(2.21) Other Income

Particulars	Current Year Rs. P.	Previous Year Rs. P.
Interest Income		
i Interest from Banks	14,05,371.00	12,92,035.00
ii Interest from Others	42,078.00	-
iii Interest on Security Deposit with Hubli	-	-
	14,47,449.00	12,92,035.00
Dividend from Non-Current/Long Term Investments	9,678.50	9,168.22
Miscellaneous Receipts	55,326.52	1,19,265.08
Prior Period Adjustments	2,39,845.00	2,472.00
Liability no longer required written back	12,909.00	4,12,391.00
Fluctuation in Foreign Currency	1,20,19,109.00	-
Sundry Creditor's Credit Balances Written off	12,85,423.00	-
Provision for Doubtful Debts and Advances written back	39,21,513.00	-
Profit on disposal of tangible Fixed Assets	78,558.00	53,958.00
Excess & Short Provision	4,46,089.00	-
	1,95,15,900.02	18,89,289.30

(2.22) COST OF MATERIAL CONSUMED

Particulars	Current Year Rs. P.	Previous Year Rs. P.
Raw Materials		
Opening Stock	3,19,01,372.00	3,72,71,142.00
Add: Purchases	8,22,22,119.08	7,31,93,022.04
Less: Closing Stock	(1,42,98,592.00)	(3,19,01,372.00)
(A)	9,98,24,899.08	7,85,62,792.04
Intermediates and Components		
Opening Stock	1,73,36,353.00	-
Add: Purchases	6,97,17,347.30	8,07,57,437.00
Less: Closing Stock	(1,54,77,555.00)	(1,73,36,353.00)
(B)	7,15,76,145.30	6,34,21,084.00
Packing material		
Opening Stock	-	-
Add: Purchases	16,64,574.00	10,77,690.00
Less: Closing Stock	-	-
(C)	16,64,574.00	10,77,690.00
Stores and Spares		
Opening Stock	16,84,645.00	19,03,153.00
Add: Purchases	89,57,260.00	88,47,364.00
Less: Closing Stock	(27,51,380.00)	(16,84,645.00)
(D)	78,90,525.00	90,65,872.00
Total (A+B+C+D)	18,09,56,143.38	15,21,27,438.04
Less: Materials consumed on account of warranties	(4,88,310.00)	-
Total	18,04,67,833.38	15,21,27,438.04

(2.23) Changes in inventories of finished goods and work-in-progress

Particulars	Current Year Rs. P.	Previous Year Rs. P.
Opening Stock		
Work-in progress	12,03,02,000.00	16,59,72,500.00
Work-in progress-Export	-	31,30,000.00
Finished Goods	4,49,26,319.00	3,09,89,654.00
Scrap	-	17,573.00
Total of Opening Stock (A)	16,52,28,319.00	20,01,09,727.00
Closing Stock		
Work-in progress	14,62,20,000.00	12,03,02,000.00
Work-in progress-Export	-	-
Finished Goods	33,792.00	4,49,26,319.00
Scrap	-	-
Total of Closing Stock (B)	14,62,53,792.00	16,52,28,319.00
Net changes in inventories of finished goods, work-in-progress [Total (A-B)]	1,89,74,527.00	3,48,81,408.00

(2.24) Employee benefits expense

Particulars	Current Year Rs. P.	Previous Year Rs. P.
Salaries, Wages, Bonus, Gratuity, etc.	5,79,06,851.00	4,89,34,518.55
Contribution to Provident fund & other funds	48,52,390.00	45,13,407.00
Staff welfare expense	32,64,903.00	30,09,769.43
	6,60,24,144.00	5,64,57,694.98

(2.25) Finance Cost

Particulars	Current Year	Previous Year
	Rs. P.	Rs. P.
Interest Expense	2,68,95,416.65	3,31,54,675.06
Other Borrowing cost	60,45,044.50	61,55,444.00
	3,29,40,461.15	3,93,10,119.06

(2.26) Depreciation

Particulars	Current Year	Previous Year
	Rs. P.	Rs. P.
Depreciation on Tangible Assets	56,15,099.00	47,40,850.00
Depreciation on Intangible Assets	70,36,857.00	73,03,957.00
	1,26,51,956.00	1,20,44,807.00
Add: Depreciation under Transitional Provisions	4,85,231.00	-
	1,31,37,187.00	1,20,44,807.00

