



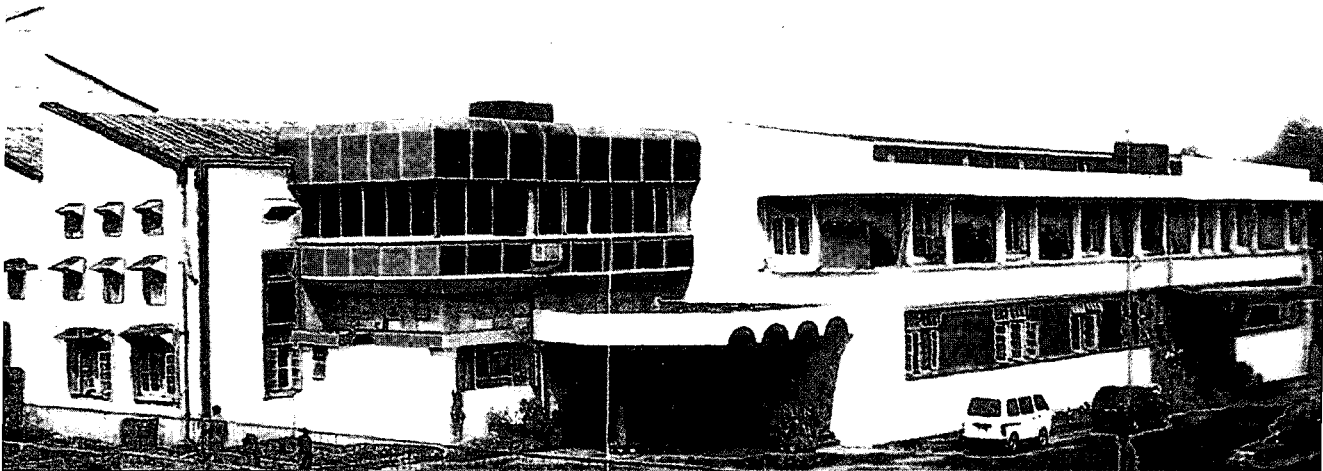
BEMCO HYDRAULICS LIMITED

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ANNUAL REPORT & ACCOUNTS 2006-2007

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BEMCO HYDRAULICS LIMITED

*** SHRI ***

DIRECTORS :

M.M. MOHTA	- Chairman and Managing Director
ANIRUDH MOHTA	- Joint Managing Director
URMILA DEVI MOHTA	- Director
R.M. SHAH	- Director
N.K. DAGA	- Director
DILIP CHANDAK	- Director

BANKERS :

BANK OF MAHARASHTRA, Main Branch, Kirloskar Road, BELGAUM
STATE BANK OF INDIA, Commercial Branch, BELGAUM

AUDITORS :

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

REGISTERED OFFICE :

Khanapur Road,
Udyambag,
BELGAUM 590 008
(Karnataka)

COMPLIANCE OFFICER :

R.B. PATIL - General Manager Finance

BEMCO HYDRAULICS LIMITED

Udyambag, Belgaum - 590 008

NOTICE

Notice is hereby given that, 49th Annual General Meeting of the Company will be held on **Wednesday, September 26 2007** at the registered office of the Company at 3.30 PM to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2007, the Profit and Loss Account for the year ended as on that date and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Shri. R.M. Shah who retires by rotation and being eligible offers himself for re- election.
3. To appoint a Director in place of Shri Dilip Chandak who retires by rotation and being eligible offers himself for re- election.
4. **DECLARATION OF DIVIDEND ON PREFERENCE SHARES ALONG WITH ARREARS THEREOF**
To consider and if thought fit to pass with or without modification, the following as an ordinary resolution:
"RESOLVED THAT, the Members of the Company, as recommended by the Board of Directors of the Company, hereby declare dividend on 52,732 preference shares of Rs. 100 each @ 11 per cent amounting to Rs.14,55,819/- (Rupees Fourteen Lakhs Fifty Five Thousand Eight Hundred Nineteen Only), inclusive of arrears up to 31st March 2006 and for the year 2006-07, in accordance with the terms of the allotment
RESOLVED FURTHER THAT, the Board of Directors be and is hereby authorised to distribute such dividend to the Preference Share Holders and to remit the taxes thereon."
5. To re-appoint Auditors and fix their remuneration

SPECIAL BUSINESS:

