



INDEPENDENT AUDITOR'S REPORT

To The Partners of M/s Bemco Fluidtechnik LLP

Opinion

We have audited the accompanying financial statements of **M/s Bemco Fluidtechnik LLP ("the LLP")**, which comprises the Statement of Assets and Liabilities as at March 31, 2019, and the Statement of Profit and Loss Account, Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at March 31, 2019, and of its financial performance, and its cash flows for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Partners for the Financial Statements

The Partners of the LLP are responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards, and for such internal control as Partners determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, partners is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless partners either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Partners are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that



an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by partners.
- Conclude on the appropriateness of Partners' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with partners regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide partners with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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



(Mohit Bhuteria)
Partner

Membership No. 056832



Place: Kolkata

Date: 7 MAY 2019

BEMCO FLUIDTECHNIK LLP
(LLPIN: AAI-6810)
BEMCO PREMISES, KHANAPUR ROAD, UDYAMBAG, BELGAUM - 590 008

STATEMENT OF ASSETS & LIABILITIES AS AT 31ST MARCH, 2019

Particulars	Note No.	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
I CONTRIBUTION AND LIABILITIES			
(1) Partners' Funds			
(a) Contributions	2.01	1,00,000	1,00,000
(b) Reserves & Surplus	2.02	(1,59,80,912)	(1,00,40,061)
Total Contribution (i)		(1,58,80,912)	(99,40,061)
(2) Non-Current Liabilities			
(a) Long Term Borrowings	2.03	2,49,74,021	2,16,12,428
Total Non-Current Liabilities (ii)		2,49,74,021	2,16,12,428
(3) Current Liabilities			
(a) Short Term Borrowing	2.04	2,29,000	-
(b) Trade Payables	2.05	-	-
(i) Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		47,97,552	43,54,872
(C) Other Current Liabilities	2.06	26,43,654	21,98,096
Total Current Liabilities (iii)		76,70,206	65,52,968
TOTAL CONTRIBUTION AND LIABILITIES (i + ii + iii)		1,67,63,315	1,82,25,335
II ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment	2.07	-	-
(i) Tangible Assets	(i)	29,79,452	33,83,332
(ii) Intangible Assets	(ii)	3,23,643	27,292
(b) Capital Work-in-Progress		-	3,08,200
(c) Long Term Loans and Advances	2.08	91,400	29,544
Total Non-Current Assets (i)		33,94,495	37,48,368
(2) Current Assets			
(a) Inventories	2.09	1,01,18,740	1,01,82,695
(b) Trade Receivables	2.10	29,19,183	38,06,854
(c) Cash and Cash Equivalents	2.11	35,800	1,67,470
(d) Short Term Loans and Advances	2.12	2,95,097	3,19,948
Total Current Assets (ii)		1,33,68,820	1,44,76,967
TOTAL ASSETS (i + ii)		1,67,63,315	1,82,25,335
Significant Accounting Policies	1		
Notes to Financial Statements	2		

As Per Our Report of Even Date Attached
For A.C. BHUTERIA & CO.
Chartered Accountants
Firm Regn No.:303105E

Mohit Bhuteria
Partner
Membership No.:056832



Place: Kolkata
Date: 7 MAY 2019

For Bemco Fluidtechnik LLP



Designated Partners

BEMCO FLUIDTECHNIK LLP

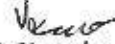
(LLPIN: AAI-6810)