(2.27) Other expenses

Particulars	Current Year	Previous Year
	Rs. P.	Rs. P.
Power & fuel	28,64,450.00	27,77,505.00
Manufacturing Expenses	1,69,89,766.64	2,15,31,763.20
Freight & Transportation	62,83,136.85	69,59,618.00
Product Warranty Expenses	5,86,203.00	-
Repairs		
Buildings	10,48,381.00	1,75,190.00
Machinery	14,90,724.00	11,54,399.00
Computers	2,17,791.00	2,27,484.00
Others	4,21,129.00	3,49,591.00
Insurance	4,94,437.00	4,06,962.00
Rent	4,26,396.00	4,26,396.00
Rates & Taxes	8,32,150.00	6,61,571.00
Printing and Stationery	10,51,150.00	9,82,419.00
Postage, Telephone & Telegram	11,21,158.93	11,53,468.38
Travelling & Conveyance Expenses	1,17,94,835.46	1,22,71,656.36
Bad Debts / Advances Written Off	10,76,303.19	6,59,388.36
Provision for Doubtful Debts and Advances	-	36,02,593.00
Miscellaneous Expenses	52,52,091.80	77,70,083.10
Payment to Auditors for:		
Audit Fees	2,00,000.00	2,00,000.00
Limited Review Certification charges	50,000.00	45,000.00
Other Certification	17,100.00	17,100.00
Reimbursement of Expenses (including ST)	77,266.00	1,32,687.00
Directors' Sitting Fees	40,000.00	28,000.00
Loss on Sale of Assets	8,75,453.00	4,38,439.00
Loss in Foreign Currency Fluctuation (net)	-	1,08,03,751.00
Liquidated Damages	1,10,84,913.00	2,15,69,890.50
Prior Period Adjustments	88,609.00	-
Excise duty on opening & closing stock (net)	(51,68,288.00)	16,02,548.00
Preferential Equity Shares Issue Expenses	5,75,105.00	6,25,000.00
	5,97,90,261.87	9,65,72,502.90

(2.28) Earnings per Share

PARTICULARS	Year Ended 31-Mar-15	Year Ended 31-Mar-14
Profit After tax (Rs.)	(88,87,260.28)	(4,76,65,064.70)
Less: Dividend (including tax thereon) on Cumulative Preference Share (Excluding arrears)	(42,36,588.00)	(43,49,874.00)
Adjusted Net Profit attributable to Equity Share holders	(1,31,23,848.28)	(5,20,14,938.70)
Weighted average number of equity shares in issue	18,99,577	14,76,508
Basic Earnings per Equity Share of Rs.10/- each (in Rs.)	(6.91)	(35.23)
Diluted Earnings per Equity Share of Rs. 10/- each (in Rs.)	(6.91)	(35.23)

(2.29) EMPLOYEE BENEFITS

- a) Post Retirement Benefits :
 Defined Contribution Plans

(Figures in Rs.)

Particulars	2014-15	2013-14
1 Contribution to Employees' Provident Fund	20,21,029	13,32,356
2 Contribution to Employees' Family Pension Fund	17,37,245	21,98,473
3 Contribution to Employees' Superannuation Fund	10,94,116	9,82,570
	48,52,390	45,13,399

- b) Defined Benefit Plans

(i)

(Figures in Rs.)

Changes in the Present Value of Obligation	2014-15	2013-14
	Gratuity Funded	Gratuity Funded
a. Present Value of Obligation as at opening date	1,58,22,470	1,59,10,975
b. Interest Cost	12,91,474	12,45,591
c. Past Service Cost	-	-
d. Current Service Cost	11,92,207	9,78,580
e. Curtailment Cost/(Credit)	-	-
f. Settlement Cost/(Credit)	-	-
g. Actual Benefit Payments	(30,10,363)	(14,70,648)
h. Actuarial (Gain)/Loss	23,24,484	(8,42,028)
i. Present Value of Obligation as at closing date	1,76,20,272	1,58,22,470

(ii)

(Figures in Rs.)