6. **VOLUNTARY DELISTING OF COMPANY'S EQUITY SHARES FROM CERTAIN STOCK EXCHANGES**

To consider and if thought fit to pass with or without modification, the following as a special resolution:

"RESOLVED THAT, subject to the applicable provisions of the Companies Act, 1956, the Securities and Exchange board of India (Delisting of Securities) Guidelines, 2003, including any statutory modification or re-enactment thereof for time being in force, and subject to such approvals, sanctions and permissions as may be necessary and subject to such conditions and modifications, as may be imposed while granting such approvals, sanctions and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board"), which term shall be deemed to include any Committee thereof for time being exercising the powers conferred on the Board, to de-list the Company's equity Shares from all or any of the following Stock Exchanges viz. the Calcutta Stock Exchange Association Limited and from the Bangalore Stock Exchange Limited.

FURTHER RESOLVED THAT, the Board be and is hereby authorised to take all necessary steps in this regard in order to facilitate the legal and/or procedural formalities and to do all such acts, deeds or things as may be necessary to give effect to above."

7. **VARIATION IN TERMS OF THE REMUNERATION OF EXECUTIVE DIRECTORS**

To consider and if thought fit, to pass with or without modification, the following as a special resolution.

"RESOLVED THAT, partial modification of the earlier resolutions passed with the respect to the appointment/re-appointment of Shri M. M. Mohta - Chairman and Managing Director, of the Company, the consent of the Company be and is hereby accorded under Section 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, subject to the approval of Central Government, wherever necessary, to increase their basic salary to Rs. 70,000/- (Seventy Thousand Only) per month with effect from 1st April 2007, for remaining period of their respective tenure i.e. up to 31st March 2009.

RESOLVED FURTHER THAT, all other terms and conditions of his appointment shall remain the same."

8. VARIATION IN TERMS OF THE REMUNERATION OF EXECUTIVE DIRECTORS

To consider and if thought fit, to pass with or without modification, the following as a special resolution.

"RESOLVED THAT, partial modification of the earlier resolutions passed with the respect to the appointment/re-appointment of Shri Anirudh Mohta - Joint Managing Director, of the Company, the consent of the Company be and is hereby accorded under Section 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, subject to the approval of Central Government, wherever necessary, to increase their basic salary to Rs. 45,000/- (Forty Five Thousand Only) per month, with effect from 1st April 2007, for remaining period of their respective tenure i.e. up to 31st March 2009.

RESOLVED. FURTHER THAT, all other terms and conditions of his appointment shall remain the same."

9. ALTERATION IN ARTICLE CLAUSE NO 124 REGARDING DIRECTORS' SITTING FEES

To consider and if thought fit to pass with or without modification, the following as special resolution:

"RESOLVED THAT, pursuant to section 31 of the Companies Act 1956 and other applicable provisions, if any of the said Act the Articles of Association of the Company be and is hereby altered as under:

Clause No. 124 of the Articles of Association is deleted in toto and in its place and stead, the following clause be substituted.

124. The remuneration of Director for attending any Meeting of the Board or any Committee thereof shall not exceed such amount as specified in Rule 10B of the Companies (Central Govt.'s) General Rules and Forms 1956 or its statutory modification, codification or re-codification from time to time. A Director shall also be paid such sum to cover traveling and other expenses incurred by him for attending the above meetings, a general meeting, or any journey made by a Director for the work of the Company as may be fixed by the Board"

10. TO RE-APPOINT PRACTICING COMPANY SECRETARYS

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

"RESOLVED that Mr. S.R. Deshpande, Practicing Company Secretary be and is hereby re-appointed to carry out certification of compliance for the financial year 2007-08."

Place: Belgaum
Date: 29.06.2007

for BEMCO HYDRAULICS LTD

M. M. MOHTA
Chairman and Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND THE PROXY NEED NOT BE A MEMBER.
2. An Explanatory Statement pursuant to Section 173 of the Companies Act 1956 in respect of special business is annexed hereto.
3. Proxies in order to be effective should be stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
4. Members are requested to intimate the Company about the change of Address, if any.
5. The Register of Members and Share Transfer Books shall remain closed from **September 10, 2007 to September 26, 2007 (both the days inclusive)**.
6. Members interested in seeking any clarification on the annual accounts are requested to address their queries to Mr. R.B. Patil, General Manager-Finance and Compliance Officer, Bemco Hydraulics Ltd. Udyambag, Belgaum at least one week before the date of the meeting to enable the compilation of data.