BEMCO PREMISES, KHANAPUR ROAD, UDYAMBAG, BELGAUM - 590 008

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2019

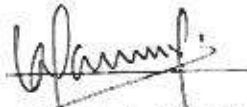
Particulars	Note No.	(Amount in ₹)	
		For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
		(₹)	(₹)
I REVENUE FROM OPERATIONS	2.13	1,65,34,739	1,80,32,738
II OTHER INCOME	2.14	80,794	19,739
III TOTAL REVENUE (I + II)		<u>1,66,15,533</u>	<u>1,80,52,477</u>
IV EXPENSES			
Cost of Materials Consumed	2.15	77,48,805	73,34,453
Changes in Inventories of Finished Goods, Intermediate Goods and Work-In-Progress	2.16	(12,646)	(6,38,880)
Employee Benefits Expense	2.17	44,68,045	43,33,250
Finance Cost	2.18	27,87,665	24,08,292
Depreciation and Amortization Expense	2.19	5,60,728	4,66,329
Other Expenses	2.20	70,03,786	62,77,130
TOTAL EXPENSES		<u>2,25,56,384</u>	<u>2,01,80,574</u>
V PROFIT / (LOSS) BEFORE TAX (III - IV)		(59,40,851)	(21,28,097)
VI TAX EXPENSES			
(1) Current Tax			
VII PROFIT/ (LOSS) FOR THE PERIOD (V - VI)		<u>(59,40,851)</u>	<u>(21,28,097)</u>
Significant Accounting Policies	1		
Notes to Financial Statements	2		

As Per Our Report of Even Date Attached
For A.C. BHUTERIA & CO.
Chartered Accountants
Firm Regn No.: 303105E


Mohit Bhuteria
Partner
Membership No.: 056832



For Bemco Fluidtechnik LLP


Designated Partners

Place: Kolkata

Date: - 7 MAY 2019

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BEMCO PREMISES, KHANAPUR ROAD, UDYAMBAG, BELGAUM - 590 008

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	For the Year Ended 31.03.2019 (₹)	For the Year Ended 31.03.2018 (₹)
A Cash Flow from Operating Activities:		
Net Profit/ (Loss) Before Tax	(59,40,851)	(21,28,097)
Adjustments for:		
Interest Expenses	27,87,665	24,08,292
Bad Debts/ Sundry Balances Written Off	16,167	1,41,043
Foreign Exchange Loss (Net)	6,067	-
Depreciation and Amortization expense	5,60,728	4,66,329
Liability No Longer Written Back	(6,931)	-
Operating Profit before Working Capital Changes	(25,77,154)	8,87,567
Movements in Working Capital		
Decrease/ (Increase) in Inventories	63,955	(16,64,434)
Decrease/ (Increase) in Trade and Other Receivables	8,05,422	3,960
Increase/ (Decrease) in Trade and Other Payables	8,81,307	(2,44,016)
Cash Generated from Operations	(8,26,470)	(10,16,923)
Direct Taxes paid	17,778	-
Net Cash from/used in Operating Activities (A)	(8,44,248)	(10,16,923)
B Cash Flow from Investing Activities:		
Purchase of Tangible Fixed Assets (including Capital Advances)	(1,04,497)	(93,393)
Net Cash Used in Investing Activities (B)	(1,04,497)	2,14,807
C Cash Flow from Financing Activities:		
Proceeds/(Repayment) from Long Term Borrowings (Net)	35,90,593	32,30,000
Interest Paid	(27,73,519)	(24,68,643)
Net Cash from/used in Financing Activities (C)	8,17,074	7,61,357
Net Increase in Cash & Cash Equivalents (A+B+C)	(1,31,671)	(3,48,959)
Cash & Cash Equivalents at the beginning of the Period	1,67,470	5,16,429
Cash & Cash Equivalents at the End of the Period	35,799	1,67,470

Note:

- (1) Cash Flow Statement has been prepared using the Indirect method in accordance with Accounting Standard (AS) 3- "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- (2) Indicates Cash and Cash Equivalents as represented in Note 2.11 to the financial statements.