Changes in the Fair Value of Plan Assets	2014-15	2013-14
	Gratuity Funded	Gratuity Funded
a. Present Value of Plan Assets as at opening date	1,66,52,446	1,67,19,848
b. Expected Return on Plan Assets	13,73,657	14,40,082
c. Actuarial Gain/(Loss)	(47,577)	(37,956)
d. Employers' Contributions	1,70,000	1,120
e. Employees' Contributions	-	-
f. Benefits Paid	(30,10,363)	(14,70,648)
g. Fair Value of Plan Assets as at closing date	1,51,38,163	1,66,52,446

(iii)

Amount recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets	2014-15	2013-14
	Gratuity Funded	Gratuity Funded
a. Present Value of Obligation as at opening date	1,76,20,272	1,58,22,470
b. Fair Value of Plan Assets	1,51,38,163	1,66,52,446
c. Funded (Asset)/ Liability recognized in the Balance Sheet	24,82,109	(8,29,976)
d. Present Value of unfunded Obligation as at Mar 31, 2013	-	-
e. Unrecognized Past Service Cost	-	-
f. Unrecognized Actuarial (Gains)/Losses.	-	-
g. Unfunded Net Liability recognized in the Balance Sheet	-	-

(iv)

(Figures in Rs.)

	Expenses recognized in the Profit & Loss Account	2014-15	2013-14
		Gratuity Funded	Gratuity Funded
a.	Current Service Cost	11,92,207	9,78,580
b.	Past Service Cost	-	-
c.	Interest Cost	12,91,474	12,45,591
d.	Expected Return on Plan Assets	(13,73,657)	(14,40,082)
e.	Curtailement Cost/(Credit)	-	-
f.	Settlement Cost/(Credit)	-	-
g.	Net actuarial (Gain)/Loss	23,72,061	(8,04,072)
h.	Empolyees' Contribution	-	-
i.	Total Expenses recognized in the Profit & Loss Account	34,82,085	(19,983)

(v)

	Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at reporting date	2014-15	2013-14
		Gratuity Funded	Gratuity Funded
a.	Government of India Securities	-	-
b.	Corporate Bonds	-	-
c.	Special Deposits Scheme	-	-
d.	Equity Shares of Listed Companies	-	-
e.	Property	-	-
f.	Insurer Managed Funds	100%	100%
g.	Others	-	-

c) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

d) The Actual Return on Plan Assets is as follows (Rs.) 13,26,080
(14,02,126)

e)

	Following are the Principal Actuarial Assumptions used as at the balance sheet date:	2014-15	2013-14
a.	Interest Rate	7.90%	9.00%
b.	Discount Rate	7.90%	9.00%
c.	Expected Rate of Return on Plan Assets	9.00%	9.00%
d.	Salary Escalation Rate	6.00%	6.00%

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

f) Retirement age 58 years or 70 years if extension is given

(2.30) Related party disclosures (where transactions have taken place):

- i Key Management personnel:
Shri Madan Mohan Mohta
Shri Anirudh Mohta
 - ii Relatives of Key management personnel:
Smt. Urmila Devi Mohta
 - iii Enterprises where key management personnel have significant influence:
U. D. Finnvest Pvt Ltd
Mohta Capital Pvt Ltd
Bemco Precitech Pvt Ltd
U.D.Polyproducts Pvt Ltd
Free Ramachandra Enterprises Private Limited
- Related party relationship in terms of AS-18 – Related party Disclosures have been certified by the management and relied upon by the Auditors. There are no related parties where control exists in terms of AS-18.
- iv In respect of above parties, there is no provision for doubtful debts as at year end and no amount has been written off or written back during the year in respect of debts due from / to them.
 - v The following related party transactions were carried out during the year.