AN EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT 1956 IN RESPECT OF SPECIAL BUSINESS:

Refer Agenda No. 4 of Ordinary Business regarding declaration and distribution of Dividend on preference shares including arrears thereof.

The Company allotted preference shares as under:

Date of Allotment	No of Shares	Face Value Rs.	Total Value Rs.	Rate of Dividend	Arrears of Dividend Rs.
31 st March 2003	14,732	100	14,73,200	11%	6,48,208
1 st November 2004	18,000	100	18,00,000	11%	4,77,912
1 st October 2005	20,000	100	20,00,000	11%	3,29,699
TOTAL	52,732		52,73,200		14,55,819
Dividend Tax On The Above (Inclusive of Surcharge, Education Cess & Higher Education Cess)					2,24,924

The Company could not declare and distribute dividend on preference shares during the past years due to inadequacy of profits, and as such, the dividend payable on preference shares is in arrears. This year, company could generate sufficient profit to discharge the liability of dividend on preference shares in arrears. Hence, the Directors propose to discharge the liability of arrears of Dividend up to 31st March 2006 and declare dividend for the year under report on Preference Shares and recommended for approval of the members of the Company. Though this is an ordinary business, an explanation is offered to clarify possible doubts in the minds of the members.

MEMORANDUM OF INTEREST

Mr. M. M. Mohta, Smt. Urmila Devi Mohta and Mr. Anirudh Mohta are interested in this business, being the Share Holders of the Companies, who are holding Preference Shares of the Company.

Refer Agenda No. 6 regarding de-listing of the company's securities from Calcutta Stock Exchange and Bangalore Stock Exchange

Presently the Equity Shares of the Company are listed on following Stock Exchanges in India:

1. The Bombay Stock Exchange, Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai - 400 001 - (BSE)
2. The Calcutta Stock Exchange Association Ltd., 7, Lyons Range, Kolkata - 700 001
3. The Bangalore Stock Exchange Limited, PB.No.2704, No.51, Stock Exchange Towers, 1st Cross, J.C.Road, BANGALORE - 560 027

Consequent to technological developments the Equity Shares of the Company are traded all over India through on-line terminals provided by BSE.

The trading volumes of the Equity Shares of the Company on the Stock Exchanges other than BSE (hereinafter referred as "said Stock Exchanges") are Nil. The continued listing does not confer any advantage to the Company / investors in the changed scenario of the nationwide trading terminals set by the BSE.

Therefore, the Board of Directors of the Company decided in the Board Meeting held on 29th June 2007, subject to the approval of the members, to apply for voluntary delisting of the Company's Equity Shares from the said Stock Exchanges

The proposed voluntary delisting of the Company's Equity Shares from the said Stock Exchanges would not affect the interest of members/investors located in the regions where the said Stock Exchanges are situated.

Pursuant to The Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and the applicable provisions, if any, of the Companies Act, 1956 it is now proposed to seek the approval of Members by way of a Special Resolution for voluntary delisting of the Equity Shares of the Company from the Stock Exchanges as set out in the Resolution in the Item No. 6 of the Notice dated 29th June 2007 convening the 49th AGM of the Company. In terms of the said Guidelines, no Exit Option is required to be offered to the Members of the Company, as the Equity Shares of the Company shall continue to remain listed on BSE.

The proposed voluntary delisting is in the interest of the Company/investors and the Board commends the resolution for acceptance by the Members.

**MEMORANDUM OF INTEREST**

None of the Directors of the Company is concerned or interested in this Resolution.

Refer Agenda No. 7 and 8 regarding variation in terms of remuneration of Executive directors

The annual turnover of the Company has seen a significant increase, in the previous year, approximately from Rs. 1,410/- Lakhs in the year 2005-06 to Rs. 2,046/- Lakhs in the year 2006-07. This has further resulted in to a significant increase in the job responsibilities of both the executive Directors Shri. M. M. Mohta - Chairman and Managing Director and Shri Anirudh Mohta - Joint Managing Director who were re-appointed during the year 2004-05. The remuneration Committee in its meeting held on 29th June 2007, after having due consideration of the remuneration Policy of the Company, industry trend and their increased job responsibilities recommended to increase the basic salary of the following Directors with effect from 1st April 2007.

