

BANCO PRODUCTS (INDIA) LTD.

Post Box No. 2562, Vadodara - 390 005, Gujarat, India.

Phone : (0265) 2680220/21/22/23, Fax : +91-265-2680433 / 2338430

E-mail : mail@bancoindia.com, Website : www.bancoindia.com



ISO/TS 16949 : 2009
Cert. No. 20000295 TS09

August 18, 2017

To,
BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring, Rotunda Building,
P. J. Towers, Dalal Street, Fort,
Mumbai - 400 001

To,
National Stock Exchange of India Ltd.
Listing Department,
"Exchange Plaza", C/1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Stock Code (BSE) - 500039

Trading Symbol (NSE) - BANCOINDIA

Dear Sir,

Sub: Submission of Notice of 56th Annual General Meeting and Annual Report of the Company for the financial year 2016-2017.

Pursuant to the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we hereby submit Notice of 56th Annual General Meeting to be held on 23.09.2017 alongwith Annual Report of the Company for the financial year 2016-2017.

The above is for your kind information and records.

Please acknowledge the receipt.

Thanking you,

Yours faithfully,
For Banco Products (India) Limited


Sagar Pandya
Company Secretary



Encl: As above

GOVERNMENT RECOGNISED EXPORT HOUSE

Regd. Office & Factory : Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara - 391 410, Gujarat, India.

BANCO PRODUCTS (INDIA) LIMITED



56th ANNUAL REPORT
2016-2017



VISION

**A WORLD CLASS COMPONENT MANUFACTURING
COMPANY BASED IN INDIA WITH GLOBAL ASSOCIATES**

CORPORATE MISSION

**DEVELOP AND SUPPLY TECHNICALLY SOUND PRODUCTS
AT COMPETITIVE PRICES, INTEGRATING
INNOVATIVE MANUFACTURING
WITH ECO-FRIENDLY TECHNOLOGIES**



Board of Directors	:	Mehul K. Patel	Chairman
		Samir K. Patel	Director
		Ramkisan Devidayal	Independent Director
		Mukesh D. Patel	Independent Director
		Devesh A. Pathak	Independent Director
		Udayan P. Patel	Independent Director
		Rajendra J. Anandpara	Managing Director (From 27.04.2017)
		Himali Patel	Whole time Director & CFO
Chief Executive Officer	:	Praveen Rao (From 12.11.2016 to 27.04.2017)	
Company Secretary	:	Sagar Pandya	
Bankers	:	State Bank of India Bank of Baroda HDFC Bank Limited	
Auditors	:	Manubhai & Shah LLP, Chartered Accountants, Ahmedabad	
Registered Office	:	Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara-391 410	
Works	:	At Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara-391 410 At Jamshedpur At Rudrapur At Waghodia (SEZ Unit) At Zaheerabad	
Listing	:	BSE Limited (500039) National Stock Exchange of India Limited (BANCOINDIA)	
CIN	:	L51100GJ1961PLC001039	
Website	:	www.bancoindia.com	
RTA	:	Link Intime India Pvt. Ltd.	

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NOTICE

Notice is hereby given that the 56th Annual General Meeting of Banco Products (India) Limited will be held on Saturday, the 23rd day of September, 2017 at 10:00 a.m. at the Registered Office of the Company at Bil, Near Bhaili Railway Station, Padra Road, Dist Vadodara - 391 410, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31.03.2017 including Balance Sheet as at 31.03.2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on 31.03.2017 and the Reports of the Board of Directors' and the Auditors' thereon.
2. To declare final dividend on Equity Shares for the Financial Year ended 31.03.2017.
3. To appoint a Director in place of Mrs. Himali Harnish Patel (DIN : 07081636), who retires by rotation and being eligible, offers herself for reappointment.
4. To consider the ratification of appointment of Statutory Auditor.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules and regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Manubhai & Shah LLP, Chartered Accountants, Ahmedabad, (FRN : 106041W/W100136), as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Chairman of the Company."

SPECIAL BUSINESS:

5. Appointment of Shri Rajendra Jayantilal Anandpara as Director.

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Rajendra Jayantilal Anandpara (DIN: 02461259) who was appointed as an Additional Director pursuant to Section 161(1) of the Companies Act, 2013 ("the Act"), be and is, hereby appointed as Director liable to retire by rotation pursuant to Sections 152, 160 and other applicable provisions, if any, of the Act.

RESOLVED FURTHER THAT any Director and the Company Secretary of the Company be and are hereby severally authorised to take necessary actions and complete all the legal formalities related thereto."

6. Appointment of and Remuneration to Shri Rajendra Jayantilal Anandpara as Managing Director.

To consider and if thought fit, to pass, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and Schedule-V as also and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the appointment of Shri Rajendra Jayantilal Anandpara (DIN No. 02461259) as Managing Director by the Board of Directors be and is hereby confirmed for a period of three years w.e.f. 27.04.2017, on the terms and conditions as agreed between the Company and Shri Rajendra Jayantilal Anandpara.

RESOLVED FURTHER THAT in accordance with the provisions of Sections 196, 197 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and subject to other consents, if any, and in accordance with the Employment Agreement executed with Shri Rajendra Jayantilal Anandpara, the approval of the Company be and is hereby accorded to appointment of Shri Rajendra Jayantilal Anandpara at such remuneration and perquisites as approved by the Board of Directors of the Company as well as Nomination and Remuneration Committee at their respective meeting held on 27.04.2017 as detailed below:

Remuneration :

Basic Salary, Perquisites and other allowance / benefits up to maximum CTC of Rs.170.00 Lakhs per annum or such higher amount as may be decided by the Board of Directors of the Company from time to time as per following details.

a) Basic	:	Rs. 68.00 Lakhs per annum
b) Perquisites	:	Rs. 30.00 Lakhs per annum
c) Others (including variable pay)	:	Rs. 72.00 Lakhs per annum
Total CTC	:	Rs. 170.00 Lakhs per annum



RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company shall pay in respect of such financial year, aforesaid remuneration paid for immediately preceding financial year as minimum remuneration by way of salary, allowances, perquisites and other benefits, in accordance with the provisions of Sections 196, 197, 198 203 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder read with Schedule V to the said Act and subject to necessary approvals, if any”.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary and expedient to give effect to these resolutions.”

NOTES :

1. ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD BE LODGED WITH THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in 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 a proxy, provided that such person shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorised representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business enumerated under Item Nos. 5 to 6 of the accompanying Notice are annexed hereto.
4. The profile of the Directors seeking reappointment of the accompanying Notice, as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith
5. Members are requested to bring their attendance slip duly completed and signed mentioning the details of their DP ID and Client ID/Folio No. and also bring their valid ID proof at the time of the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 09.09.2017 to 23.09.2017 (both days inclusive).
7. The final dividend on Equity Shares, as recommended by the Board of Directors for the financial year ended 31.03.2017, if approved at the Annual General Meeting will be paid on or after 05.10.2017 :
 - a. To all the beneficial owners in respect of shares held in electronic form, as per the data made available by the National Security Depository Limited and Central Depository Services (India) Limited as of the close of business hours on 08.09.2017; and
 - b. To all the members in respect of shares held in physical form, after giving effect to valid transfer(s) in respect of transfer request(s) lodged with the Company on or before the close of business hours on 08.09.2017.
8. 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 the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar/Company.
9. All the relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members of the Company at the Registered Office of the Company during normal business hours on any working day except Sundays and public holidays upto the date of the Annual General Meeting.
10. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder the copy of the Annual Report including the Notice, Board's Report, Report on Corporate Governance, Financial Statements, etc are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company,



unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to investor@bancoindia.com mentioning your Folio/DP ID & Client ID. Members may also note that the Annual Report for the financial year ended on 31.03.2017 will also be available on the Company's website www.bancoindia.com for their download.

11. Members are requested to bring their copies of the Annual Report to the meeting. Members desirous of obtaining any information with respect of the accounts of the Company are requested to send their queries in writing to the company at its Registered Office so as to reach at least seven days before the date of the meeting.
12. a. In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate to either the Company or Company's Registrar and Transfer Agent, M/s. Link Intime India Private Limited, B-102 & 103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020 under the signature of the Sole/First joint holder, the following information to be incorporated on dividend warrants.
 - I. Name of the Sole/First Joint holder and the Folio Number; and
 - II. Particulars of Bank Account, viz.
 - i. Name of Bank;
 - ii. Name of Branch;
 - iii. Complete address of the Bank with Pin Code Number;
 - iv. Account type, whether Savings Account or Current Account; and
 - v. Bank Account Number.
- b. Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change in such Bank Account details. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.
13. In terms of the applicable provisions of the Companies Act, Rules and Regulations in force, the unclaimed / unpaid dividend will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 17-09-2016 (date of the last Annual General Meeting) on the website of the Company (www.bancoindia.com).
14. Members are requested to send all communications relating to shares and unclaimed dividends, change of address etc. to the Registrar and Share Transfer Agents at the following address:
 LINK INTIME INDIA PVT. LTD
 [Unit : Banco Products (India) Limited]
 B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank,
 Near Radhakrishna Char Rasta, Akota, Vadodara 390020.
 Phone No. : 0265 – 2356573/2356794, Fax No. : 0265- 2356791
 Email : vadodara@linkintime.co.in
15. Voting through electronic means:
 Pursuant to Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 56th Annual General Meeting



of the Company. The Company has provided e-voting facility to the members using the Central Depository Services (India) Limited (CDSL) platform. Accordingly, the members may exercise his/her vote by electronic means through the electronic voting system.

The facility for voting, either through electronic voting system or through ballot/polling paper will also be made available at the venue of the 56th Annual General Meeting. The members attending the meeting, who have not already cast their vote through remote e-voting will be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the Annual General Meeting.

The Board of Directors of the Company has appointed M/s. J. J. Gandhi & Co., Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The instructions for members voting electronically are as under:

- (i) The voting period begins on Wednesday, 20.09.2017 (9:00 a.m.) and ends on Friday, 22.09.2017 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off i.e. Saturday, 16.09.2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 05:00 p.m. on 22.09.2017.
- (ii) Members holding shares in physical or in demat form as on 16.09.2017 shall only be eligible for evoting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (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 or any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. on 16.09.2017, 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) Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If 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 of the Company i.e. Banco Products (India) Ltd. 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) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
 - a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c) 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.
 - d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e) 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.
- (xxi) 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.



**EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

For Item No. 5 and 6

Appointment of Shri Rajendra Jayantilal Anandpara as Director

Based on the recommendation of the Nomination and Remuneration Committee, Shri Rajendra Jayantilal Anandpara was appointed as an Additional Director on the Board of the Company w.e.f. 27.04.2017 to hold office upto the date of the Annual General Meeting. He was also appointed as the Managing Director of the Company w.e.f. 27.04.2017, subject to the approval of the Members.

Shri Rajendra Jayantilal Anandpara aged 60 is Production Engineering Graduate and Executive Management qualification from Ross School of Management and IIM Bangalore.

Shri Rajendra Jayantilal Anandpara is having 30+ years experience at Senior Positions with various companies such as SKF Bearings, FAG Bearings India Limited in Multi business and Multi plants with extensive strong experience in Strategic Planning and Development, Sales and Marketing and proven experience in Manufacturing-Operations, Engineering, Project Engineering, Quality, fiscal, strategic and operations leadership and experience of both Indian and Global markets. He was Managing Director of FAG Bearings India Limited.

His continued association with the Company as a Director would be of a great advantage. Your Directors therefore recommend his election to the office of Director of the Company. The Company has received notice together with a deposit of Rs. 100,000/- for his candidature for the office of Director under Section 160 of the Companies Act, 2013.

Appointment and Remuneration of Shri Rajendra Jayantilal Anandpara as Managing Director

Shri Rajendra Jayantilal Anandpara was appointed as the Managing Director of the Company with effect from 27.04.2017 by the Board in its meeting held on 27.04.2017. The Employment Agreement was executed between the Company and Shri Rajendra Jayantilal Anandpara on 28.04.2017. The Directors are of the view that his knowledge, experience guidance would be useful for the growth of the Company in the future as well.

The material terms and conditions of the agreement including remuneration are as follows:

A. DUTIES AND POSITION

- a) Shri Rajendra Jayantilal Anandpara agrees to serve the Company in the capacity of Managing Director for the period of three years w.e.f. 27.04.2017 to 26.04.2020 on the terms and conditions contained in the Agreement.
- b) Shri Rajendra Jayantilal Anandpara will be overall in-charge of all operations of the Company and entrusted with substantial powers of management of the affairs of the Company. He shall report to the Board of Directors.
- c) Shri Rajendra Jayantilal Anandpara shall faithfully adhere to, execute and fulfill all policies and guidelines established by the Board of Directors of the Company.
- d) Shri Rajendra Jayantilal Anandpara further undertakes to ensure adherence to the compliance standards.
- e) Shri Rajendra Jayantilal Anandpara confirms that he has knowledge of the content of the aforesaid guidelines and guarantees that they are adopted within the Company and agrees to take the necessary measures to enforce a compliance environment within the Company.
- f) Shri Rajendra Jayantilal Anandpara shall devote the most substantial part of his time and attention to the affairs of the Company and shall not, without its express consent in writing, engage in any business, profession or occupation (whether or not competing with its business) or become a Director, consultant, partner or owner in or of any other entity.
- g) Shri Rajendra Jayantilal Anandpara shall well and faithfully serve the Company and use his best endeavors to promote the interests thereof.