Nature of Transaction	Equity Shares		Preference Shares		Expenditure			Short term borrowings		Balance as at year end (Cr) (incl. interest)
	Issued on preferential basis	Preference Shares as at the year end	Redemption of Preference Shares	Interest	Sitting Fees	Remuneration	Accepted	Repaid		
Key Management Personnel Shri Madan Mohan Mohta	-	-	-	-	5,000	-	-	-	-	-
Shri Anirudh Mohta	24,50,000.00	(-)	-	-	-	(14,75,737)	-	-	-	-
Total	24,50,000.00	(-)	-	(1,65,984)	-	(9,82,487)	-	-	(8,72,481)	-
Relatives of Key Management Personnel										
Smt. Urmila Devi Mohta	10,50,000.00	-	-	-	8,000	-	-	-	-	-
Total	(-)	(-)	-	-	(5,000)	-	-	-	-	-
Enterprises where Key Management Personnel have Significant Influence										
U.D. Finnvest Pvt Ltd	(51,00,000)	65,00,000	(3,00,000)	1,92,776	-	-	5,00,000	41,89,016	5,02,255	(40,17,773)
Sri Ramachandra Enterprises Pvt Ltd	35,00,000	65,00,000	-	(2,70,543)	-	-	(57,60,000)	(1,54,62,000)	-	2,38,810
Mohta Capital Pvt Ltd	(51,00,000)	(65,00,000)	(-)	4,93,784	-	-	3,00,000	87,02,376	-	(81,96,780)
Bemco Precitech Pvt Ltd	1,40,00,000	1,90,00,000	(15,00,000)	(3,88,325)	-	-	(2,25,62,000)	(1,67,23,000)	-	3,50,37,829
U.D.Polyproducts Pvt Ltd	(51,00,000)	(1,90,00,000)	-	57,88,084	-	-	(4,06,50,000)	4,03,18,621	-	(5,02,07,175)
Total	(-)	(-)	(-)	18,500	-	-	(27,000)	20,252	-	1,48,504
U.D.Polyproducts PVT Ltd	(-)	(-)	(-)	(4,384)	-	-	-	(27,000)	-	(1,52,107)
Total	(-)	(-)	(-)	26,536	-	-	-	22,075	-	2,19,122
Total	1,75,00,000	3,20,00,000	(-)	(6,263)	-	-	-	(27,000)	-	(2,17,314)
Total	(1,53,00,000)	(3,20,00,000)	(-)	65,19,680	-	-	2,07,40,000	5,32,52,340	-	3,61,46,520
Total	(-)	(-)	(-)	(21,50,868)	-	-	(6,89,72,000)	(7,94,79,000)	-	(6,27,91,149)

(Figures in bracket pertain to Previous Year)

(2.31) Land, Building, Plant and Machinery, Office equipment and major portion of other fixed assets acquired before 4th October 1999 were revalued on the basis of the valuation of these assets carried out by a firm of registered valuer. According to the Valuer’s Report these fixed assets were valued on the following basis:

- Land : Market value basis
- Building : Present day cost less depreciation
- Machinery & Other Assets : Market value basis, present cost less depreciation

The surplus arising thereon as compared to net book value amounting to Rs.468.73 lacs was credited to Revaluation Reserve.

(2.32) The Company is engaged in the manufacturing and sale of hydraulic press machine and related equipments, which as per the Accounting Standard AS-17 is considered the only reportable business segment. The geographical segment is not relevant as exports are insignificant.

(2.33) In accordance with the provisions of Accounting Standard on Impairment of Assets (AS 28), the management has made an assessment of assets in use and considering the business prospects related thereto, no provision is considered necessary on account of impairment of Assets.

(2.34) a) Disclosure of the amount due to the Micro, Small & Medium Enterprises (on the basis of the information and records available with the management)

PARTICULARS		As At 31-Mar-15	As At 31-Mar-14
1	The principal amount and the Interest due thereon remaining unpaid to any Micro/Small supplier - Principal amount - Interest thereon	NIL NIL	NIL NIL
2	The interest paid by the buyer as above, along with the amount of payments made beyond the appointed date during each accounting year.	NIL	NIL
3	The amount of Interest due and payable for the period of delay in making payments which has been made beyond the appointed day (during the year) but without adding the interest specified under the Micro, Small And Medium Enterprises Act Development Act 2006.	NIL	NIL
4	The amount of interest accrued and remaining un paid at the end each accounting year.	NIL	NIL
5	The amount of further Interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the Small / Micro Enterprises.	-	-

b) Company has written to the suppliers asking them to confirm their status under Micro, Small & Medium Enterprises Development Act 2006, however no intimation has been received from any of the suppliers.