As Per Our Report of Even Date Attached
For A.C. BHUTERIA & CO.
Chartered Accountants
Firm Regn No.: 303105E

Mohit Bhuteria
Partner

Membership No.: 056832



For Bemco Fluidtechnik LLP

Designated Partners

Place: Kolkata

Date: - 7 MAY 2019

BEMCO FLUIDTECHNIK LLP
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. GAAP comprises accounting standards as prescribed by the Institute of Chartered Accountants of India. 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 LLP's normal operating cycle and in line with the classification principles adopted by the Holding Company, Bemco Hydraulics Limited. Based on the nature of activities, the LLP 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. Property, Plant & Equipment

i. Initial Recognition

Property, Plant & Equipment are stated at their original cost. The cost of a property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, borrowing costs relating to qualifying assets, any directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of the costs of decommissioning, restoration and similar liabilities, if any. The company has adopted cost model for every class of assets held under property, plant and equipment in determining the gross carrying amount in accordance with Accounting Standard (AS) 10.

ii. Depreciation

Depreciation on property, plant and equipment is charged on straight line method over the useful life/remaining useful life of the asset. However, the residual value and useful life is reviewed at each financial year-end and any change in estimates, if any is accounted and disclosed as per Accounting Standard (AS) 10 issued by the ICAI. Depreciation on assets purchased / acquired during the year is charged from the date from when it is available for use. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognised.

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

d. Intangible Assets

i. Recognition

Intangible 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.



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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 Computer Software is five years from the year in which it is acquired and is ready to use and therefore, 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. 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.

f. Employee Benefits

(i) Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, short term compensated absences, bonus and like are recognised as expenses in the period in which the employee renders the related service.

ii. Post-employment Benefits

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, and Employee State Insurance. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service

g. Research and Development:

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.

h. Revenue Recognition

i. Sale of goods & services

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.



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25/01/20



ii. Other Income

All other items of income are recognized on accrual basis.

i. 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.

j. 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.

k. 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.

l. 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.

m. 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.

n. 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.



o. Foreign Currency Transactions

(i) Initial recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate prevailing between the reporting currency and the foreign currency on the date of the transaction.

(ii) Measurement of foreign currency monetary items at Balance Sheet date

All monetary assets and liabilities denominated in foreign currencies are restated at the end of the accounting period at the prevailing exchange rates as on the Balance Sheet date and exchange gain/loss is considered in the Statement of Profit and Loss.

(iii) 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 Statement of Profit & Loss in the period in which they arise.

p. Leases

Operating Lease as a Lessee:

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases'. Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term.



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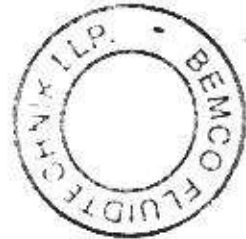
2 NOTES TO FINANCIAL STATEMENTS

2.01 CONTRIBUTIONS

Particulars	Figures as at	Figures as at
	31.03.2019	31.03.2018
	Amount	Amount
	(₹)	(₹)
M/s Bemco Hydraulics Limited - Designated Partner		
Balance as at the beginning of the reporting period	65,000	65,000
Add : Contribution made during the period	-	-
Balance as at the end of the reporting period	<u>65,000</u>	<u>65,000</u>
Mrs. Urmila Devi Mohta - Designated Partner		
Balance as at the beginning of the reporting period	5,000	5,000
Add : Contribution made during the period	-	-
Balance as at the end of the reporting period	<u>5,000</u>	<u>5,000</u>
Mr. Jagdish Joshi - Designated Partner		
Balance as at the beginning of the reporting period	20,000	20,000
Add : Contribution made during the period	-	-
Balance as at the end of the reporting period	<u>20,000</u>	<u>20,000</u>
Mr. Naveen Padamnoor - Designated Partner		
Balance as at the beginning of the reporting period	10,000	10,000
Add : Contribution made during the period	-	-
Balance as at the end of the reporting period	<u>10,000</u>	<u>10,000</u>
Total Contribution	1,00,000	1,00,000



Signature



J. S. M.

2.02 RESERVES AND SURPLUS

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
Surplus/(Deficit) in the Statement of Profit & Loss		
Opening Balance	(1,00,40,061)	(79,11,964)
Add: Surplus/(deficit) for the year	(59,40,851)	(21,28,097)
Closing Balance	(1,59,80,912)	(1,00,40,061)

2.03 LONG TERM BORROWINGS

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
Unsecured		
Loans from Related Parties	2,49,74,021	2,16,12,428
	2,49,74,021	2,16,12,428

Note: Terms of Repayment of Loans from Related Parties

- i) The Limited Liability Partnership has entered into a loan agreement with a related party for a period of 3 years with a credit limit of ₹ 3,00,00,000/-. Interest shall be charged @ 12% p.a. compounded quarterly. The repayment of principal amount shall be made on or before the expiration of the agreement i.e. on or before 30th June, 2021 or the agreement may be renewed further on the terms and conditions to be then decided.