He shall not, while an employee thereof or thereafter, directly or indirectly, divulge any information concerning the affairs, or any information of whatever nature which he shall have acquired during his employment, to anyone or to use it for any purpose except performance of his duties in terms of his Employment Agreement.

**B. REMUNERATION AND BENEFITS**

As remuneration for his services, Shri Rajendra Jayantilal Anandpara shall be entitled to receive remuneration as under;

Remuneration :

Basic Salary, Perquisites and other allowance / benefits up to maximum CTC of Rs.170.00 Lakhs per annum or such higher amount as may be decided by the Board of Directors of the Company from time to time as per following details.

a) Basic	:	Rs. 68.00 Lakhs per annum
b) Perquisites	:	Rs. 30.00 Lakhs per annum
c) Others (including variable pay)	:	<u>Rs. 72.00 Lakhs per annum</u>
Total CTC	:	<u>Rs. 170.00 Lakhs per annum</u>

Other benefits, terms and conditions of employment shall be governed as per the Employment Agreement with Shri Rajendra Jayantilal Anandpara.

A copy of the above referred agreement entered into between the Company on the one part and Shri Rajendra Jayantilal Anandpara on the other part is open for inspection by the members at the Registered Office of the Company on any working day between 10.00 a.m. and 05:00 p.m. till the Annual General Meeting.

The appointment and remuneration paid / payable to Shri Rajendra Jayantilal Anandpara as a Managing Director is required to be approved by the shareholders in the General Meeting and accordingly this resolution is being placed before the members for approval by way of Special Resolution.

A brief resume and shareholding of Directors who are being appointed or re-appointed have been included in the annexure to the Notice.

None of the Directors except Shri Rajendra Jayantilal Anandpara or any other Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

Shri Rajendra Jayantilal Anandpara does not hold any Equity Shares in the Company.

The Board recommends the aforesaid resolutions for their respective approvals by the Members.

Registered Office:**BANCO PRODUCTS (INDIA) LIMITED**

Bil, Near Bhaili Railway Station,

Padra Road, Dist. Baroda – 391410

CIN : L51100GJ1961PLC001039

Tel Nos.: (0265) 2680220/21/22, Fax No. (0265) 2680433

Website : www.bancoindia.com

Email : investor@bancoindia.com, sec@bancoindia.com

By Order of the Board,

Date : 31.07.2017

Place: Bil

Mehul K. Patel - Chairman
(DIN : 01772099)

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

Information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding appointment / reappointment of Directors.

Name of the Director	Mrs. Himali Harnish Patel	Shri Rajendra Jayantilal Anandpara
Date of Birth	15.09.1982	02.08.1957
Date of Appointment on the Board	13.02.2015	27.04.2017
Specialised Expertise / Brief Profile	Mrs. Himali H. Patel is a Chartered Accountant and has an experience of about 12 years in the field of Strategic Financial Planning, Accounts, Insurance, Taxation. In past she was associated with Torrent Pharmaceuticals Limited, Ahmedabad	Shri Rajendra Jayantilal Anandpara is having 30+ years experience at Senior Positions with various companies in Multi business and Multi plants with extensive strong experience in Strategic Planning and Development, Sales and Marketing and proven experience in Manufacturing-Operations, Engineering, Project Engineering, Quality, fiscal, strategic and operations leadership and experience of both Indian and Global markets.
Qualifications	B.Com., M.Com., CA	Production Engineering Graduate and Executive Management qualification from Ross School of Management and IIM Bangalore
Directorships in other Companies as on 31.03.2017	None	None
Chairman / Member of other Committee of Companies as on 31.03.2017	None	None
Shareholding of Director as on 31.03.2017	None	None
Relationship between Director inter-se	None	None



BOARD'S REPORT

To,
The Members of
Banco Products (India) Limited

Your Directors have pleasure in presenting the 56th Annual Report together with the Audited Financial Statements of Banco Products (India) Limited ("the Company") and its subsidiaries for the financial year ended on 31.03.2017.

1. OVERVIEW OF THE COMPANY'S PERFORMANCE :

Global economy in the year 2016-17 was characterized by subdued growth and geopolitical uncertainties. In India, the economy witnessed some path breaking initiatives such as demonetization and passage of GST bill. Overall market in India showed signs of recovery in FY 2017, though there was a temporary slow down for a few months post November 2016, due to demonetization effect.

For your Company, the year 2016-17 was yet another good year. Sales grew by 3.7% (consolidated 7.5%) while profit before tax expanded by 31% (consolidated 17%) over the previous year.

Our strategy to create sustainable value for the organization is based on our focus on profitable growth. Customer is at the centre stage of all our initiatives. In close cooperation with our customers, we develop bespoke engineering solutions that are designed to deliver maximum efficiency under practical operating conditions. This innovation driven approach has helped us to establish and maintain leadership position as preferred engine cooling system provider to our customers in focus sectors such as Commercial Vehicles , Agricultural tractors, Off Highway equipments, Power generation and Railways .

We continue to expand our customer and product portfolio. During the year under review, your Company accelerated product development initiatives and added new products for OEM, Replacement and Exports markets. Flexibility in the designing approach, speed in prototyping and in-house testing competence, helps us to shorten time to market significantly. During the year under review, your Company successfully developed new cooling modules for BSIV compliant engines.

Your Company follows vertically integrated manufacturing approach. All the critical components are manufactured at our modern manufacturing plants located at Bhaili and Waghodia. During the year under review, our plants increased production output and initiated a number of continuous improvement initiatives to realize operations excellence.

At the same time, we continue our relentless focus on cost and follow prudent financial discipline to improve efficiency across various organizational processes and functions.

These measures have helped your organization deliver improved top line and bottom line performance during the year under review and have reaffirmed solidity of the strategy followed.

2. FINANCIAL PERFORMANCE :

At a glance, the summarized Standalone and Consolidated results of your Company are given below:

(₹ in Crores)

PARTICULARS	STANDALONE		CONSOLIDATED	
	Year ended on 31.03.2017	Year ended on 31.03.2016	Year ended on 31.03.2017	Year ended on 31.03.2016
Total Turnover	502	484	1,277	1,188
Profit Before Taxation	135	103	140	119
Add / (Less) :				
Provision for taxation	(29)	(22)	(47)	(35)
Deferred Tax Liability	1	1	3	6
Profit After Tax	107	82	96	90
Add :				
Balance brought forward from Previous Year	305	267	419	374
Profit available for Appropriation	412	349	515	464



PARTICULARS	STANDALONE		CONSOLIDATED	
	Year ended on 31.03.2017	Year ended on 31.03.2016	Year ended on 31.03.2017	Year ended on 31.03.2016
Appropriations:				
- Transfer to General Reserve	–	(7)	–	(7)
- Interim Dividend Paid	(36)	(4)	(36)	(4)
- Tax Paid on Interim Dividend	(5)	–	(5)	–
- Proposed Final Dividend	–	(29)	–	(29)
- Provision For Tax on Proposed Final Dividend	–	(6)	–	(6)
- Provision write back	6	1	6	1
Balance Carried to Balance Sheet	377	304	480	419

3. DIVIDEND:

Your Directors had declared and paid Interim Dividend during the year at 250% i.e. Rs. 5/- per equity share of Rs.2.00 each absorbing Rs.35.76 Crores as dividend and Rs. 4.75 Crores as Tax on Dividend (as per applicable provision under Section 115BBD of Income Tax Act) and have recommended final dividend at 200% i.e. Rs.4/- per equity share of Rs.2.00 each for the financial year ended on 31.03.2017 as compared to Rs.4.60 per equity share (230%) during previous year.

The total dividend for the financial year ended 31st March, 2017 would accordingly be Rs.9/- per equity share of Rs.2.00 each i.e.450%.

4. RESERVE:

The Company has not transferred any amount to reserve.

5. OPERATIONS AND STATE OF AFFAIRS:

The Company undertook several initiatives during the year to upgrade technology and quality at its plants. We will accelerate investments in the coming year to meet future growth in demand.

Our Research and Development capabilities, including test equipments and design software are being improved in line with modern practices. Our R& D spend, during the year was placed at 0.91% of turnover.

Sales and Profit for Banco Products (India) Ltd. stood at:

(₹In Crores)

Particulars	Year ended on 31.03.2017	Year ended on 31.03.2016
Sales (Net)	502	484
Profit after Tax (PAT)	107	82

DOMESTIC SALES:

During the period under review, the Company's Domestic sales stood at Rs. 382 crores as against Rs.338 crores in the previous year. We expanded our business both in OEM and Replacement market

EXPORT SALES:

During the period under review, the Company's Export sales stood at Rs. 120 crores as against Rs.146 crores in the previous year. Slow growth in global markets, increasing competition, and delay in realization of some customer projects besides Foreign Exchange fluctuations led to underperformance in export markets.

Overall sales mix was placed at Domestic 76% (previous year 70%) and Export 24% (previous year 30%).

6. MANAGEMENT DISCUSSION AND ANALYSIS:

The Report on Management Discussion and Analysis as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") is included in this report as per Annexure "A". Certain statements in this said report may be forward looking. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook. The important

factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors.

7. CORPORATE SOCIAL RESPONSIBILITY:

The Company believed that it is vital for surrounding communities and stakeholders to progress with the Company.

In compliance with the requirements of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility Committee. The details of membership of the Committee & the meetings held are detailed in the Corporate Governance Report forming part of the Annual Report.

The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the Corporate Social Responsibility Committee is available on the website of the Company as per the web link provided in the report on Corporate Social Responsibility Activities as per Annexure "B" to this Report.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

In accordance with the provisions of Section 134(3)(m) of the Act, read with Rule 8 of The Companies (Accounts) Rules, 2014, the relevant information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is annexed as per Annexure "C" to this Report.

9. DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(3) (c) of the Companies Act, 2013, your directors would like to state:

- i) that in the preparation of the annual financial statements for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) that such accounting policies have been selected 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 for the year ended 31st March, 2017 and of the profit and loss of the Company for that period;
- iii) that the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the annual financial statements have been prepared on a going concern basis;
- v) that the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- vi) that the proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year Shri Praveen Rao was appointed as Chief Executive Officer-CEO (Key Managerial Personnel) w.e.f. 12.11.2016 and re-designated as President – Sales and Marketing w.e.f. 27.04.2017. Accordingly he ceased to be Chief Executive Officer (Key Managerial Personnel) of the Company.

Further, Shri Rajendra Jayantilal Anandpara (DIN: 02461259) has been appointed as Additional Director to hold office upto the date of next Annual General Meeting and Managing Director of the Company w.e.f. 27.04.2017 for a period of 3 years on the recommendation of the Nomination and Remuneration Committee.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 ("the Act") and LODR.

In accordance with the provisions of the Act and rules made thereunder, Mrs. Himali Harnish Patel (DIN : 07081636), retires by rotation at the forth coming Annual General Meeting and being eligible offers herself for reappointment. Appropriate resolutions for the appointment/re-appointment of Directors as detailed above are being placed for your approval at the forthcoming Annual General Meeting.

10.1 PERFORMANCE EVALUATION:

Pursuant to the provisions of the Act and LODR, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its requisite Committees.

The evaluation has been carried out with a well structured questionnaires taking into consideration various aspects and roles of the Board and its Committees such as knowledge, skills, conduct, integrity, contribution in setting up and achieving goals etc. The Board of Directors expressed their satisfaction with the evaluation process.

10.2 POLICY ON DIRECTORS' NOMINATION, APPOINTMENT AND REMUNERATION:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy in relation to remuneration of Directors. The policy also lays down the criteria for selection and appointment of Directors, Senior Management and their remuneration. The detailed Remuneration Policy is stated in the Corporate Governance Report.

10.3 DISCLOSURE OF REMUNERATION PAID TO DIRECTORS:

The details of remuneration paid to the Directors is given in the Report on Corporate Governance.

11. NUMBER OF BOARD MEETINGS:

The details of 8 Board Meetings held during the financial year 2016 – 2017 are provided in the Report on Corporate Governance and forms part of this report.

12. AUDIT COMMITTEE:

The details regarding the Composition, power and role of Audit Committee are provided in Report on Corporate Governance and forms part of this report.

13. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil Mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provides for direct access to the Chairman of the Company / Chairman of the Audit Committee in exceptional cases. The Vigil Mechanism / Whistle Blower Policy are available on Company's website at http://www.bancoindia.com/wp-content/uploads/2017/06/Vigil_Mechanism.pdf

14. RISK MANAGEMENT POLICY:

Pursuant to the requirement of LODR, the Company has formed Risk Management Policy to ensure appropriate risk management within its systems and culture. The Company operates in a competitive environment and is generally exposed to various risks at different times such as technological risks, business risks, operational risks, financial risks etc. The Board of Directors and the Audit Committee of the Company periodically review the Risk Management Policy of the Company so that the Management can control the risk through properly defined network.