(2.35) Disclosure of loans / advances and investments in its own shares by the listed companies, their subsidiaries, associates etc (as certified by the management)

Sr. No.	PARTICULARS	Outstanding Balance As On 31-Mar-2015	Outstanding Balance As On 31-Mar-2014
i	Loans and advances in the nature of loans to subsidiaries	-	-
ii	Loans and advances in the nature of loan to associates	-	-
iii	Loans and advance in the nature of loan where there is	-	-
	a) No repayment schedule or repayments beyond seven years	-	-
	b) No interest or interest below Section 372 A of the Companies Act 1956.	-	-
iv	Loans and advance in the nature of loans to firms/companies in which director are interested.	-	-
v	Investments by loanee in the shares of parent company and subsidiary companies when the company has made loan or advance in the nature of loan.	-	-

(2.36) C.I.F. VALUE OF IMPORTS, EXPENDITURE (INCLUDING CAPITAL EXPENDITURE) AND EARNINGS IN FOREIGN CURRENCY:

	PARTICULARS	2014-15	2013-14
1	C.I.F. Value of Imports: Raw Materials And Components	42,69,718.00	1,66,13,121
2	Expenditure in Foreign Currency:(paid/payable) - Traveling - Technical Know How (including exchange fluctuation) - Advertisement Expenses	61,818 33,66,778 -	3,45,987 1,59,31,128 6,96,509
3	Earnings in Foreign Exchange: FOB value of Exports	4,91,61,415	65,76,500

(2.37) OPENING STOCK, CLOSING STOCK AND TURNOVER OF FINISHED GOODS:

PRODUCTS	Opening Stock Amount	Closing Stock Amount	Turnover Amount
Hydraulic Presses	3,45,07,867 (2,76,05,477)	- (3,45,07,867)	15,72,08,894 (21,64,90,556)
Axial Piston Pumps	- -	- -	- (28,12,088)
Hydraulic Equipments	1,04,18,452 (23,37,203)	33,792 (1,04,18,452)	18,46,60,500 (6,64,15,706)
Others	- (10,46,974)	- -	99,85,480 (2,27,18,037)
Scrap	- (17,573)	33,792 -	40,940 (1,20,390)
Total	4,49,26,319 (3,10,07,227)	67,584 (4,49,26,319)	35,18,95,813 (30,85,56,777)

Note: The sales turnover is excluding of Excise duty however the Opening & Closing Stock is inclusive of excise duty.

(2.38) RAW MATERIALS AND COMPONENTS CONSUMED:

Particulars	2014-15 Amount	2013-14 Amount
MS rounds, Squares, Flats, Plates and Angles	6,99,19,072	3,61,12,752
Rough Castings	2,78,67,460	2,37,77,123
Hydraulic Pumps and Valves	1,34,87,218	1,01,07,515
Steel Pipes	19,90,701	23,61,434
Packing Material	16,64,574	10,77,690
Components and Others	6,60,27,118	7,86,90,924
Materials consumed on account of warranties	(4,88,310)	
Total	18,04,67,833	15,21,27,438

IMPORTED AND INDIGENOUS RAW MATERIALS AND COMPONENTS CONSUMED:

	2014-15 Value Rs.	%	2013-14 Value Rs.	%
Imported	42,66,689	2.36%	1,63,46,163	10.75%
Indigenous	17,66,89,454	97.91%	13,57,81,275	89.25%
Warranties	(4,88,310)	-0.27%		
Total	18,04,67,833	100.00%	15,21,27,438	100.00%

(2.39) WORK IN PROGRESS

Particulars	2014-15 Amount	2013-14 Amount
500T WHEEL FORCING PRESS		42,57,000
1500T CLOSED FRAME PRESS	1,67,40,000	1,47,37,000
Others	12,94,80,000	10,13,08,000
Total	14,62,20,000	12,03,02,000

(2.40) SERVICES RENDERED

Particulars	2014-15 Amount	2013-14 Amount
Job Charges	40,36,347	12,34,893
Servicing charges	14,13,714	13,54,250
Total	54,50,061.12	25,89,142.50

(2.41) Stores consumed in the current year and previous year is 100% indigenous.