1. Shri M. M. Mohta to Rs. 70,000/- (Rs. Seventy Thousand Only) per month
2. Shri Anirudh Mohta to Rs. 45,000/- (Rs. Forty Five Thousand Only) per month

All other terms and conditions of their appointment shall remain unchanged.

The Board in their meeting held on 29th June 2007 approved the said proposal subject to your approval.

The Board of Directors of your Company recommends the passing of this aforesaid special resolutions.

MEMORANDUM OF INTEREST

Besides the two appointee Directors, Smt. Urmila Devi Mohta is interested in the appointment of Shri. M.M. Mohta and Shri Anirudh Mohta, happens to be their close relative. No other Director is concerned / interested in the said resolution.

Refer Agenda No. 9 regarding change of clause of 124 of Articles of association of the Company

The clause 124 of Articles of Association stipulates that remuneration of a Director for attending any meeting of the Board of Directors or any sub committee thereof shall be such sum as may be prescribed by law or the Central Government from time to time. This clause exists from the date of AGM held on 29.09.1989.

The Rule 10B of the Companies General Rules and Form 1956, which governs payment of sitting fees payable to Directors of public companies presently allows payment of a sum up to Rs. 20,000/- per Director per meeting. Though the directors do not wish to make payment at that scale, they would like to have a flexible clause that authorizes payment of sitting fee within the overall limit of Rule 10B. Accordingly, it is proposed to delete present clause 124 and insert an enabling clause as shown in the text of the special resolution. This amendment is clarificatory in nature.

The Board recommends the special resolution for consideration by the members.

MEMORANDUM OF INTEREST

All the Directors except the executive directors Shri M. M. Mohta and Shri Anirudh Mohta who are not entitled to sitting fees are interested in this Resolution.

Refer Agenda No. 10 regarding re-appointment of Mr. S. R. Deshpande - Practicing Company Secretary

Company Secretary appointed in the last Annual General Meeting for certification of compliance pursuant to the proviso to section 383A(1) of the Companies Act, 1956 retires at the conclusion of the forthcoming Annual General Meeting. The Board has decided to re-appoint him for the financial year 2007-08. Hence, the Board commends the re-appointment.

The Re-appointment of practicing company secretary for certification of compliance not being an item of ordinary business as defined in section 173 (1)(a) of the Companies act, 1956, the same is being transacted as a special business and this explanation is offered.

MEMORANDUM OF INTEREST

None of the Directors of the Company is interested in appointment of practicing Company secretary.

Place: Belgaum
Date: 29.06.2007

for BEMCO HYDRAULICS LTD

M.M. MOHTA
Chairman and Managing Director

BEMCO HYDRAULICS LIMITED

Udyambag, Belgaum - 590 008

DIRECTORS' REPORT

To

Dear Shareholders,

Your Directors have pleasure in presenting the Forty Ninth Annual Report together with the Audited Accounts of the Company for the year-ended 31st March 2007.

FINANCIAL RESULTS:

The Financial results for the year under review in comparison with the previous year are given below:

	2006-2007	2005-2006
	Rs.	Rs.
1 Gross Profit for the year after meeting all operating expenses but before interest and depreciation amounts to:	185,62,778	141,91,643
2 Deduction there from: Interest	68,69,006	55,14,396
3 Profit before depreciation	116,93,772	86,77,247
4 Depreciation for the year	30,62,053	7,29,741
5 Profit After Depreciation - (PBIT)	86,31,719	79,47,506
6 Provision for Taxation	(10,63,000)	(27,04,000)
7 Provision for FBT	(5,50,000)	(6,02,000)
8 Deferred Tax	(18,29,000)	1,28,000
9 Profit / (Loss) - (PAT)	51,89,719	47,69,506
10 Income tax Earlier Years	-	5,243
11 Net Profit/Loss	51,89,719	47,74,749
12 Surplus brought forward	3,23,733	(44,51,016)
13 Total Profit Available for Appropriation	55,13,452	3,23,733
14 Transferred to general Reserve	5,00,000	-
15 Provision of Dividend on Preference Shares	14,55,819	-
16 Provision for Income Tax on Dividend	2,24,924	-
17 Total Profit / (Loss) Carried forward	33,32,709	3,23,733

DIVIDEND:

On Equity:

Taking in to account the huge fund requirement for the large number of orders on hand, and to conserve the resources, the Directors do not recommend any dividend on Equity Shares.