2.04 SHORT TERM BORROWING

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
Unsecured		
Loans from Related Parties	2,29,000	-
	2,29,000	-

The Limited Liability Partnership has taken an interest free loan from Jagdish Joshi, the designated partner of the LLP and the same loan is repayable on demand.

2.05 TRADE PAYABLES

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
For Goods and Services received in the ordinary course of business		
Total outstanding dues of Micro Enterprises and Small Enterprises		
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	47,97,552	43,54,872
	47,97,552	43,54,872

Notes:

The amount due to the company i.e. Bemco Hydraulics Limited is ₹ 3,11,775/- (Previous Year ₹ Nil).



The Company has written to Creditors/ suppliers asking them to confirm their status under the Micro, Small and Medium Enterprises Development Act, 2006, but has not received any intimation from them. This has been relied upon by the Auditors.

Disclosure of the amounts due to the The Micro and Small Enterprises as required by section 22 of Micro and small Enterprises Act, 2006 under the chapter of delayed payments to Micro and Small Enterprises (On the basis of the information & records available with the Management).

Particulars	2018-19 ₹	2017-18 ₹
(i) The principal amount and the interest due thereon remaining unpaid to any Micro/Small supplier.		Nil
*Principal amount	Nil	Nil
*Interest there on	Nil	Nil
(ii) 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
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end each accounting year.	Nil	Nil
(v) 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	Nil	Nil

2.06 OTHER CURRENT LIABILITIES

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
Interest Accrued and Due on Borrowings	6,50,065	6,35,919
Other Payables		
- Advance from Customer	4,69,036	
- Rent Payables	17,608	58,000
- Statutory Dues	7,77,757	4,76,034
- Employee & Other Related Dues	7,29,188	10,28,143
	26,43,654	21,98,096



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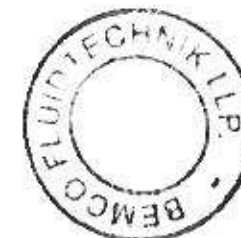
2.07 PROPERTY, PLANT & EQUIPMENTS

(all figures in ₹)

PARTICULARS NATURE OF THE ASSETS	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	As At 01.04.2018	Additions during the Year	As at 31.03.2019	Up To 31.03.2018	Depreciation for the Year	Total as at 31.03.2019	As at 31.03.2019	As At 31.03.2018
Owned Assets								
(i) Tangible assets								
Plant & Equipments	26,41,460	1,35,000	27,76,460	2,16,623	1,53,076	3,69,699	24,06,761	24,24,837
Furniture & Fixtures	3,54,886	-	3,54,886	69,539	35,284	1,04,823	2,50,063	2,85,347
Office Equipments	9,200	9,999	19,199	3,728	3,724	7,452	11,747	5,472
Data Processing Equipments	5,62,917	-	5,62,917	2,27,888	1,32,677	3,60,565	2,02,353	3,35,029
Moulds, Dies & Patterns	7,35,245	-	7,35,245	4,02,598	2,24,119	6,26,717	1,08,528	3,32,647
TOTAL (i)	43,03,708	1,44,999	44,48,707	9,20,376	5,48,879	14,69,255	29,79,452	33,83,332
(ii) Intangible Assets								
<u>Other than Internally Generated</u>								
Computer Software	58,012	3,08,200	3,66,212	30,720	11,849	42,569	3,23,643	27,292
TOTAL (ii)	58,012	3,08,200	3,66,212	30,720	11,849	42,569	3,23,643	27,292
TOTAL (i+ii)	43,61,720	4,53,199	48,14,919	9,51,096	5,60,728	15,11,824	33,03,095	34,10,624
Figures as at 31.03.2018	42,64,848	96,872	43,61,720	4,84,767	4,66,329	9,51,096	34,10,624	-