(2.42) The foreign currency exposures that are not hedged by derivative instruments or otherwise are as under:

Particulars	2014-15 Amount (Rs)	2013-14 Amount (Rs)
<u>Deferred payment Liabilities :</u>		
a) Payable for Technical Know-How (in Euros)	7,70,000	8,13,350
Payable for Technical Know-How (in INR)	5,26,83,400	6,80,20,461

(2.43) Warranty expenses on rectification work are accounted for on natural heads as and when incurred & charged to provision on year end. Warranty expenses include Rs. 4,88,310/- (P.Y. Rs. Nil/-) on account of free supplies of materials under warranty period.

(2.44) (a) Disclosures pursuant to Accounting Standards AS - 29 "Provisions, Contingent Liabilities and Contingent Assets"

(Figures in Rs.)

Particulars	Balance as at 01/04/2014	Additions during the year	Amount paid/ reversed/ used during the year	Balance as at 31/03/2015
Provisions				
Provision for Warranty Claims	7,15,917	97,893	-	8,13,810

(b) Arrears of Preference Dividend 87,11,484 (43,49,874)

(c) Contingent Liability:

(i) Entry Tax Demand disputed in Appeal* (net of amount paid) 1,46,742

* The Company has been advised that the demand is likely to be either deleted or substantially reduced and shall not have any material adverse effect on its financial position.

(ii) An ex-employee of the company has preferred an appeal before IIIRD Addl. Senior Civil Judge, Belgaum claiming compensation amounting to Rs. 43,16,200/-. The company has been legally advised that the said claim is illegal and frivolous and in no way is likely to be materialised and therefore, no provision is considered necessary.

(2.45) Previous period figures have been recast/restated wherever necessary.

(2.46) The company had issued 4,00,000 Equity Shares of Rs. 10/- each at a premium of Rs. 60/- per share on preferential basis to Promoters and Non-Promoters aggregating to Rs. 280 lakhs during the year. The funds raised on preferential basis has been utilised for repayment of unsecured loans.

**As Per our Report of Even Date
for M/s A.C. BHUTERIA & CO.
Chartered Accountants
firm Regn No.:303105E**

Mohit Bhuteria
Partner
Membership No.:056832
Place: Kolkata
Date: 29/05/2015

Mamta D Jain
Company Secretary
ACS - 25022

R B Patil
CFO
PAN: AANPP9374M
Place: Belgaum
Date: 29/05/2015

Anirudh Mohta
Managing Director
DIN:00065302

M M Mohta
Chairman
DIN:00068884

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET

(Amount in Rs. P.)