The Company has a system based approach to business risk management backed by strong internal control systems.

The Corporate Governance Policy clearly lays down the roles and responsibilities of the various entities in relation to risk management. A range of responsibilities, from strategic to the operational is specified in the Governance Policy. These role definition, interalia are aimed at ensuring formulation of appropriate risk management policies and procedures, their effective implementation and independent monitoring and reporting by Internal Audit.

A strong independent Internal Audit Function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk managements processes may need to be improved. The Board reviews internal audit findings and provides strategic guidance on internal controls, monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented.

The combination of policies and procedures adequately addresses the various risks associated with your Company's businesses.

15. CORPORATE GOVERNANCE:

Pursuant to LODR the Report on Corporate Governance forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the Report on Corporate Governance. The Company has paid the requisite Annual Listing Fees to the Stock Exchanges.

16. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Act, and Rule 12(1) of The Companies (Management and Administration) Rules, 2014, extract of Annual Return is annexed as per Annexure "D" to this Report.

17. AUDITORS:**17.1 STATUTORY AUDITORS:**

The Shareholders have approved the appointment of M/s. Manubhai & Shah LLP, Chartered Accountants, Ahmedabad as Statutory Auditor.

The proposal for ratification of appointment of M/s. Manubhai & Shah LLP, Chartered Accountants, Ahmedabad is included in the Notice of Annual General Meeting. They have confirmed their eligibility under section 141 of the Act, by furnishing requisite certificate as well as consent and the Rules framed thereunder for ratification as Auditor of the Company.

17.2 INTERNAL AUDITORS:

Your Company has appointed M/s. Sharp & Tannan, Chartered Accountants, Vadodara as the Internal Auditors to carry out the Internal Audit of various operational areas of the Company.

17.3 SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Act, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. J.J. Gandhi & Co., Practising Company Secretaries, Vadodara as Secretarial Auditor of the Company. The Secretarial Audit Report is annexed herewith as per Annexure "E" to this Report. The report is self-explanatory. The requisite explanation is provided in Report on Corporate Governance under the heading of Dematerialization of Shares as on 31.03.2017.

18. SUBSIDIARY COMPANIES:**18.1 NEDERLANDSE RADIATEUREN FABRIEK B.V - NETHERLANDS:**

Nederlandse Radiateuren Fabriek B.V, Netherlands, and its subsidiaries, are engaged in the business of manufacturing and distribution of heat transfer products. During the year, the Company has taken many initiatives in the areas of production, marketing, distribution and other operational areas. We expect that these initiatives will yield results in time to come and result in improvement in the performance.

18.2 LAKE MINERAL (MAURITIUS) LIMITED – MAURITIUS:

A Wholly Owned Subsidiary viz. Lake Mineral (Mauritius) Limited and its subsidiary are in operations.

18.3 BANCO GASKETS (INDIA) LIMITED – VADODARA:

In terms of the requisite approvals of Shareholders, the Gasket Divisions of the Company was transferred to its Wholly Owned Subsidiary Company viz. Banco Gaskets (India) Limited with effect from 31.03.2012 and is in operation.

Pursuant to Section 129(3) of the Act, the statement containing the salient features of the financial statement of the Company's Subsidiaries is annexed as per Annexure "F" to this Report.

The determination of Material Subsidiary is in compliance with LODR.

19. PARTICULARS OF EMPLOYEES:

The Statement pursuant to Section 197(12) of the Act, and Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as per Annexure "G" to this Report.

The information required under Section 197(12) of the Act, and Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of various employees of the Company, forms part of this report as per Annexure "H".

20. RELATED PARTY TRANSACTIONS:

During the year certain transactions entered into with the Related Parties as defined under the Act and LODR during the financial year ended on 31.03.2017 were in the ordinary course of business and on arms length basis and hence do not attract the provisions of Section 188 of the Companies Act, 2013.

During the year certain transactions entered into with the Related Parties as defined under the Companies Act and LODR during the financial year ended on 31.03.2017 were on arms length basis but not in the ordinary course of business. Hence, the disclosure in form AOC 2 is given as "Annexure I".

All the Related Party Transactions are reviewed by the Audit Committee on quarterly basis and it has granted an omnibus approval for all Related Party Transactions which are within its purview.

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a Policy on Related Party Transactions which has been uploaded on the Company's website at http://www.bancoindia.com/wp-content/uploads/2017/06/Policy_on_Related_Party_Transactions.pdf

Disclosure of Related Party Transactions are available in the Financial Statement.

21. PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN AND INVESTMENTS MADE BY THE COMPANY:

The details pursuant to Section 186 of the Act, regarding investments made by the Company are given as per Annexure "J" to this Report.

22. SHARE CAPITAL:

As on 31st March, 2017, the paid up equity share capital of your Company was Rs.14.30 crores. During the year under review, the Company has not issued any shares.

23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 :

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The summary of sexual harassment complaints received and disposed off during the financial year 2016 – 2017 is as under:

- Number of Complaints Received	:	Nil
- Number of Complaints Disposed Off	:	Nil

24. DEPOSITS :

The Company has neither accepted nor renewed any deposits during the year under review.

25. INSURANCE :

All the properties and insurable interests of the Company including buildings, plant and machineries and stocks, have been adequately insured.

26. INDUSTRIAL RELATIONS :

Overall industrial relation continued to be cordial. Your Directors place on record their appreciation for the continued support and co-operation of all the employees.

27. INTERNAL FINANCIAL CONTROL

The Company has appropriate internal financial control systems and procedures in place with regard to effective utilization of resources, efficiency in operation, financial reporting and compliance with various rules and regulations and keeping in view the organisation's pace of growth and increasing areas of operations.

The internal auditors conduct extensive audits throughout the year across all locations and across all functional areas and submit their reports to the Audit Committee of the Board of Directors.

**28. DETAILS OF FRAUD REPORTING, IF ANY.**

Neither any Fraud has been reported by auditors under Section 143 (12) of the Companies Act, 2013 nor there was any fraud reportable to the Central Government.

29. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of programmes for familiarization of Independent Directors and training with the Company, their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at <http://www.bancoindia.com/wp-content/uploads/2017/06/FamiliarizationProgrammsforIndependentDirectors.pdf>

30. HUMAN RESOURCES

Many initiatives have been taken to support business through organizational efficiency and various employee engagement programmes which have helped the Organization achieve higher productivity levels. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

The Company's HR processes such as hiring, fair transparent online performance evaluation and talent management process, state-of-the-art workmen development process and market aligned policies have been seen as benchmark practices in the Industry.

31. MATERIAL CHANGES AND COMMITMENTS

Your Directors are of the opinion that there are no material changes and commitments affecting financial position of the Company which have occurred between end of financial year of the Company and the date of this report.

32. SAFETY, HEALTH AND ENVIRONMENT SAFETY

The Company has been continuously exercising effective safety, health and environment policies. Water and air pollution control measures are successfully operated and industrial trade effluents are used for gardening.

The tree plantation at the factory site is maintained properly and the same are being duly taken care of.

33. WEB LINKS

Web links related to various policies are available in the Corporate Governance Report.

34. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the year under review.

35. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATOR OR COURT

No order was passed by any regulator, court or tribunal impacting Company's operation in future during the year under review.

36. ACKNOWLEDGEMENT :

Your Directors wish to convey their gratitude and place on record its deep appreciation for the co-operation and continued support received by the Company from Government, Customers, Shareholders, Vendors, Bankers and Employees at all levels during the year.

By the order of the Board,

Date : 31.07.2017
Place: Bil

Mehul K. Patel - Chairman
(DIN : 01772099)



ANNEXURE TO BOARD'S REPORT

ANNEXURE "A"

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION:

Banco Products (India) Ltd. is a leading supplier of engine cooling modules and systems both for automotive and industrial applications. We combine the power of innovation and commitment to quality to create high-performance solutions for our customers.

With over five decades of successful experience, Banco is a recognised brand amongst automotive and industrial equipment OEM manufacturers. We design, develop and manufacture Engine Cooling Modules such as Radiators, Charged Air Coolers, Fuel Coolers, Oil Coolers and Condensers. These products are considered very critical for efficient performance of Internal Combustion Engines with applications such as Commercial Vehicles, Agricultural Tractors, Power Generation Equipment, Traction Rail locomotives, Earth Moving and other similar applications.

Banco Products is built on a strong foundation of design and engineering excellence. We develop specially designed products thorough understanding of customer's application environment and by working together with them, co-create solutions that exceed their performance expectations. We believe that 'one shoe can't fit all'; so instead of over emphasizing on standardization, we develop bespoke solutions that are designed to deliver maximum efficiency under practical operating conditions.

Flexibility in the designing approach, speed in prototyping, in-house testing competence, and integrated manufacturing capabilities is what makes Banco a preferred development partner for our customers.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Trends in automotive industry have large influence on your Company's business. Automotive industry is rapidly changing, in terms of its size and range. While trends in some of the sectors like commercial vehicles, agricultural tractors etc have been cyclic; we believe that markets will continue to show healthy growth. Demand of your Company's products will correspondingly grow in the short and medium term.

At the same time, technology in automotive industry is rapidly changing; the efficiency of internal combustion engines continues to be an area of high focus for the automotive designers' world-over. Some of the key trends that our customers have been working on include:

- downsizing and weight reduction of engines,
- increasing use of complex turbocharged engines
- increasing thermal efficiency
- control and reduction emissions.

At Banco, we have been proactively responding to these changes by working together with our OEM customers and developing newer engine cooling solutions that meet the performance objectives of downsizing, light weighting, heat transfer optimization with added ease in installation.

For the year under review, your Company worked together with its key customers to design and develop BSIV compliant cooling systems successfully. Our projects with some of the key customers are already targeting next norms of emission.

With growing government spend on infrastructure, demand of your Company's products in industrial sectors such as earthmoving and construction machinery, power generation equipment, Railways etc is also set to grow.

Your Company will continue to invest to strengthen its research and design capabilities to be able to respond proactively to technological developments happening in user markets

OPERATIONS:

Banco has been regularly investing in advanced manufacturing technologies. Our plants are equipped to manufacture all critical components in-house. This gives us a unique competitive advantage in the market as manufacturing setup can be adapted to market requirements. This also enables us to respond quickly to market dynamics and shorten delivery lead time to our customers. Controlled manufacturing processes and use of advance quality management systems ensure that every Banco product is made to the highest standards of quality.

In the coming year, your Company plans to step up investments towards technological upgradation and gradual capacity expansion, both at its Bhaili and Waghodia plants

**STRENGTHS:**

Our strengths include:

- Over five decades of successful entrepreneurial experience
- Strong brand acceptance
- Established and enlarging OEM customer relationships
- Well balanced customer portfolio with presence in OEM, Aftermarket and Exports
- Extensive product range
- Competent research, design and test capabilities
- Rapid prototyping and shorter time to market
- Integrated manufacturing approach
- Prudent financial management
- Experienced employees

Your Company will build on above strengths and will leverage the same to succeed in its business

WEAKNESS:

Some of the concerns or areas of relatively less strength include:

- Complexities resulting from large product range
- Higher dependence on automotive market

Any downward trend in Industrial activity or Automotive Sector directly effects the performance.

While it may not be possible to address all the weakness in short term, the Company continues its efforts to broad base its customer-product portfolio and focuses on development of superior products to strengthen its market position.

OPPORTUNITIES:

Growing Indian economy provides several growth opportunities. Growth in automotive industry is characterized by introduction of numerous new platforms. At the same, time there is ever increasing demand for higher efficiency and tighter emission control. This provides excellent opportunity for your Company to collaborate with our customers and co create efficient engine cooling solutions that take care of future energy efficiency and emission trends.

With Banco's proven expertise in offering bespoke engineering solutions, we strive to develop wide ranging cooling modules that meet quality and innovation expectations of our customers.

Banco enjoys good business with several global automotive and industrial MNCs for their business in India. We plan to leverage our capabilities to grow international business with our MNC clients and have initiated some projects in this direction.

Banco's strong brand image, comprehensive product program and extensive distribution network provides excellent foundation on which we plan to expand our aftermarket business both in India and in global markets.

With its characteristic entrepreneurial approach, Banco will continue to invest towards strengthening its market and operations capabilities in order to realize profitable growth in future.

THREATS:

Dynamic business environment of modern times throws several challenges from time to time. Threats include:

- Growing competition both from domestic and global players
- Volatility in metal prices and fluctuations in Foreign Exchange
- Rising cost of utilities.
- Cyclic demand changes in some market sectors

Your Company focuses on continual expansion of its products and customer base, while systematically strengthening its quality, innovation and cost competence in order to mitigate the potential impact of some of the above threats.

TECHNOLOGY:

Banco regularly invests to upgrade its technology and processes in order to stay abreast of emerging trends,

With bespoke engineering approach, we run many innovation programs that are aimed at development of advanced products for the future.

We are also investing in developing competence and capabilities of our people so that they can contribute effectively to the success of the organization while realizing their own full potential.

In general, Banco believes that developing economy like India will continue to offer opportunities for growth. At Banco, we strive to strengthen our competitiveness and thus remain successful.