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2.08 LONG TERM LOANS AND ADVANCES

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
Unsecured, Considered Good		
Capital Advances	-	24,544
Deposit with Govt., Public Bodies and Others	5,000	5,000
Security Deposits	86,400	-
	<u>91,400</u>	<u>29,544</u>

2.09 INVENTORIES

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
(Valued at lower of cost or net realisable value)		
Raw Materials	2,83,168	-
Work-In-Progress: Intermediate Goods	26,56,833	8,84,316
Stores and Components	71,78,739	75,38,508
Finished Goods	-	17,59,871
	<u>1,01,18,740</u>	<u>1,01,82,695</u>

2.10 TRADE RECEIVABLES

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
Unsecured, Considered Good		
Outstanding for a period exceeding six months from due date of payment	22,34,327	-
Others	6,84,856	38,06,854
	<u>29,19,183</u>	<u>38,06,854</u>

Notes:

The amount receivable from Holding Company i.e. Bemco Hydraulics Limited is ₹ 3,97,208/- (Previous Year ₹ 8,57,006/-)

2.11 CASH AND CASH EQUIVALENTS

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
Balance with Banks in current account(s)	34,552	1,64,239
Cash-on-hand	1,248	3,231
	<u>35,800</u>	<u>1,67,470</u>

2.12 SHORT TERM LOANS AND ADVANCES

Particulars	Figures as at 31.03.2019 (₹)	Figures as at 31.03.2018 (₹)
Unsecured, Considered Good		
<u>Advances recoverable in cash or in kind or for value to be received</u>		
- Travelling Advances	8,172	770
- Employee Advances	54,119	33,920
- Advance to Suppliers	2,15,028	1,15,443
- Other Advances	-	93,569
Balances with Revenue Authorities	17,778	76,246
	<u>2,95,097</u>	<u>3,19,948</u>



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2.13 REVENUE FROM OPERATIONS

Particulars	Figures for the Period Ended 31.03.2019 (₹)	Figures for the Period Ended 31.03.2018 (₹)
Sale of Goods (Manufacturing Sales)	1,51,93,250	1,80,32,738
Sale of services	13,41,489	-
	<u>1,65,34,739</u>	<u>1,80,32,738</u>

2.14 OTHER INCOME

Particulars	Figures for the Period Ended 31.03.2019 (₹)	Figures for the Period Ended 31.03.2018 (₹)
Liability No Longer Required Written Back	6,931	-
Packing & Forwarding Charges Collected	73,863	19,739
	<u>80,794</u>	<u>19,739</u>

2.15 COST OF MATERIALS CONSUMED

Particulars	Figures for the Period Ended 31.03.2019 (₹)	Figures for the Period Ended 31.03.2018 (₹)
Raw Materials		
Opening Stock	-	-
Add: Purchases	15,95,005	-
Less: Closing Stock	(2,83,168)	-
Total (I)	13,11,837	
Stores and Components		
Opening Stock	75,38,508	62,80,341
Add: Purchases	60,77,199	85,92,620
Less: Closing Stock	(71,78,739)	(75,38,508)
Total (II)	64,36,968	73,34,453
Total (I + II)	77,48,805	73,34,453

2.16 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND INTERMEDIATE GOODS

Particulars	Figures for the Period Ended 31.03.2019 (₹)	Figures for the Period Ended 31.03.2018 (₹)
Opening Stock		
Work-in Progress: Intermediate Goods	8,84,316	15,62,090
Finished Goods	17,59,871	4,43,217
Total of Opening Stock (i)	26,44,187	20,05,307
Closing Stock		
Work-in Progress: Intermediate Goods	26,56,833	8,84,316
Finished Goods	-	17,59,871
Total of Closing Stock (ii)	26,56,833	26,44,187
Net changes in inventories of finished goods and work-in-progress (i-ii)	(12,646)	(6,38,880)