Particulars	31-Mar-15		31-Mar-14	
A Cash Flow from Operating Activities:				
Net Profit Before Tax and Extraordinary Items		1,48,12,870.72		(6,90,89,154.70)
Adjustments for:				
Loss on Sale of Fixed Assets	8,75,453.00		4,38,439.00	
Provision for doubtful debts and advances	(39,21,513.00)		36,02,593.00	
Bad Debt and advances written off	10,76,303.19		6,59,388.36	
Finance Cost	3,29,40,461.15		3,93,10,119.06	
Depreciation and Amortization expense	1,31,37,187.00		1,20,44,807.00	
Unrealised Foreign Exchange Gain/ Loss	(1,20,19,109.00)		1,08,03,751.00	
Equity share issue expenses	5,75,105.00		6,25,000.00	
Profit on Disposal of Fixed Assets	(78,558.00)		(53,958.00)	
Liability no longer required written back	(12,909.00)		(4,12,391.00)	
Dividend from Non-Current Investments	(9,678.50)		(9,168.22)	
Interest Income	(14,47,449.00)		(12,92,035.00)	
Sundry Creditor's Credit Balances Written off	(12,85,423.00)		-	
Excess & Short Provision	(4,46,089.00)		-	
		2,93,83,780.84		6,57,16,545.20
Operating Profit before Working Capital Changes		4,41,96,652.00		(33,72,609.00)
Movements in Working Capital				
Decrease/ (Increase) in Inventories	3,73,69,370.00		2,31,33,333.00	
Decrease/ (Increase) in Trade and Other Receivables	6,22,50,471.00		(11,01,182.43)	
Increase/ (Decrease) in Trade and Other Payables	(3,24,09,822.00)	6,72,10,019.00	(13,93,615.00)	2,06,38,535.57
Cash Generated from Operations		11,14,06,671.00		1,72,65,926.57
Direct Taxes paid		(4,23,579.00)		(6,84,639.00)
Net Cash from/used in Operating Activities (A)		11,09,83,092.00		1,65,81,287.57
B Cash Flow from Investing Activities:				
Purchase of Tangible/Intangible Fixed Assets (incl Cap WIP)	(1,55,81,252.00)		(1,68,34,882.00)	
Sale of Fixed Assets	32,10,310.00		13,19,451.00	
Sale of Investments	-		-	
Purchase of Investment	(3,000.00)		-	
Investment in Fixed Deposits	(7,50,416.00)		(23,35,807.00)	
Dividend Received	9,679.00		9,168.22	
Interest Received	11,36,394.00		13,80,437.00	
Net Cash Used in Investing Activities (B)		(1,19,78,285.00)		(1,64,61,632.78)
C Cash Flow from Financing Activities:				
Proceeds/ (Repayment) of Long term Borrowings (net)	(27,94,294.35)		(18,72,478.12)	
Proceeds/ (Repayment) of Short term Borrowings(net)	(9,12,24,462.00)		2,59,78,919.82	
Proceeds from issue of Equity Shares	2,80,00,000.00		2,04,00,000.00	
Share Issue Expenses	(5,75,105.00)		(6,25,000.00)	
Redemption of Preference Shares	-		(18,00,000.00)	
Dividend Paid	-		(37,18,000.00)	
Tax on Dividend paid	-		(6,31,874.00)	
Interest Paid	(3,46,82,670.15)		(3,97,12,306.06)	
Net Cash from/used in Financing Activities (C)		(10,12,76,532.00)		(19,80,738.36)
Net Increase in Cash & Cash Equivalents (A+B+C)		(22,71,725.00)		(18,61,084.00)
Cash & Cash Equivalents at the beginning of the Year		28,97,204.50		47,58,288.50
Cash & Cash Equivalents at the End of the Year		6,25,479.50		28,97,204.50

Note:

Cash Flow Statement has been prepared using the indirect method in accordance with Accounting Standard AS 3-"Cash Flow Statement" notified under the Companies (Accounting Standard) Rules, 2006.

**As Per our Report of Even Date
for M/s A.C. BHUTERIA & CO.
Chartered Accountants
firm Regn No.:303105E**
Mohit Bhuteria
 Partner
 Membership No.:056832
 Place: Kolkata
 Date: 29/05/2015

Mamta D Jain
 Company Secretary
 ACS - 25022

R B Patil
 CFO
 PAN: AANPP9374M

 Place: Belgaum
 Date: 29/05/2015

Anirudh Mohta
 Managing Director
 DIN:00065302

M M Mohta
 Chairman
 DIN:00068884

FIVE YEARS TREND ANALYSIS

S.NO	Particular	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11
1	Total Sales	3,666.31	3,204.16	3,843.31	2,491.78	2,436.43
2	Other Income	195.16	18.89	33.88	33.59	22.49
3	Total Income	3,861.47	3,223.05	3,877.19	2,525.37	2,458.92
4	Operating Profit	608.91	(177.34)	466.51	352.39	313.03
5	Interest	329.40	393.10	304.12	195.24	134.45
6	Depreciation	131.37	120.45	61.74	88.38	100.28
7	Profit / (Loss) before Tax	148.13	(690.89)	100.65	68.77	78.30
8	Tax	(0.20)	-	(21.11)	(41.18)	(40.12)
9	Deferred Tax Assets	(238.86)	214.97	(15.36)	14.94	9.29
10	Fringe Benefit Tax	-	-	-	-	-
11	Income tax earlier years	2.06	(0.73)	(8.09)	(1.88)	(5.54)
12	Profit / (Loss) after Tax	(88.87)	(476.65)	56.09	40.64	41.93
13	Transitional Provision	-	-	-	-	-
14	Transferred to general Reserve	-	-	10.00	10.00	10.00
15	Dividend & Tax-Preference Shares	-	-	43.50	32.31	6.74
16	Transfer to Capital Redemption	-	-	-	14.73	-
17	Net Surplus for the year	(88.87)	(476.65)	2.59	(16.41)	25.19
18	Surplus / (Deficit) B/F	(372.13)	104.52	101.93	118.34	93.15
19	Balance Carried to Balance Sheet	(461.00)	(372.13)	104.52	101.93	118.34
20	Paid-up Equity Share Capital	219.34	179.34	144.67	144.67	144.67
21	Reserve & Surplus (inclusive of Revaluation Reserve)	220.56	146.48	458.41	451.15	457.04
22	Equity Shareholders' Net worth	439.90	325.82	603.08	595.82	601.71