INTERNAL CONTROL AND ITS ADEQUACY :

The system of internal control designed to provide reasonable maintenance of proper accounting records and the reliability of operational and financial information complying with statutes, safeguarding assets from unauthorized uses or losses executing transaction with proper authorization ensuring compliance of corporate policies used with a view to running business. The Company has clearly defined organization structure and lines of authority.

Sufficient control is exercised through monthly, quarterly and annual business review by the Management Review Committee and application of Corporate Governance. An internal audit system is in place. Normal foreseeable risks to the Company's assets are adequately covered by comprehensive insurance.

The Company has, during the year engaged the services of an independent Firm of Chartered Accountants for the services of Internal Audit of operations of the Company for better control and to ensure adequacy and efficacy of the Internal Audit function.

In line with well accepted practices and objectives, the planning and internal audit are oriented towards the review of operational controls in the management risk strengths and opportunities.

The Company has an Audit Committee, which reviews the Reports of Internal and External Auditors, makes suggestions for improvements, follows upon the implementation of corrective actions and keeps informed the Board of its major observations from time to time.

SEGMENT-WISE PERFORMANCE

- a) The Company is only in one line of business- automobile components.
- b) The Segment Revenue in the Geographical Segment considered for disclosures are as follow:
 - Revenue with India includes sales to customers located within India
 - Revenue outside India includes sales to customers located outside India

	Rs. in Lakhs	
Sales	2016- 2017	2015- 2016
Within India	38,196	33,767
Outside India	12,014	14,593

INFORMATION TECHNOLOGY:

The Company is successfully operating SAP (ERP) system with the use of advanced licensed software packages for product simulation, development and general engineering work.

FINANCIALS:

The detailed financial analysis of the Company's operations for the year is given in the Board's Report and therefore the same is not repeated. However, some important ratios on the Company's profitability are given below.

Particulars	2016 - 2017	2015 - 2016
Net Profit to Sales (PBT) (%)	27	21
Earnings Per Share (EPS) (Rs.)	15	11
Cash earnings per Share (Rs.)	18	14
Return on Net worth (PAT) (%)	20	18
Dividend Payout Ratio (Including Dividend Tax) (%)	37	47
Retained Earnings (Rs. in crores)	68	43
Retained Earnings (%)	63	53

HUMAN RESOURCES:

The industrial relations in all the units of the Company during the financial year 2016-17 were peaceful and harmonious. Over the years, employees have been the backbone of harmonious industrial relations of the Company and there were 548 peoples employed in the Company as on 31-03-2017.

Special emphasis is given to team building and positive work culture besides training employees to understand the trends of fast changing technology for achieving higher efficiency levels in production, quality and customer satisfaction.

There is a systematic identification of training needs. Supervisory Development Programs on Productivity, Safety, Cost Control, Communications and Human Relations are being carried out besides the Company's Management Development Programme which have been planned with the help of outside faculty to get exposure of latest trends.

FUTURE STRATEGY:

Faster development of new products, very high quality and customer-satisfaction are the focus area. The Company has been developing new markets both in India and abroad, substantially broad basing export sales, penetrating existing markets and launching new products and canvassing "BANCO" brand to every corner of the country. In addition, there will be extreme focus on achieving greater efficiency through cost reduction initiatives and better Supply Chain Management.

CAUTIONARY STATEMENT:

Certain statement made in this report, are forward looking statements and actual results may differ from such expectations or projections about the future, as several factors would make significant difference to the Company's operations such as economic conditions affecting demand and supply, government's regulations, level of competitions prevailing at the relevant time, etc. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

By the order of the Board,

Date : 31.07.2017
Place: Bil

Mehul K. Patel – Chairman
(DIN : 01772099)

ANNEXURE "B"**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Company's CSR Policy is disclosed on the website of the Company.

The web link is http://www.bancoindia.com/wp-content/uploads/2017/06/Corporate_Social_Responsibility_Policy.pdf

2. **The Composition of the CSR Committee.**

- a) Shri Mehul K. Patel : Chairman
- b) Shri Samir K. Patel : Member
- c) Shri Ramkisan Devidayal : Member
- d) Shri Mukesh D. Patel : Member
- e) Shri Devesh A. Pathak : Member
- f) Shri Udayan P. Patel : Member

3. **Average net profit of the Company for last three financial years.**

The Company's Average Net Profit for the last three financial years comes to ₹ 8,254.68 Lakh

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above).**

The Company is required to spend ₹ 165.09 Lakh for the financial year ended on 31.03.2017.

5. **Details of CSR spent during the financial year.**

- (a) Total amount to be spent for the financial year: ₹ 165.09 Lakh
- (b) Amount unspent: NIL.
- (c) Manner in which the amount spent during the financial year is detailed below.

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing Agency *
1	Preventive Health Care, Education, Environment sustainability	**	**	₹ 165.09 Lakh	₹ 254.21 Lakh ***	₹ 254.21 Lakh***	Through Implementing Agency



* Implementation Agency is Banco Product Trust Registration Number. E/7946/VADODARA and Prashanti Medical Services & Research Foundation Regi No.E/3441/RAJKOT.

** Not applicable since contribution made to the corpus of the Trust.

*** Includes voluntary carry forward of unspent amount of ₹ 87.73 Lakhs pertaining previous year.

6. **In case the Company has failed to spend the two percent, of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.**

NA

7. **The Chairman of the CSR Committee confirms on behalf of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

By the order of the Board,

Date : 31.07.2017
Place: Bil

Mehul K. Patel – Chairman
(DIN : 01772099)

ANNEXURE “C”

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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of
the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY :

- (i) In line with the Company's commitment towards conversation of energy, the Company continued with their efforts to the possible extent through conversion of process equipments, installation of energy saving devices, effective energy management study, etc. The steps taken in this direction are as under :
 - LED fixtures for street light installed
 - LED flood light installed FGS 100 Watt
 - Office LED lighting
 - Inspection LED Table Area in plant
 - Compressor with VFD installed
 - APFC Capacitor installed
- (ii) The steps taken by the Company for utilizing alternate sources of energy are as under :
 - Solar Power Plant installed at Lucknow.
 - Solar Power Plant installed at Zaheerabad.
- (iii) The Capital Investment on energy conservation equipments during the financial year 2016-17 is ₹ 8.18 lakh.

B. TECHNOLOGY ABSORPTION :

Research and Development :

- (i) The efforts made towards technology absorption during the period under review are :
 - To enhance the engine life by developing radiators, oil coolers and intercoolers to give higher heat transfer efficiency.
 - To enhance fuel efficiency and conserve fossil fuels by developing lightweight radiators by switching over to lower mass materials.
 - To develop compact coolers to reducing space available under bonnet in future vehicles.
 - To develop new materials with suppliers to improve product life to address long term corrosion challenges.



- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution :
- Because of the Research and Development activities, the Company could develop new processes and products which enhance the product life.
 - The Company could develop products at lower cost to substitute coolers earlier imported by OEMs at higher cost.
 - The Company could develop products meeting with the international standards thereby increasing exports to earn foreign exchange.

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) are :

Details of Technology Imported	Year of Import	Whether the technology has been fully Absorbed / Implemented	If technology not fully absorbed, areas where absorption has not taken place, and the reasons thereof
None			

- (iv) The expenditure incurred on Research and Development are :

(₹ In Lakh)

Expenditure on R&D	2016-2017	2015-2016
1. Capital	20.07	213.53
2. Recurring	438.36	450.59
3. Total	458.43	664.12
4. Percentage of R&D Expenditure to Total Turnover	0.91%	1.37%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(₹ In Lakh)

	2016-2017	2015-2016
1. Foreign Exchange earned in terms of Actual Inflows	19,689.60	16,552.48
2. Foreign Exchange outgo in terms of Actual Outflows	16,418.36	13,225.79

By the order of the Board,

Date : 31.07.2017
Place: Bil

Mehul K. Patel – Chairman
(DIN : 01772099)



“Annexure - D”

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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	L51100GJ1961PLC001039
ii	Registration Date	16.03.1961
iii	Name of the Company	Banco Products (India) Limited
iv	Category/Sub-category of the Company	Public Company
v	Address of the Registered office & contact details	Bil, Near Bhaili Railway Station, Padra Road, Dist. Baroda – 391 410 Gujarat Tel. : (0265) 2680220/21/22/23 Fax : (0265) 2680433 Email id : investor@bancoindia.com Website : www.bancoindia.com
vi	Whether listed company Yes /No	YES
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited, B – 102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Baroda – 390 020 Gujarat Tel. : (0265) 2356573 Fax : (0265) 2356791 Email id : vadodara@linkintime.co.in

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Aluminum Radiator	374.8	80%
2	Copper Brass Radiator	374.8	20%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Nederlandse Radiatoren Fabriek B.V. Address: Langenboomseweg 64 NL - 5451 JM Mill- The Netherlands	–	Subsidiary	100%	2(87)
2	Banco Gaskets (India) Limited Address: Bil, Near Bhaili Railway Station, Padra Road, Dist. Baroda 391 410	U25199GJ2011PLC066886	Subsidiary	100%	2(87)
3	Lake Minerals (Mauritius) Ltd Address: Suit G 12, St. James Court, St. Dennis Street, Port Louis, Mauritius	–	Subsidiary	100%	2(87)

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No of share held at the beginning of the year				No of share held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Shareholding of Promoter and Promoter Group									
[1] Indian									
(a) Individuals / Hindu Undivided Family	18,072,763	–	18,072,763	25.27	–	–	–	–	–25.27
(b) Central Government/State Government(s)	–	–	–	–	–	–	–	–	0.00
(c) Financial Institutions / Banks	–	–	–	–	–	–	–	–	0.00
(d) Any Other (Specify)									
Persons Acting In Concert	3,567,269	–	3,567,269	4.99	–	–	–	–	–4.99
Sub Total (A)(1)	21,640,032	–	21,640,032	30.26	–	–	–	–	–30.26
[2] Foreign									
(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	–	–	–	–	18,072,763	–	18,072,763	25.27	25.27
(b) Government	–	–	–	–	–	–	–	–	–
(c) Institutions	–	–	–	–	–	–	–	–	–
(d) Foreign Portfolio Investor	–	–	–	–	–	–	–	–	–
(e) Any Other (Specify)									
Persons Acting In Concert	–	–	–	–	3,567,269	–	3,567,269	4.99	4.99
Bodies Corporate	–	26,909,960	26,909,960	37.63	–	26,909,960	26,909,960	37.63	–
Sub Total (A)(2)	–	26,909,960	26,909,960	37.63	21,640,032	26,909,960	48,549,992	67.88	30.26
Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	21,640,032	26,909,960	48,549,992	67.88	21,640,032	26,909,960	48,549,992	67.88	0.00
(B) Public Shareholding									
[1] Institutions									
(a) Mutual Funds / UTI	3,489,962	–	3,489,962	4.88	3,030,388	–	3,030,388	4.24	–0.64
(b) Venture Capital Funds	–	–	–	–	–	–	–	–	–
(c) Alternate Investment Funds	–	–	–	–	–	–	–	–	–
(d) Foreign Venture Capital Investors	–	–	–	–	–	–	–	–	–
(e) Foreign Portfolio Investor	18,559	–	18,559	0.03	283,088	–	283,088	0.40	0.37
(f) Financial Institutions / Banks	16,679	2,000	18,679	0.03	60,928	2,000	62,928	0.09	0.06
(g) Insurance Companies	–	–	–	–	–	–	–	–	–
(h) Provident Funds/ Pension Funds	–	–	–	–	–	–	–	–	–
(i) Any Other (Specify)									
Sub Total (B)(1)	3,525,200	2,000	3,527,200	4.93	3,374,404	2,000	3,376,404	4.72	–0.21
[2] Central Government/ State Government(s)/ President of India									
Sub Total (B)(2)	–	–	–	–	–	–	–	–	–
[3] Non-Institutions									
(a) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	9,293,514	815,456	10,108,970	14.13	9,628,931	780,006	10,408,937	14.55	0.42
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,262,737	63,550	1,326,287	1.85	1,187,226	63,550	1,250,776	1.75	–0.11
(b) NBFCs registered with RBI	–	–	–	–	–	–	–	–	–
(c) Employee Trusts	–	–	–	–	–	–	–	–	–
(d) Overseas Depositories(holding DRs) (balancing figure)	–	–	–	–	–	–	–	–	–