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2.17 EMPLOYEE BENEFITS EXPENSES

Particulars	Figures for the	Figures for the
	Period Ended	Period Ended
	31.03.2019	31.03.2018
	(₹)	(₹)
Salaries, Wages, Bonus etc.	40,48,859	41,20,282
Contribution to Provident & Other Funds	3,97,490	1,60,017
Staff Welfare	21,696	52,951
	44,68,045	43,33,250

2.18 FINANCE COST

Particulars	Figures for the	Figures for the
	Period Ended	Period Ended
	31.03.2019	31.03.2018
	(₹)	(₹)
Interest Expense	27,87,665	24,08,292
	27,87,665	24,08,292

2.19 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Figures for the	Figures for the
	Period Ended	Period Ended
	31.03.2019	31.03.2018
	(₹)	(₹)
Depreciation on Property, Plant & Equipments	5,48,879	4,54,649
Depreciation on Intangible Assets	11,849	11,680
	5,60,728	4,66,329

2.20 OTHER EXPENSES

Particulars	Figures for the	Figures for the
	Period Ended	Period Ended
	31.03.2019	31.03.2018
		(₹)
Partner's Remuneration	24,00,000	24,00,000
Manufacturing Expenses	8,52,749	12,53,816
Freight & Transportation	2,55,869	3,40,629
Miscellaneous Expenses	2,02,468	70,100
Repairs:		
-to Others	780	39,149
Auditor's Remuneration:		
- Audit Fees	50,000	50,000
- Certification and Other Matters	55,100	-
Rent (Refer note below)	2,98,375	58,500
Marketing expense	7,28,492	-
Foreign Exchange Fluctuation Loss	6,067	-
Sales Commission	1,92,395	-
Telephone Expenses	19,100	23,419
Printing and Stationery	28,660	11,021
Postage & Courier	6,303	1,837



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Travelling Expenses	4,92,777	5,88,125
Professional Fees & Legal Fees	12,62,500	12,00,000
Local Conveyance Expenses	44,517	39,432
Web Service Charges	70,651	44,881
Bad Debts /Sundry Balances Written Off	16,167	1,41,045
Goods and Service Tax	20,816	15,176
	70,03,786	62,77,130

Note:

Operating Lease as a lessee

Particulars	31.03.2019	31.03.2018
	(₹)	(₹)
Lease Rentals	2,98,375	58,500

The Company does not have any obligation under a non-cancellable lease agreement.

2.21 The LLP is engaged in the manufacturing and sale of hydraulic components and related equipments, which as per the Accounting Standard (AS)-17 is considered the only reportable business segment. The LLP does not have any geographical segments as export sales are insignificant.

2.22 Details of Earnings made in Foreign Currency by the company during the financial year

(a) Earnings in Foreign Exchange

Particulars	Period	Currency	Amount in Foreign Currency	Amount in INR
Earnings from Export of Goods on F.O.B Basis	Current	USD	2,362	1,69,054
			(-)	(-)
Total Earnings in Foreign	Current		2,362	1,69,054
			(-)	(-)

* Figures in Brackets represent those of previous year.

2.23 On consideration of prudence, deferred tax assets on business losses and unabsorbed depreciation has not been recognized.

2.24 Estimated amount of contracts remaining to be executed on capital accounts not provided for is ₹ NIL/-

2.25 There are no contingent liabilities as at the Balance Sheet date. There are no claims against the company not acknowledged as debts.

2.26 In accordance with the provisions of Accounting Standard (AS) 28 on Impairment of Assets, 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.

2.27 DISCLOSURES FOR POST-EMPLOYMENT BENEFITS

As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the accounting standard are given below :

(i) **Defined Contribution Plans**

The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

Particulars	For the year ended	
	31.03.2019	31.03.2018
Employer's contribution to Provident Fund	2,41,442	-
Total Amount Recognised in Profit & Loss Statement	3,80,837	1,60,017

(figures in ₹)



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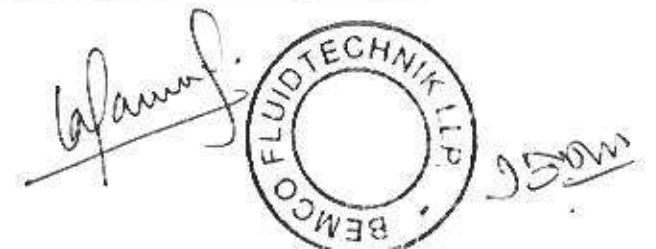
2.28 Related party disclosures (where transactions have taken place).