BEMCO HYDRAULICS LIMITED

(CIN: L51101KA1957PLC001283)

Registered Office : Udyambag, Industrial Estate, BELGAUM - 590 008

Email: isc@bemcohydraulics.net Website: www.bemcohydraulics.net

Phone No.: 0831-2441980, Fax No.0831-2441263

ATTENDANCE SLIP - 57th ANNUAL GENERAL MEETING

(To be handed over at the entrance of the Meeting Hall)

Number of Shares:

I / We hereby record my/our presence at the 57th Annual General Meeting of the Company to be held at Udyambag, Industrial Estate, Khanapur Road, Belgaum – 590 008 (Karnataka) On Friday, the 25th September 2015 At 3.30 p.m

Name of the Shareholder
(in Block Letters)

Regd. Folio No.
(Physical)/ I.D.No.(Demat)

Name of the Proxy
(in Block Letters)

Signature of the Shareholder(s)/
or Proxy present

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	USER ID	PASSWORD/ PIN

Please complete and sign this attendance slip and handover at the entrance of the meeting hall. Only Shareholder(s) or / their proxy with this attendance slip will be allowed entry to the meeting. Duplicate slips will not be issued at the entrance.



BEMCO HYDRAULICS LIMITED

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57th ANNUAL GENERAL MEETING

PROXY FORM (Form No. MGT-11)

(Pursuant to Section 105(6) of the Companies Act 2013 and Rule 19(3) of the Companies (Management and Administration) Rule 2014

Name of the Member (s)

Registered Address:

Email ID :

Folio. No./ Client ID and DP ID:

1.Name _____

2.Name _____

3.Name _____

Address _____

Address _____

Address _____

E mail Id _____

E mail Id _____

E mail Id _____

Signature _____ or failing him/her

Signature _____ or failing him/her

Signature _____ or failing him/her

Regd. Folio No (Physical) / I. D. No (Demat) _____ No. of Shares held _____

I/We _____ residing at _____ being a

shareholder/(s) of **BEMCO HYDRUALICS LIMITED** hereby appoint _____ of

_____ or failing him /her _____ of _____ as my /our Proxy to attend and vote for me/us on my/our behalf at the 57th ANNUAL GENERAL MEETING of the company to be held at Udyambag, Industrial Estate, Khanapur Road, Belgaum – 590 008 (Karnataka) on Friday, the 25th September 2015 at 3.30 pm and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions
AS ORDINARY BUSINESS	
1	To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.
2	To appoint a Director in place of Shri M. M. Mohta (DIN 00068884), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment
3	To appoint a Director in place of Smt. Urmila Devi Mohta (DIN 00068906), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.
4	To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :
AS SPECIAL BUSINESS	
5	To appoint a Practicing Company Secretary for carrying out the Secretarial Audit and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

Signed this _____ day of _____ 2015

Note:

- The form should be signed across the stamp as per specimen signature registered with the Company.
- The Proxy form duly completed must be deposited at the office of the Share Transfer Agents of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting.
- The proxy need not be a shareholder of the Company

Affix
Revenue
Stamp



PRINTED MATTER

57th ANNUAL REPORT 2014-2015

If undelivered, please return to :

BEMCO HYDRAULICS LIMITED

(CIN: L51101KA1957PLC001283)

Registered Office : Udyambag, Industrial Estate, BELGAUM - 590 008

Email: isc@bemcohydraulics.net **Website:** www.bemcohydraulics.net

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