Category of Shareholders	No of share held at the beginning of the year				No of share held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e) Any Other (Specify)									
Trusts	800	–	800	0.00	800	–	800	0.00	0.00
Foreign Nationals	3,600	–	3,600	0.01	3,600	–	3,600	0.01	0.00
Hindu Undivided Family	672,135	–	672,135	0.94	683,219	–	683,219	0.96	0.02
Foreign Companies	581,361	900,600	1,481,961	2.07	381,361	900,600	1,281,961	1.79	–0.28
Non Resident Indians (Non Repat)	952,788	994,480	1,947,268	2.72	910,230	994,480	1,904,710	2.66	–0.06
Other Directors	586,034	–	586,034	0.82	586,034	–	586,034	0.82	0.00
Non Resident Indians (Repat)	944,521	436,750	1,381,271	1.93	902,020	400,750	1,302,770	1.82	–0.11
Clearing Member	137,820	–	137,820	0.19	340,414	–	340,414	0.48	0.28
Bodies Corporate	1,792,612	2,700	1,795,312	2.51	1,826,333	2,700	1,829,033	2.56	0.05
Sub Total (B)(3)	16,227,922	3,213,536	19,441,458	27.18	16,450,168	3,142,086	19,592,254	27.39	0.21
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	19,753,122	3,215,536	22,968,658	32.12	19,824,572	3,144,086	22,968,658	32.12	0.00
Total (A)+(B)	41,393,154	30,125,496	71,518,650	100.00	41,464,604	30,054,046	71,518,650	100.00	0.00
(C) Non Promoter-Non Public									
[1] Custodian/DR Holder	–	–	–	–	–	–	–	–	–
[2] Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	–	–	–	–	–	–	–	–	–
Total (A)+(B)+(C)	41,393,154	30,125,496	71,518,650	100.00	41,464,604	30,054,046	71,518,650	100.00	–

(ii) Share Holding of Promoters*

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Vimal K. Patel	5,572,836	7.79	–	5,572,836	7.79	–	–
2	Samir K. Patel	5,016,997	7.01	–	5,016,997	7.01	–	–
3	Mehul K. Patel	5,615,382	7.85	–	5,615,382	7.85	–	–
4	Hasumati K. Patel	1,867,548	2.62	–	1,867,548	2.62	–	–
5	Overseas Pearl Ltd	26,909,960	37.63	–	26,909,960	37.63	–	–
6	Prity V. Patel	1,182,085	1.65	–	1,182,085	1.65	–	–
7	Monal S. Patel	1,182,806	1.65	–	1,182,806	1.65	–	–
8	Gayatri M. Patel	1,202,378	1.68	–	1,202,378	1.68	–	–
	Total	48,549,992	67.88	–	48,549,992	67.88	–	–

* Includes Promoter Group

(iii) Change In Promoters' Shareholding (Specify If There Is No Change)

Sl. No		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	48,549,992	67.88	48,549,992	67.88
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	48,549,992	67.88	48,549,992	67.88

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of total shares of the company
1	FRANKLIN INDIA SMALLER COMPANIES FUND	1731834	2.4215			1731834	2.4215
	Transfer			05 Aug 2016	(200000)	1531834	2.1419
	Transfer			07 Oct 2016	133995	1665829	2.3292
	Transfer			25 Nov 2016	26357	1692186	2.3661
	Transfer			02 Dec 2016	336351	2028537	2.8364
	Transfer			16 Dec 2016	70514	2099051	2.9350
	Transfer			23 Dec 2016	29486	2128537	2.9762
	Transfer			30 Dec 2016	40354	2168891	3.0326
	Transfer			06 Jan 2017	2297	2171188	3.0358
	AT THE END OF THE YEAR					2171188	3.0358
2	BHARTIBALA RAMESH CHANDRA PATEL	990000	1.3843			990000	1.3843
	AT THE END OF THE YEAR					990000	1.3843
3	PALATE STAR INVESTMENTS LTD.	900000	1.2584			900000	1.2584
	AT THE END OF THE YEAR					900000	1.2584
4	HDFC SMALL CAP FUND	877000	1.2263			877000	1.2263
	Transfer			11 Nov 2016	(24000)	853000	1.1927
	Transfer			20 Jan 2017	(5000)	848000	1.1857
	AT THE END OF THE YEAR					848000	1.1857
5	BANCO PRODUCTS (INDIA) LTD- UNCLAIMED SUSPENSE ACCOUNT	537640	0.7517			537640	0.7517
	AT THE END OF THE YEAR					537640	0.7517
6	LALITABEN CHANDUBHAI PATEL	418740	0.5855			418740	0.5855
	AT THE END OF THE YEAR					418740	0.5855
7	ASHIT CHANDUBHAI PATEL	418740	0.5855			418740	0.5855
	AT THE END OF THE YEAR					418740	0.5855
8	JAPAN METAL GASKET COMPANY LIMITED	581361	0.8129			581361	0.8129
	Transfer			01 Jul 2016	(100000)	481361	0.6731
	Transfer			09 Sep 2016	(100000)	381361	0.5332
	AT THE END OF THE YEAR					381361	0.5332

Sr No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of total shares of the company
9	SANJIV VINUBHAI PATEL	291913	0.4082			291913	0.4082
	AT THE END OF THE YEAR					291913	0.4082
10	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C BIRLA SUN LIFE PURE VALUE FUND	518701	0.7253			518701	0.7253
	Transfer			22 Apr 2016	(28150)	490551	0.6859
	Transfer			13 May 2016	(34286)	456265	0.6380
	Transfer			20 May 2016	(17000)	439265	0.6142
	Transfer			27 May 2016	(2700)	436565	0.6104
	Transfer			03 Jun 2016	(214500)	222065	0.3105
	Transfer			10 Jun 2016	(73400)	148665	0.2079
	Transfer			17 Jun 2016	(148665)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

Note:

1. Paid up Share Capital of the Company (Face Value ₹ 2.00) at the end of the year is 7,15,18,650 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors & Key Managerial Personnel:

Sl. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Mehul K. Patel	5,615,382	7.85	5,615,382	7.85
2	Shri Samir K. Patel	5,016,997	7.01	5,016,997	7.01
3	Shri Ramkisan Devidayal	586,034	0.82	586,034	0.82
4	Shri Mukesh D. Patel	–	–	–	–
5	Shri Devesh A. Pathak	–	–	–	–
6	Shri Udayan P. Patel	–	–	–	–
7	Ms. Himali H. Patel	–	–	–	–
8	*Shri Praveen Rao	–	–	–	–
9	**Shri Rajendra J. Anandpara	–	–	–	–
10	Shri Sagar Pandya	–	–	–	–

* w.e.f. 12-11-2016 & upto 27-04-2017

** w.e.f. 27-04-2017

V. INDEBTEDNESS

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

(₹ In Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	193.95	Nil	Nil	193.95
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	-
Total (i+ii+iii)	193.95	Nil	Nil	193.95
Change in Indebtedness during the financial year				
Additions	40.71	Nil	Nil	40.71
Reduction	Nil	Nil	Nil	Nil
Net Change	40.71	Nil	Nil	40.71
Indebtedness at the end of the financial year				
i) Principal Amount	234.66	Nil	Nil	234.66
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	234.66	Nil	Nil	234.66

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole time director and/or Manager:**

(₹ In Lakh)

Sl. No	Particulars of Remuneration	Name of the MD/WTM/Manager		Total Rs.
		Himali Patel - (Whole time Director and CFO)	Subhasis Dey - Managing Director (upto 30.04.2016)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	13.34	23.03	36.37
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.15	0.23	0.38
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission			
	as % of profit	Nil	Nil	Nil
	others (specify)	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	13.49	23.26	36.75
	Ceiling as per the Act	1,254.83		

**B. Remuneration to other directors:****(₹ In Lakh)**

Sl.No	Particulars of Remuneration	Name of the Directors				Total Amount
1	Independent Directors	Ramkisan Devidayal	Mukesh Patel	Devesh Pathak	Udayan Patel	
	(a) Fee for attending board, committee meetings	3.00	2.70	3.00	2.40	11.10
	(b) Commission	3.00	3.00	1.00	1.00	8.00
	(c) Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	6.00	5.70	4.00	3.40	19.10
2	Other Non Executive Directors					
	(a) Fee for attending board, committee meetings	Nil	Nil	Nil	Nil	Nil
	(b) Commission	Nil	Nil	Nil	Nil	Nil
	(c) Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	6.00	5.70	4.00	3.40	19.10

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**(₹ In Lakh)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Praveen Rao - Chief Executive Officer (w.e.f 12.11.2016)	Sagar Pandya - Company Secretary	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	35.21	5.37	40.58
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.61	0.08	0.69
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	-as % of profit	Nil	Nil	Nil
	-others, specify	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	35.82	5.45	41.27

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL

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	-	-	-	-	-

By the order of the Board,

Date : 31.07.2017
Place : BilMehul K. Patel – Chairman
(DIN : 01772099)

ANNEXURE “E”
Secretarial Audit Report
(For the Financial year ended on 31st March, 2017)

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

To,
The Members,
Banco Products (India) Ltd.
Opp. Bhaili Railway Station,
Bhaili, Dist. Vadodara

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Banco Products (India) Ltd.** (hereinafter 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.

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, the Company has, during the audit period covering the financial year ended on **31st March, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2017**, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB). – As reported to us there were no FDI, ODI and ECB transactions in the Company during the Audit period.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) 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. - Not Applicable to the Company during the Audit Period;
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable to the Company during the Audit Period;
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable to the Company during the Audit Period;
 - 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 to the Company during the Audit Period; and
 - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable to the Company during the Audit Period;
6. Considering representation of management and products, process and location of the Company, following laws are applicable specifically to the Company. Having regard to the compliance system prevailing in the Company and on examination of the relevant records on test check basis, we further report that the Company has complied with the following laws;
 1. The Environment (Protection) Act, 1986;
 2. The Air (Prevention and Control of Pollution) Act, 1981;
 3. The Water (Prevention and Control of Pollution) Act, 1974



We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above except that the requirement to hold 100% share holding of the promoters are not in demat form and the same is under process.

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 year 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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

Based on the Compliance mechanism established by the Company and on the basis of certificates placed before the Board and taken on record by the Directors at their meetings, we are of the opinion 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.

**For J. J. Gandhi & Co.
Practising Company Secretaries**

**(J. J. Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515**

Place: Vadodara

Date : 19th June, 2017

This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

Date: 19th June, 2017

To,
The Members
Banco Products (India) Ltd.,
Opp. Bhaili Railway Station,
Bhaili, Dist. Vadodara

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the 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 the practices, we followed provided 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.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of 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 J. J. Gandhi & Co.
Practising Company Secretaries
(J. J. Gandhi)
Proprietor
FCS No. 3519 and CP No. 2515**



ANNEXURE "F"
FORM AOC – I
(Pursuant to first proviso to the sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF
SUBSIDIARIES/ASSOCIATES/JOINT VENTURES
PART : "A" - SUBSIDIARIES
(₹ In Lakh)

Sr. No.	Name of Subsidiary Company	Reporting Period ended on	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (except investments in the subsidiary)	Turnover/ Income *	Profit / (Loss) before taxation *	Provision for Taxation *	Profit / (Loss) after taxation *	Proposed Dividend	% of Share Holding	Date of acquisition
1	Nederlandsche Radafaurean Fabriek BV (NRF)	31st March 2017	79	27,021	36,165	8,064	-	30,032	2,501	553	1,918	-	100%	23.02.2010
1.1	NRF Thermal Engineering BV (Skopinex BV)	31st March 2017	11	247	790	532	-	7,775	(2)	(1)	(2)	-	100%	
1.2	NRF France SARL	31st March 2017	130	928	3,166	2,228	-	8,769	(220)	(29)	(191)	-	100%	
1.3	NRF United Kingdom Ltd	31st March 2017	1,256	(156)	1,391	293	-	1,973	97	-	97	-	100%	
1.4	NRF Handels GmbH	31st March 2017	25	(109)	-	83	-	-	32	3	29	-	100%	
1.5	NRF Deutschland GmbH	31st March 2017	72	539	1,390	790	-	6,761	407	73	334	-	100%	
1.6	NRF Espana S.A.	31st March 2017	2,353	824	4,422	1,235	-	9,801	307	86	221	-	100%	
1.7	NRF Poland Sp.z o.o.	31st March 2017	13	1,994	7,447	5,449	-	13,712	1,183	229	954	-	100%	
1.8	NRF Italia SH	31st March 2017	7	739	2,407	1,667	-	4,683	110	10	100	-	100%	
1.9	NRF Switzerland AG	31st March 2017	42	182	392	168	-	1,033	22	2	19	-	100%	
1.10	NRF USA	31st March 2017	20	(194)	392	556	-	2,215	(116)	-	(116)	-	100%	
2.	Lake Mineral (Mauritius) Limited	31st March 2017	1,744	573	2,323	6	-	-	(9)	-	(9)	-	100%	11.04.2011
2.1	Kilimanjaro Biochem Limited	31st March 2017	1,178	3,530	6,393	1,634	-	4,558	1,308	358	941	-	95%	
3.	Banco Gaskets (India) Limited	31st March 2017	3,500	3,140	8,545	1,905	-	11,917	929	254	676	-	100%	26.08.2011

Note:

1. Sr. 1.1 to 1.10 are subsidiaries of NRF.
2. Exchange rate used for conversion of figures in Euro (1 to 1.10 of NRF group) ₹ 69.93 Per Euro (31st March 2016, ₹ 75.75 Per Euro)
3. Exchange rate used for conversion of figures in Tshts (Kilimanjaro Biochem Limited) :- 0.0283 ₹ Per Tshts (31st March 2016, ₹ 0.0297 Per Tshts)
4. Exchange rate used for conversion of figures in US\$ (Lake Mineral (Mauritius) Limited):- ₹ 65.19 per US\$ (31st March 2016, ₹ 66.60 Per US\$)
5. Kilimanjaro Biochem Limited is subsidiary of Lake Mineral (Mauritius) Limited
6. Banco Gaskets (India) Limited is an Indian Subsidiary using Indian Rupees as functional currency
7. Names of Subsidiaries which are yet to commence Operations - Not Applicable
8. Names of Subsidiaries which have been liquidated or sold during the year - Not Applicable
- * Indicating the highlights of Subsidiary Companies.