On Preference Shares:

Company proposed to pay dividend on Preference Shares @11% for the year-end 31st March 2007 along with arrears on Dividend from 1st April 2003 to 31st March, 2006 as per contractual obligation.

The total cash outflow on account of Dividend and Tax thereon amounts to Rs.16.81 Lacs

REVIEW OF OPERATION:

The year 2006-07 has witnessed strong economic growth for most of Engineering industry & other Auto Component industry as well as growing demands from Indian Railways, Aviation and Defence. Improved growth of the global economy translated into higher demand for Engineering & Auto Component Industry in India, which improved the performance of your company. The company's success in these areas reflected in the strong growth in sale, as well as in profits during 2006-07. Corresponding growth as the highlights of financial performance are:

- ❖ The net Revenue Income during year under review increased by 45.15%
- ❖ Gross profit during the year under review is **Rs. 185.63/- Lakhs** as against the Gross profit of **Rs. 141.92** lakhs during the previous year which is **30.80%** higher than the previous year
- ❖ Profit after tax (PAT) increased by **8.69%** from **Rs. 47.75** Lakhs in 2005-2006 to **Rs. 51.89 Lakhs** in 2006-2007.
- ❖ Company could discharge the liability of arrears of Dividend on Preference shares up to 31st March 2007.



It was encouraging to see the Indian economy sustain its robust growth during the year under report, which gave boost to the investment activity and continued to create demand for domestic capital goods sector. This positive environment augured well for the Company being a predominant supplier of capital goods as can be seen from the impressive growth in the order intake during the year under review.

FUTURE PROSPECTS:

2006-07 was a good year for your company as compared with 2005-06 and there is every indication that 2007-08 will be even better.

As a result of our efforts made during past few years' development of various items for the above sectors have been successfully executed.

Besides the above your Company has orders worth **Rs. 3,063.24/- Lakhs** to be executed in the current year. In addition, orders worth **Rs. 800/- lacs** are in pipeline which are to be executed in the year 2008-09 and further healthy enquiries are being received regularly and it appears that before the end of the current year we may be sold out for the financial year 2008-09, even after factoring a healthy growth percentage over the current year.

To sum up, the outlook for the next few years looks bright.

COLLABORATION FOR TECHNICAL KNOW-HOW:

We are pleased to inform you that the **Technology Licence Agreement** with **PINETTE EMIDCAU INDUSTRIES, FRANCE** has already been signed on 10th April 2006 and we executed orders worth Rs. 300/- lacs, during the year under report of ACSIL and the order worth Rs. 250/- lakhs is also executed during the year 2007-08 wherein this technology is used and also looking forward to get more orders because of induction of this technology.

ALTERATION IN CAPITAL STRUCTURE:

As decided in the 48th AGM held on 29th September 2006 the Company has increased Authorised Share Capital Structure as below:

PREVIOUS CAPITAL	AMMENDED IN 48 TH AGM
9,00,000 Equity Shares of Rs. 10/- each Total Authorised Equity Share Capital of Rs. 90,00,000/- (Rupees Ninety Lakhs only)	34,00,000 Equity Shares of Rs. 10/- each Total Authorised Equity Share Capital of Rs. 3,40,00,000/- (Rupees Three Crore Forty Lakhs only)
60,000 Preference Shares of Rs. 100/- each Total Preference Share Capital of Rs. 60,00,000/- (Rupees Sixty Lacs Only)	60,000 Preference Shares of Rs. 100/- each Total Preference Share Capital of Rs. 60,00,000/- (Rupees Sixty Lacs Only)

ADDITION TO THE PAID-UP CAPITAL:

Further to the decision taken by the members of the Company, in the EOGM held on 5th December 2006 the Company had proposed and had initiated action to increase its paid up Capital by making a Rights Issue, how ever, it could not succeed in it, because of lengthy procedures involved and considering the time taken by Regulatory Authorities in this respect. Hence, your Company decided to go in for Preferential Allotment of 8,00,000/- of Equity Shares of Rs. 10/- each for Rs. 15.25 per share, aggregating total of Rs. 122/- lakhs. Accordingly, one more EOGM was called and it was held on 19th March 2007. Accordingly, the application money for the preferential allotment of equity shares was collected to the tune of Rs. 122/- lakhs, which has been reflected in the Financial Statements as of 31st March 2007. The company has received in principle approval for listing of such equity shares on preferential basis from the designated Stock Exchange i.e. i.e. from Bombay stock Exchange on 18th June 2007 and accordingly, 8,00,000 Equity Shares, having face value of Rs. 10/- each share, allotted at the price of Rs. 15.25 each share to the proposed allottees, in the meeting of the Board of Directors held on 29th June 2007.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

Appropriate accounting policies, which have been selected, have been applied consistently, judgments and estimates made are reasonable, and prudent to give a true and fair view of

the state of affairs of the Company as at 31st March 2007 and of profit of the Company for the year ended on that date.

- Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE:

The company believes in good corporate practices to enable the Board to direct and control the affairs of the company in an efficient manner and to achieve its ultimate goal of maximizing shareholder value. Realizing this, the company has adopted many practices over the last few years, even when there are no mandatory requirements in this regard. As a result, a number of provisions regarding Corporate Governance prescribed by the Listing Agreements have already been complied with and steps are being taken to comply with the balance provisions. A separate note on Corporate Governance is enclosed herewith.

COMPLIANCE CERTIFICATE: - (Refer to Proviso to Section 383A (1) of the Companies Act 1956)

Pursuant to Section 383-A the Compliance Certificate of a Practicing Company Secretary is attached hereto.

PUBLIC DEPOSITS: U/S 58A of the Companies Act, 1956:

There is no Fixed Deposit liability as on 31.03.2007 further, the Board declares that during the financial year 2006-07, the Company has not accepted any public deposits or unsecured loans falling within the purview of section 58A of the Companies Act, 1956.

DIRECTORS:

Shri R M Shah and Shri Dilip Chandak retire by rotation and are eligible for re-appointment.

AUDITOR & AUDIT REPORT:

M/S A. C. Bhuteria & Co., Chartered Accountants, Kolkata retire at the ensuing Annual General Meeting. The retiring auditors have confirmed their *willingness* and *eligibility* to accept audit assignment, if re-appointed.

Audit Report is self-explanatory and needs no further clarification.

PERSONNEL:

The industrial relations during the year remained extremely harmonious. The Directors wish to place on record their appreciation of the hard work and continuous efforts as well as valuable support rendered by the employees at all levels under review.

HEALTH AND SAFETY OF THE EMPLOYEE:

Health and safety of the employee has always been prime concern of the company and company has a medical officer to have routine checkup on the health of the employees.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. CONSERVATION OF ENERGY:

a.	Energy conservation measures taken	The present manufacturing process employed is not energy intensive and hence, there is limited scope for conservation of energy. However, efforts are being made to keep the consumption of power and fuel at minimum.
b.	Additional investments and proposals, if any, being implemented for reduction of consumption of energy;	NIL
c.	Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;	NIL

d.	Total energy consumption and energy consumption per unit of production as per Form A.	No statement in Form A pursuant to Companies (Disclosure of Particulars in the Report of the Board) 1988 is annexed as the company is not engaged in the activity specified in the schedule A to the said Rules.
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B. Technology absorption:

e.	Efforts made in technology absorption.	As per Form B given below
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Form B**Research and development (R & D)**

1.	Specific areas in which R & D carried out by the company	NIL
2.	Benefits derived as a result of the above R & D	NIL
3.	Future plan of action	NIL
4.	Expenditure on R & D	
	a. Capital	NIL
	b. Recurring	NIL
	c. Total	NIL
	d. Total R & D expenditure as per percentage of total turnover	NIL

Technology absorption, adaptation and innovation

1.	Efforts, in brief, made towards technology adsorption, adaptation and innovation	We are pleased to inform you that the Technology Licence Agreement with PINETTE EMIDECAL INDUSTRIES, FRANCE has already been signed on 10 th April 2006 and we executed orders worth Rs. 300/- lacs, during the year under report of ACSIL and the order worth Rs. 250/- lakhs is also executed during the year 2007-08 wherein this technology is used and also looking forward to get more orders because of induction of this technology.
2.	Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.	The results would be known in the years to come.
3.	In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished: a. Technology imported. b. Year of import. c. Has technology been fully absorbed? d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	SMC Moulding presses 2006 Yes Not Applicable

C. Foreign exchange earning and outgo:

f.	Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans;	The Company is exploring the possibilities / avenues for increasing Export earnings in foreign currency. Company has its own website www.bemco.world.com for global marketing. During the year under report company has exported machine worth US \$ 4,45,000
g.	Total foreign exchange used and earned.	As per the table below