- i. **Holding Company/ Control**
Bemco Hydraulics Limited
- ii. **Key Management Personnel/partners**
Shri Jagdish Narasinha Joshi
Shri Naveen Padamnoor
- iii. **Individuals having Significant Influence**
Shri Anirudh Mohta (Managing Director at Bemco Hydraulics Limited)
- iv. **Relatives of Individual at (iii) above:**
Shri Madan Mohan Mohta
Smt Urmila Devi Mohta
- v. **Enterprises where individuals at (iii) & (iv) above have significant influence:**
Mohta Capital Private Limited (Bemco Hydraulics Limited is an Associate of Mohta Capital Private Limited)

Related Party Relationship in terms of Accounting Standard (AS) 18 – Related party Disclosures, have been certified by the management and relied upon by the Auditors.

- vi. 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.
- vii. The following related party transactions were carried out during the year.


Nature of Transactions	Expenditure					Income	Trade Payables	Trade Receivables	Long Term Borrowings		
	Professional Fees	Lease Rent	Interest	Purchase	Remuneration (incl. Perks)	Sales (Exclusive of GST)	Balance at the year end	Balance at the year end	Repaid during the year	Accepted During the Year	Balance at the Year end (incl. interest)
Key Management Personnel											
Shri Jagdish Joshi	-	-	-	-	12,00,000	-	-	-	83,000	3,12,000	2,29,000
	(-)	(-)	(-)	(-)	(12,00,000)	(-)	(-)	(-)	(-)	(-)	(-)
Shri Naveen Padamnoor	-	-	-	-	12,00,000	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(12,00,000)	(-)	(-)	(-)	(-)	(-)	(-)
Holding Company											
Bemco Hydraulics Limited	-	1,87,600	-	81,311	-	57,45,786	3,11,775	3,97,208	-	-	-
	(-)	(1,06,200)	(-)	(2,30,464)	(-)	(45,69,313)	(-)	(8,57,006)	(-)	(-)	(-)
Enterprises where individuals at (iii) & (iv) above have significant influence											
Mohta Capital Private Limited	-	-	27,87,665	-	-	-	-	-	30,79,925	36,68,000	2,56,24,086
	(-)	(-)	(24,08,235)	(-)	(-)	(-)	(-)	(-)	(-)	(32,30,000)	(2,22,48,347)
Anirudh Mohta	12,00,000	-	-	-	-	-	-	-	-	-	-
	(12,00,000)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)



2.29 The LLP is a subsidiary of Bemco Hydraulics Limited, a public listed company. The LLP follows the Accounting Standards as issued by the Institute of Chartered Accountants of India ('the ICAI'). The accounting policies followed by the LLP is in line with the accounting policies followed by the Holding Company, Bemco Hydraulics Limited for like items.

2.30 The financial statements have been prepared on the going concern assumption despite complete erosion of net worth based on the future viability, expectations to infuse funds, increase sales in future, profits etc.

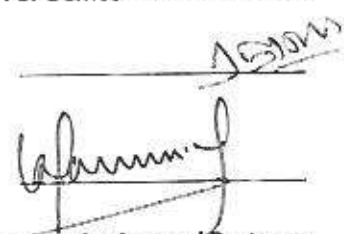
As Per Our Report of Even Date Attached
For A.C. BHUTERIA & CO.
Chartered Accountants
Firm Regn No.: 303105E


Mohit Bhuteria
Partner
Membership No.:056382

Place: Kolkata
Date: 7 MAY 2019



For Bemco Fluidtechnik LLP


Designated Partners