PART "B" : ASSOCIATES AND JOINT VENTURES

**Statement of pursuant to Section 129 (3) of Companies Act, 2013
related to Associates Companies and Joint Venture**

————— Not Applicable —————

For and on behalf of the Board,

Date : 31.07.2017
Place : Bil

Mehul K. Patel – Chairman
(DIN : 01772099)

ANNEXURE "G"

Statement pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (1) The Percentage Increase in remuneration of each Directors, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial year 2016-17. The ratio of the remuneration of each Director to the median remuneration of the employee of the company for the Financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

(₹ in Lakh)

Sr. No.	Name of Director/ KMP	Designation	Remuneration for the Financial year 2016-17	% increase in Remuneration in the Financial year 2016-17	Ratio of Remuneration of each Directors/ KMP to median remuneration of Employees
1	Himali Patel	Whole Time Director & CFO	13.49	15.17	4.87
2	Subhasis Dey*	Managing Director	23.26	*	*
3	Praveen Rao**	Chief Executive Officer-CEO	35.82	**	**
4	Sagar Pandya***	Company Secretary	5.45	***	***

* Details not given as he was Managing Director for part of the Financial year i.e upto 30.04.2016.

** Details not given as he was Chief Executive Officer-CEO (KMP) for part of the Financial year i.e from 12.11.2016.

*** Details not given as he was Company Secretary for part of the previous financial year ended on 31.03.2016.

Resigned and Joined employees have not been considered in the calculation of median.

- (2) # The median remuneration of employees of the company during the Financial year was ₹ 2.79 Lakh PA.
 (3) In the Financial year, there was an increase of 2.57 % in the median remuneration of the employees.
 (4) There was 548 nos of Employees was on roll of the company as on 31.03.2017.
 (5) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 16.53 % whereas the decrease in the managerial remuneration for the same financial year was 22.18%.
 (6) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and Behalf of the Board,

Date : 31.07.2017

Place: Bil

Mehul K. Patel – Chairman
(DIN : 01772099)



ANNEXURE “H”
Statement pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(₹ In Lakh)

Sr No	Particulars	Details											
		Name	Shalish Thakur	Kiran Kumar Shetty *	Prasen Rao dr*	Subhasis Das *	Sumit G. Tandon *	Hemesh L. Patankar *	Devedra M. Agrawal *	Mihir G. Shah *	Bharat A. Champarneya *	Sunil D. Khatke *	Mangesh Shrinivas Purnanarega *
a)	Designation	President - Commercial		President - Operations	Chief Executive Officer	Managing Director	GM-Marketing Replacement	GM - DAD, Alkatre	GM-Accounts	GM-Purchase	Sr GM-IT & Admin	Dy. GM-Quality (Machinere)	Vice President - Marketing
b)	Remuneration received (in Lacs)	138.04		78.38	35.82	28.28	84.59	33.03	29.03	28.15	28.13	24.54	21.57
c)	Nature of employment, whether contractual or otherwise	On Roll		On roll	On roll	Contractual							
d)	Qualification	B.Com., P&DS (M.A.), I.C.W.A.		B. Tech.	BE (Mechanical), PGDPM (Finance)	B.E. Electrical	Diploma Mechanical, Diploma Marketing	DME, B.E. Mechanical, M.E. Mechanical	B.Com. C.A.	B.E. Mechanical, MBA, CFA, MIS Finance	B.Com. M.L.W.	D.M.E.	B.E. (Industrial Engg) & MBA (Marketing)
e)	Experience in years	24		23	25	34	17	28	18	16	26	23	21
f)	Date of commencement of employment	15-May-06		19-Apr-07	12-Nov-16	5-Nov-15	1-May-14	1-Mar-04	23-Jul-12	10-Apr-03	28-Dec-11	1-Jun-05	3-Aug-16
g)	Age in years	43		47	50	55	36	49	45	36	32	52	45
h)	The last employment held by such employee before joining the company	Dagpat White Limited		Tata Toys Refractors Limited	CAPARO Engineering India Limited	Indian Nipcor Electricals Limited	NRB Bearing Ltd.	Standard Dies Dept Pvt. Ltd.	Cosmo Time Ltd.	Standard Refractors Pvt. Ltd.	Guanda India Pvt. Ltd.	SM Auto Engg. Pvt. Ltd.	Amtek Auto
i)	The percentage of equity shares held in the company	None		None	None	None	None	None	None	None	None	None	None
j)	Whether any such employee (as relative of any director or manager of the company and if so, name of such director or manager)	No		No	No	No	No	No	No	No	No	No	No

@ For part of the year.

* The details of other Top ten employees in terms of remuneration drawn.

For and behalf of the Board

Mehul K. Patel
Chairman
(DIN : 01772099)

Place : Bil
Date : 31.07.2017



**Annexure - I
Form AOC-2**

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

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.

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

- a. Name(s) of the related party :
and nature of relationship
- 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 : Banco Aluminium Limited
Relationship
- b. Nature of contracts/arrangements/ : A) Sale of Factory Building located at Block no. 234,
Transactions Dabhasa, Taluka Padra, Dist Vadodara for an
aggregate consideration of ₹ 5,25,00,000/-
B) Sale of Training Centre located at Block No. 388, Bil,
Dist Vadodara for an aggregate consideration of
₹ 6,85,00,000/-
- c. Duration of the contracts / arrangements / : One time Agreement
Transactions
- d. Salient terms of the contracts or : A1) The aggregate amount of consideration of ₹ 5,25,00,000/-
arrangements or transactions including was received at the time of execution of the requisite sale
the value, if any: transfer documents and thereafter the possession of the
factory building was handed over.
A2) All the transfer related expenses like stamp duty and
registration charges paid by purchaser.
B1) The aggregate amount of consideration of ₹ 6,85,00,000/-
was received at the time of execution of the requisite sale
transfer documents and thereafter the possession of the
factory building was handed over.
B2) All the transfer related expenses like stamp duty and
registration charges paid by purchaser.
- e. Date(s) of approval by the Board, if any : 12.11.2016
- f. Amount paid as advances, if any : A) Not applicable. Since entire consideration received at the
time of execution of documents.
: B) Not applicable. Since entire consideration received at the
time of execution of documents.

For and behalf of the Board

Place : Bil
Date : 31.07.2017

Mehul K. Patel
Chairman (DIN : 01772099)



Annexure - J
Particulars of Investment made by the Company

Nature of Transaction	Date	Name of the person whose securities have been acquired	Address of the person whose securities have been acquired	Amount Rs. in Lakhs	Purpose of Investment
Investment in Mutual Fund	31.05.2016	India Infoline Ltd.-IFL CASH Opportunities Fund	6th Floor, IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013	500.00	For temporary deployment of surplus funds
	30.06.2016	India Infoline Ltd.-IFL CASH Opportunities Fund		1000.00	
	24.08.2016	Invesco India Arbitrage Fund	2101 - A, 21st Floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai - 400013.	200.00	
	31.03.2017	Kotak Equity Arbitrage Fund monthly dividend plan	27 BKC, C-27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	760.10	
	31.03.2017	Kotak Select Focus Fund dividend plan		40.00	
	31.03.2017	Reliance Gilt Securities Fund Growth Plan		484.00	
	31.03.2017	Reliance Growth Fund Dividend Plan		16.00	
	31.03.2017	Reliance Medium Term Fund Monthly Dividend Plan	H Block, 1st Floor, Dhruvhai Ambani Knowledge City, Koparkhairne, Navi Mumbai - 400 710	1070.07	
	31.03.2017	Reliance TOP 200 Fund Dividend Plan		30.00	
	31.03.2017	Reliance Gilt Securities Fund Monthly Dividend Plan		979.67	
	31.03.2017	Reliance Mid & Small Cap Fund Dividend Pay Out Plan		20.00	
	31.03.2017	Birla Sun Life Enhanced Arbitrage Fund Dividend Plan	Centre, Tower 1, 17th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.	491.37	
	31.03.2017	Birla Sunlife Equity Fund Dividend Plan		8.00	
	31.03.2017	DSP BlackRock Strategic Bond Fund Dividend Plan	Maatal Centre, 10th Floor, Nariman Point Mumbai, Maharashtra - 400021	976.66	
	31.03.2017	DSP BlackRock Small and Mid Cap Fund Dividend Plan		7.00	
	31.03.2017	DSP BlackRock Opportunities Fund Dividend Plan		16.00	
	31.03.2017	HDFC Arbitrage Fund		982.01	
	31.03.2017	HDFC Equity Fund Regular Dividend Plan	"HUL House", 2nd Floor, H. T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020.	9.00	
	31.03.2017	HDFC TOP 200 Fund Regular Dividend Plan		9.00	

Place : Bil
Date : 31.07.2017

For and behalf of the Board
Mehul K. Patel
Chairman (DIN : 01772099)



REPORT ON CORPORATE GOVERNANCE

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR") the Company presents the report on Corporate Governance as mentioned in the applicable Regulations for the financial year ended on 31.03.2017.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Banco Products (India) Limited's philosophy on Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems, delegation across all facts of its operations.

The Company's Corporate Governance philosophy has been further strengthened through its Code of Conduct for Board Members and Senior Management, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as also the Code of Conduct to Regulate, Monitor and Report Trading by Employees and Other Connected Persons leading to sharply focused and operationally efficient growth. Its well structured Internal Control Systems are subjected to regular assessment for its effectiveness, reinforcing integrity of management and fairness in dealing with the Company's stakeholders. The business operations are conducted to benefit all its stakeholders, including shareholders, employees, customers, suppliers and statutory authorities.

The Company is in compliance with the requirements of the guidelines on Corporate Governance as stipulated under LODR from time to time and as applicable.

2. GOVERNANCE STRUCTURE :

The structure of the Company broadly comprises of the Board of Directors and the Committees of the Board.

This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction to operational level to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable growth.

3. BOARD OF DIRECTORS :

As at 31st March, 2017, the Board of Directors comprises of 7 (Seven) Directors. There are 4 (Four) Non-Executive Independent Directors, 1 (One) Executive Non-Independent Director and 2 (Two) Non-Executive Promoter Non-Independent Directors. A brief resume of the directors being appointed / re-appointed at the Annual General Meeting, the nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership of the committees of the Board is annexed to the Notice.

During the year Shri Praveen Rao appointed as Chief Executive Officer-CEO (Key Managerial Personnel) w.e.f. 12.11.2016 and re-designated as President – Sales and Marketing w.e.f. 27.04.2017 and hence he ceased to be Chief Executive Officer (Key Managerial Personnel) of the Company.

Further, Shri Rajendra Jayantilal Anandpara has been appointed as Additional Director to hold office upto the date of next Annual General Meeting and Managing Director of the Company w.e.f. 27.04.2017 for a period of 3 years on the recommendation of the Nomination and Remuneration Committee.

The Composition of the Board is in conformity with Regulation 17 of LODR.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Regulation 26 of LODR, across all the Companies in which he / she is a Director. Necessary disclosure regarding the Committee position in other Public Companies as at 31.03.2017 have been made by the Directors.

The details of the names and categories of the Directors, their attendance at Board Meetings, Annual General Meetings, Number of Directorships in other Companies and Committee Meetings etc. are given below.

Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given to him / her, which inter alia explains the role, functions, duties and responsibilities expected of him / her as a Director of the Company.

The Director is also explained in detail the compliances required under the Act, and LODR and other relevant regulations.

By way of an introduction to the Company, the Director are provided with an induction kit of the Company with a view to familiarise him / her with the Company's Operations as a whole.



Board Procedures

The Board Meetings are governed by structured Agenda. The Agenda along with detailed background notes are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board members may bring up any matter for consideration of the Board, in consultation with Chairman. The information as specified in Part A of Schedule II of LODR is regularly made available to the Board.

Details of Board Meeting

During the year under review, the Board met 8 (Eight) times on 30.04.2016, 26.05.2016, 01.08.2016, 09.09.2016, 12.11.2016, 08.12.2016, 11.01.2017 and 06.02.2017. The gap between any two Board Meetings did not exceed 120 days.

Composition of Board

Name of Director	Category	No of Board Meeting attended during 2016-2017	Whether attended last A.G.M.	No. of Directorship held in other Indian Public Companies	@ Committee Position	
					Chairman	Member
Shri Mehul K. Patel	Non Executive Chairman & Promoter (Relative of Shri Samir K. Patel)	5	No	2	1	2
Shri Samir K. Patel	Non-Executive & Promoter (Relative of Shri Mehul K. Patel)	2	No	2	1	2
Shri Ramkisan Devidayal	Non-Executive Independent	8	Yes	3	3	4
Shri Mukesh D. Patel	Non-Executive Independent	7	Yes	3	5	3
Shri Devesh Pathak	Non-Executive Independent	8	Yes	1	1	2
Shri Udayan Patel	Non-Executive Independent	7	Yes	—	—	2
Ms. Himali Patel	Whole time Director and CFO	8	Yes	—	—	—

@ The Committee includes Committees of Banco Products (India) Limited

Shareholding of Directors	No. of Shares held as on 31.03.2017
Shri Mehul K. Patel	56,15,382 (7.85%)
Shri Samir K. Patel	50,16,997 (7.01%)
Shri Ramkisan Devidayal	5,86,034 (0.82%)

4. AUDIT COMMITTEE :

The Board of Directors has constituted an Audit Committee, comprising of four Non-Executive Independent Directors viz. Shri Ramkisan Devidayal, Shri Mukesh D Patel, Shri Devesh A. Pathak, Shri Udayan P. Patel and one Non-Executive Promoter Non-Independent Director Shri Mehul K. Patel. Shri Ramkisan Devidayal is the Chairman of the Audit Committee.

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act, and LODR. Some of the terms of reference stipulated by the Board of Directors for the Audit Committee are:

Powers of the Audit Committee:

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

Role of the Audit Committee:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible.
- b. Recommendation for appointment, remuneration and terms of appointment of Internal Auditors and Statutory Auditors of the company.
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters to be included in the Director's Responsibility Statement for the inclusion in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management.
 - iv. Significant adjustments made in the financial statements arising out of audit findings.
 - v. Compliance with listing and other legal requirements relating to financial statements.
 - vi. Disclosure of Related Party Transactions.
 - vii. Qualifications in the draft audit report.
- e. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- f. Review and monitoring the auditor's independence and performance and effectiveness of audit process.
- g. Approval or any subsequent modification of transactions of the Company with related parties.
- h. Evaluation of internal financial controls and risk management systems.
- i. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- j. 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.
- k. Discussion with internal auditors of any significant findings and follow up there on.
- l. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- m. Looking, into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- n. Review of the functioning of the Whistle Blower mechanism / Vigil Mechanism.
- o. Approval of appointment of CFO (i.e., the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- p. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the financial year 2016-2017, 4 (Four) Audit Committee meetings were held on 26.05.2016, 01.08.2016, 12.11.2016 and 06.02.2017. The details of Members' attendance at the meetings of Audit Committee are as under:

Name of the Member	Number of Meetings held in Member's tenure	Meetings Attended
Shri Ramkisan Devidayal	4	4
Shri Mukesh D. Patel	4	4
Shri Devesh A. Pathak	4	4
Shri Udayan P. Patel	4	3
Shri Mehul K. Patel	4	3

5. NOMINATION AND REMUNERATION COMMITTEE :

The Board of Directors has constituted a Nomination and Remuneration Committee, comprising of four Non-Executive Independent Directors viz. Shri Ramkisan Devidayal, Shri Mukesh D Patel, Shri Devesh A. Pathak, Shri Udayan P. Patel and one Non Executive Promoter Non-Independent Director Shri Mehul K. Patel. Shri Ramkisan Devidayal is the Chairman of the Nomination and Remuneration Committee.

The primary objective of the Nomination and Remuneration Committee is to review and recommend the remuneration of Executive Directors and evaluate the performance of whole Board as per defined assessment criteria. The Company's Remuneration Policy is directed towards rewarding performance, based on the review of achievements. The Remuneration policy is in consonance with the existing Industry practice.

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act and LODR. Some of the terms of reference stipulated by the Board of Directors for the Nomination and Remuneration Committee are:

Role of the Nomination and Remuneration Committee:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommendation to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Remuneration Policy:

The Company shall pay remuneration commensurate with comparable industry standards to all the employees/directors covered by the policy. The Company shall ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors/senior executives of the quality required to run the Company successfully. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks such as knowledge, skills, conduct, integrity, contribution in setting up and achieving goals etc.

a. Remuneration to Managing/ Whole-time / Executive Director, KMP and Senior Management Personnel:

i. Fixed pay:

The Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and if required by law approved by the shareholders and Central Government, wherever required.

ii. Variable pay:

In case of commission forming part of remuneration, such amount shall not exceed the overall remuneration limit laid down in the Act, or any other law.

iii. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Director in accordance with the provisions of Schedule V of the Act, or with the previous approval of the Central Government.

iv. Provisions for excess remuneration:

If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

b. Remuneration to Non- Executive / Independent Director:

i. Remuneration / Commission:

The remuneration / commission, if any, shall be fixed as per the conditions mentioned in the Articles of Association of the Company and the Act, and the rules made thereunder.

ii. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 1 lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

iii. Commission:

Commission, if any, may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

iv. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

During the financial year 2016-2017, 3 (Three) Nomination and Remuneration Committee meetings were held on 01.08.2016, 12.11.2016 and 06.02.2017. The details of Members' attendance at the meetings of Nomination and Remuneration Committee are as under:

Name of the Member	Number of Meetings held in Member's tenure	Meetings Attended
Shri Ramkisan Devidayal	3	3
Shri Mukesh D. Patel	3	3
Shri Devesh A. Pathak	3	3
Shri Udayan P. Patel	3	2
Shri Mehul K. Patel	3	2

The details of criteria for performance evaluation of Independent Director are disclosed in Board's Report.

The details of remuneration paid to Executive Directors during the financial year 2016-2017 are as under:

Sr. No.	Name of the Directors	Designation	Total Remuneration paid by way of Salary & Perquisites (₹ in Lakh)
1	Shri Subhasis Dey (up to 30.04.2016)	Managing Director	23.26
2	Ms. Himali H. Patel	Whole time Director & CFO	13.49

The details of sitting fees and commission paid to Non-Executive Directors during the financial year 2016-2017 are as under:

Sr. No.	Name of the Directors	Designation	Sitting fees paid (₹ in lakh)	Commission paid (₹ In lakh)	Total (₹ In lakh)
1	Shri Ramkisan Devidayal	Non-Executive Independent Director	3.00	3.00	6.00
2	Shri Mukesh D. Patel	Non-Executive Independent Director	2.70	3.00	5.70
3	Shri Devesh A. Pathak	Non-Executive Independent Director	3.00	1.00	4.00
4	Shri Udayan P. Patel	Non-Executive Independent Director	2.40	1.00	3.40

6. STAKEHOLDERS RELATIONSHIP COMMITTEE :

The Board of Directors has constituted a Stakeholders Relationship Committee, comprising of four Non-Executive Independent Directors viz. Shri Mukesh D Patel, Shri Ramkisan Devidayal, Shri Devesh A. Pathak, Shri Udayan P. Patel and one Non-Executive Promoter Non-Independent Director Shri Samir K. Patel. Shri Mukesh D. Patel is the Chairman of the Stakeholders Relationship Committee.

The primary objective of the Stakeholders Relationship Committee is to oversee all the matters concerned with the securities and to look into shareholders complaints relating to transfer of shares, non-receipt of balance sheet, non-receipt of dividend, dematerialization of shares, etc. The Committee in turns looks after the performance of the Secretarial Department and the working of the Registrar and Transfer Agents and recommends the measure to improve the quality services to the Investors.

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act, and LODR.

During the financial year 2016-2017, 2 (two) Stakeholders Relationship Committee meetings were held on 26.05.2016 and 12.11.2016. The details of Members' attendance at the meetings of Stakeholders Relationship Committee are as under:

Name of the Member	Number of Meetings held in Member's tenure	Meeting Attended
Shri Ramkisan Devidayal	2	2
Shri Mukesh D. Patel	2	2
Shri Devesh A. Pathak	2	2
Shri Udayan P. Patel	2	1
Shri Samir K. Patel	2	1

The Company has appointed Shri Sagar Pandya the Company Secretary as Compliance Officer.

During the period under review, 3 investor grievances were received and resolved. No grievances / complaints are outstanding and no requests for share transfers and / or requests for dematerialization were pending for approval as on 31.03.2017.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

The Board of Directors has constituted a Corporate Social Responsibility Committee, comprising of four Non-Executive Independent Directors viz. Shri Ramkisan Devidayal, Shri Mukesh D Patel, Shri Devesh A. Pathak, Shri Udayan P. Patel and two Non Executive Promoter Non-Independent Directors viz. Shri Mehul K. Patel and Shri Samir K. Patel. Shri Mehul K. Patel is the Chairman of the Corporate Social Responsibility Committee.

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Act. Some of the terms of reference stipulated by the Board of Directors for the Corporate Social Responsibility Committee are:

Role of the Corporate Social Responsibility Committee:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities.
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the financial year 2016-2017, 1(one) Corporate Social Responsibility Committee meeting was held on 09.09.2016. The details of Members' attendance at the meeting of Corporate Social Responsibility Policy is as under:

Name of the Member	Number of Meetings held in Member's tenure	Meeting Attended
Shri Mehul K. Patel	1	0
Shri Samir K. Patel	1	0
Shri Ramkisan Devidayal	1	1
Shri Mukesh D. Patel	1	0
Shri Devesh A. Pathak	1	1
Shri Udayan P. Patel	1	1

8. SEPARATE INDEPENDENT DIRECTORS' MEETING :

During the Calendar year 2017, one Separate Meeting of Independent Directors' was held on 22-05-2017. The meeting interalia discussed :

- Criteria for Performance Evaluation of the Board of Directors of the Company and Performance Evaluation by the Independent Directors.
- Criteria for Performance Evaluation of the Non-Independent Directors of the Company and Performance Evaluation by the Independent Directors.
- Criteria for Performance Evaluation of the Independent Directors of the Company and Performance Evaluation by the Board of Directors.

The details of Members' attendance at the Separate Meeting of Independent Directors' is as under:

Name of the Member	Number of Meetings held in Member's tenure	Meeting Attended
Shri Ramkisan Devidayal	1	0
Shri Mukesh D. Patel	1	1
Shri Devesh A. Pathak	1	1
Shri Udayan P. Patel	1	0

9. GENERAL BODY MEETINGS :

Date	Time	Place	Special Resolution
23.09.2014	10:30 a.m.	At the Registered Office	Special Resolution was passed
08.08.2015	10:00 a.m.	At the Registered Office	No Special Resolution was passed
17.09.2016	10:00 a.m.	At the Registered Office	Special Resolution was passed

No Special Resolution passed through Postal Ballot during the year.

10. DISCLOSURES :

- Related Party Transactions, comprising of contracts or arrangements with the related parties / entities in which the Directors are interested, are entered in the Register of Contracts as per Section 189 of the Act. None of the transactions with any of the related parties were in conflict with the interest of the Company as per requirements of Accounting Standard 18, they have been disclosed in notes to accounts annexed to the financial statements.
- None of the Non-Executive Directors has any material pecuniary relationship or transactions with the Company.
- The Independent Directors have confirmed that they meet the criteria of independence as stipulated under Section 149(6) of the Act, and LODR.

- d. There was no instance of non-compliance and no strictures and penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authorities, on any matters related to capital markets, during the last three years.
- e. The Company has in place a mechanism to inform the Board members about the Risk Assessment and mitigation plans to ensure that the critical risks are controlled by the management.
- f. The Company has Policy on Whistle Blower / Vigil Mechanism which is also posted on the website of the Company and no personnel has been denied access to the Audit Committee.
- g. There are no amounts pending for transfer to the Investor Education and Protection Fund under Section 125 of the Act.
- h. Web link
 - http://www.bancoindia.com/wp-content/uploads/2017/06/Terms_and_Conditions_of_Appointment_of_Independent_Director.pdf
 - <http://www.bancoindia.com/wp-content/uploads/2017/06/CompositionDirectors.pdf>
 - http://www.bancoindia.com/wp-content/uploads/2017/06/Code_of_Conduct.pdf
 - http://www.bancoindia.com/wp-content/uploads/2017/06/Vigil_Mechanism.pdf
 - http://www.bancoindia.com/wp-content/uploads/2017/06/Policy_on_Related_Party_Transactions.pdf
 - <http://www.bancoindia.com/wp-content/uploads/2017/06/Policy-For-Determining-Material-Subsidiaries-Listing-Regulation.pdf>
 - <http://www.bancoindia.com/wp-content/uploads/2017/06/FamiliarizationProgrammsforIndependentDirectors.pdf>
 - <http://www.bancoindia.com/wp-content/uploads/2017/06/ContactDetailsKMPMaterialEvents.pdf>

Mandatory Requirements:

The Company has complied with the mandatory requirements as stipulated in LODR.

Non-Mandatory Requirements:

The Company adopts non-mandatory requirements on need basis. The Quarterly Financial Results are extensively published in leading financial newspapers, uploaded on the Company's website and also sent to the shareholders on request. The Company affirms that no employee has been denied access to the Audit Committee. As regards the other non-mandatory requirements, the Board has taken cognizance of the same and shall consider adopting the same as and when necessary.

11. MEANS OF COMMUNICATION :

The annual and quarterly results are regularly published by the Company in Loksatta (Gujarati) and Business Standard (English), the News Papers, as per the LODR requirements and also displayed on its own website viz. www.bancoindia.com.

In addition, these are also submitted to the Stock Exchanges in accordance with the LODR and Financial Results are supplied through E-Mail & posts to the Shareholders on request.

The Management Discussion and Analysis (MDA) is a part of the Annual Report.

12. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting:

Date and time : Saturday, the 23rd day of September, 2017 at 10:00 a.m.
 Venue : At the Registered Office of the Company at Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara – 391 410

**Financial Calendar:**

Period	Board Meeting to approve
Unaudited Financial Results for:	
Quarter ending 30.06.2017	By end of July, 2017 or within statutory time limit
Quarter ending 30.09.2017	By end of October, 2017 or within statutory time limit
Quarter ending 31.12.2017	By end of January, 2018 or within statutory time limit
Audited Results for the year ended on 31.03.2018	By end of May, 2018 or within statutory time limit

Dividend Payment Date : On or after 05.10.2017

Book Closure Dates for the proposed final dividend at AGM:

To determine the entitlement of shareholders to receive the dividend, if any, for the financial year ended 31.03.2017, the Register of Members and Share Transfer Books of the Company will remain closed from 09.09.2017 to 23.09.2017 (both days inclusive) for the proposed final dividend.

Dividend Remittance:

The final dividend on equity shares as recommended by the Board of Directors for the financial year ended 31.03.2017, if approved at Annual General Meeting will be paid on or after 05.10.2017:

- To all the beneficial owners in respect of shares held in electronic form, as per the data made available by the National Security Depository Limited and Central Depository Services (India) Limited as of the close of business hours on 08.09.2017; and
- To all the members in respect of shares held in physical form, after giving effect to valid transfer(s) in respect of transfer request(s) lodged with the Company on or before the close of business hours on 08.09.2017.

Listing of Equity Shares on Stock Exchanges:

- BSE Limited; and
- National Stock Exchange of India Limited

Stock Code:

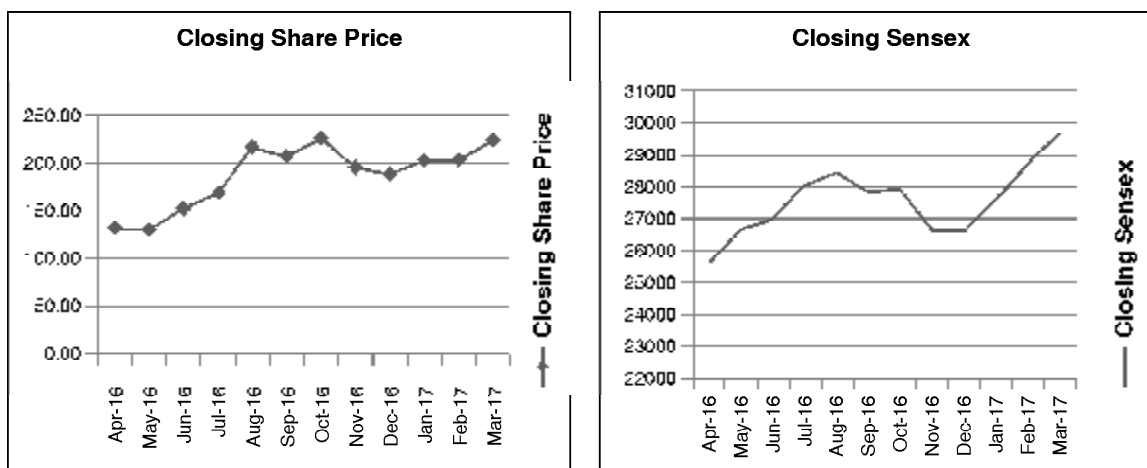
Stock Code (BSE) : 500039
 Trading Symbol (NSE) : BANCOINDIA
 DEMAT ISIN Number : INE213C01025

Stock Market Data:

The monthly high and low quotes based on the closing price and number of shares traded during the last financial year on the BSE Limited and National Stock Exchange of India Limited were as under:

Month	BSE			NSE		
	High	Low	No. of Shares Traded	High	Low	No. of Shares Traded
April, 2016	139.10	110.00	317,814	139.00	109.50	10,81,836
May, 2016	141.80	124.70	259,201	141.30	124.00	8,89,915
June, 2016	155.00	128.40	1,021,557	154.95	125.90	39,13,607
July, 2016	176.00	147.10	2,059,772	176.40	147.00	50,65,838
August, 2016	225.50	170.50	3,456,134	225.00	170.15	89,71,761
September, 2016	241.50	193.95	1,822,870	241.65	195.00	39,90,540
October, 2016	238.00	209.00	992,656	237.50	208.55	22,12,816
November, 2016	227.85	156.60	758,965	227.00	158.10	28,09,671
December, 2016	198.30	168.00	576,669	197.90	168.00	16,41,852
January, 2017	222.20	189.05	722,320	222.00	188.95	24,58,402
February, 2017	220.50	189.05	624,995	220.60	189.05	19,76,979
March, 2017	229.15	195.10	625,964	228.90	195.25	22,38,530

Share Performance of the Company in comparison to BSE Sensex



Suspension of Securities from trading

The securities of the Company have not been suspended during the financial year.

Commodity price risk or foreign exchange risk and hedging activities

The raw materials of the Company are subject to domestic price variations and in case of imported raw material the same is subject to price variation as well as fluctuations in foreign exchange rates. In case of imported raw materials the Company has in place appropriate hedging policy.

Disclosure of the compliance with corporate governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the LODR :

Regulation No.	Particulars	Compliance Status (Yes/No/NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of the Company	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)	Website as applicable	Yes

Share Transfer System:

Presently, the share transfers which are received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

All requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL) within 21 days.

Distribution of Shareholding as on 31.03.2017:

No. of Share Holding	No. of Shareholders	No. of Shares	% to Total Paid-up Capital
1 – 500	17,857	22,19,221	3.10
501 – 1000	1,920	16,18,207	2.26
1001 – 2000	1,031	16,50,588	2.31
2001 – 3000	495	13,56,878	1.90
3001 – 4000	203	7,47,173	1.05
4001 – 5000	134	6,31,264	0.88
5001 – 10000	235	17,03,287	2.38
10001 and above	193	6,15,92,032	86.12
Total	22,068	7,15,18,650	100.00

Distribution of Shareholding Pattern as 31.03.2017:

Category	No. of Shares	% of Total Paid-up Capital
Promoters and Promoters Group Holding (including NRI, Bodies Corporate)	4,85,49,992	67.88
Non-Promoters:		
Banks and Financial Institution	62,928	0.09
Bodies Corporate	18,29,033	2.56
Non-Residents Indians	32,07,480	4.48
Mutual Funds	30,30,388	4.24
Public	1,48,38,829	20.75
Total	7,15,18,650	100.00

Dematerialization of Shares as on 31.03.2017:

About (57.98%) of equity shares of the Company, have been dematerialized.

100% shareholding of the Promoters in Demate mode is in process and is being achieved upon completion of requisite formalities by one of the Promoter Shareholder.

The Company does not have any GDRs/ADRs/Warrants or any other convertible instruments.

Equity Shares in the Suspense Account:

The details are as under:

Particulars	Number of Shareholders	Number of Equity Shares of Face Value of ₹ 2/- per Share
Aggregate Number of Shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	291	5,37,640
Number of Shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the year.	0	0
Number of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	0	0
Aggregate Number of Shareholders and the outstanding shares in the suspense account at the end of the year	291	5,37,640

As per LODR the Company had demated 5,37,640 Equity Shares in Banco Products (India) Limited Unclaimed Suspense Account.

The voting rights on the shares outstanding in the Suspense Account as on 31.03.2017 shall remain frozen till the rightful owner of such shares claim the shares.



Plant Locations:

- a. At Bil, Dist. Vadodara b. At Jamshedpur c. At Rudrapur
d. At Waghodia (SEZ Unit) e. At Zaheerabad

Address for Correspondence:

For transfer/dematerialisation of shares, transmission, etc	For payment of dividend and other queries of the Company
Registrar to an issue and share transfer agent: Link Intime India Pvt. Ltd. B – 102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020 Phone : (0265) 2356573 Fax : (0265) 2356791 Email : vadodara@linkintime.co.in	Secretarial Department: Banco Products (India) Limited Bil, Near Bhaili Railway Station, Padra Road, Dist. Baroda - 391 410 Phone : (0265) 3097226 Email : sec@bancoindia.com , investor@bancoindia.com

For and on behalf of the Board,

Date : 31.07.2017
Place: Bil

Mehul K. Patel - Chairman
(DIN : 01772099)



DECLARATION

Declaration regarding Compliance with Code of Conduct for Board Members and Senior Management Personnel:

This is to confirm that the Company has adopted a Code of Conduct for Board Members and Senior Management Personnel, which is also available on the Company's website.

I hereby confirm that the Company has, in respect of the financial year ended on 31.03.2017 received from the Board Members and Senior Management Personnel, a declaration of Compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management means the Chief Financial Officer, Chief Executive Officer, Company Secretary, Managing Director and other employees in the Assistant General Manager cadre as on 31.03.2017.

For Banco Products (India) Limited

Date: 22-05-2017

Place: Bil

Mehul K. Patel

Chairman

DIN : 01772099

COMPLIANCE CERTIFICATE

To
The Board of Directors
Banco Products (India) Limited

We, the undersigned, in our respective capacity as Chairman and Chief Financial Officer of Banco Products (India) Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We had reviewed the financial statements and the cash flow statement for the financial year ended on 31.03.2017 and that to the best of my knowledge and belief, We state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any 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.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that We had evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and had disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify these deficiencies.
- d. We had indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

For Banco Products (India) Limited

Date : 22-05-2017

Place :Bil

Mehul K. Patel
Chairman
(DIN : 01772099)

Himali H. Patel
Whole time Director & CFO
(DIN : 07081636)

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE****TO THE MEMBERS OF
BANCO PRODUCTS (INDIA) LTD.**

We have examined the compliance of conditions of corporate governance by **BANCO PRODUCTS (INDIA) LIMITED** ("the Company"), for the year ended on March 31, 2017, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and paragraph C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to a review of the procedures and the implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/W100136

ASHISH SHAH
PARTNER
M.No.103750

Mumbai, 31.07.2017

INDEPENDENT AUDITORS' REPORT

To the Members of **BANCO PRODUCTS (INDIA) LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Banco Products (India) Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 and presentation of these standalone 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 standalone 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 thereunder.

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. 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2017 and its Profit 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, 2016 ("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**", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) 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.
 - (b) 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
- (g) 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 – Refer Note 29 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its financial statements as to the holdings as well as dealings in specified bank notes during the period from 8th November, 2016 to 30th December 2016 and these are in the accordance with the books of accounts maintained by the company – Refer note 45 to the financial statements.

For MANUBHAI & SHAH LLP
Chartered Accountants
FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Place: Mumbai
Date: 22.05.2017

ANNEXURE-A TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirement" of the Independent Auditors' Report of even date)

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- II. The inventory, except goods-in-transit and stock lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stock lying with the third parties at the year end, written confirmation have been obtained. The discrepancies noticed on verification between the physical stock and book records were not material and have been properly dealt with in books of account.
- III. According to the information and explanations given to us, the Company has not granted any loans Secured or unsecured to companies, firm, Limited liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security as applicable.
- V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any other relevant provision of the act and the rules framed there under. Accordingly, Paragraph 3(v) of the order is not applicable to the company.

- VI. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules prescribe by the central government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prime facie, the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate or complete.
- VII. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax/value added tax, duty of customs, duty of Excise, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, dues that have not been deposited by the company on account of disputes are as follows:

Name of the Statue	Nature of Dues	Amount in Lakhs	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty and Service Tax	1100.77	Financial Year 1998-1999 till financial year 2016-2017	- ₹ 620.61 lakhs pending with CEGAT, WZB, Ahmedabad - ₹ 211.74 lakhs pending with Commissioner (Central Excise and Custom (Appeal) - ₹ 268.42 lakhs pending with Commissioner (Appeal) Customs, Mumbai
Income Tax Act, 1961	Income Tax	2.37	Assessment Year 2009-2010 & 2010-2011	ITAT, Ahmedabad
Sales Tax Act	VAT/CST	111.20	Financial Year 2008-2009 till 2010-2011	₹ 35.48 lakhs pending with Appellate Tribunal, Ahmedabad. ₹ 39.33 lakhs pending with JC-Appeal, Vadodara and Rs. 36.39 lakhs pending with DC-Assistant Commissioner, Ranchi.

- VIII. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayments of dues to the financial institution, banks and government. The Company did not have any outstanding Debentures during the year.
- IX. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- X. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- XI. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- XII. According to the information and explanations given to us, the Company is not a Nidhi company as prescribed under section 406 of the Act. Accordingly, Paragraph 3(xii) of the Order is not applicable.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- XIV. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.
- XVI. According to the information and explanations give to us The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Paragraph 3(xvi) of the order is not applicable to the company.

For MANUBHAI & SHAH LLP
Chartered Accountants
FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Place: Mumbai
Date: 22.05.2017

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Banco Products (India) Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MANUBHAI & SHAH LLP
Chartered Accountants
FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Place: Mumbai
Date: 22.05.2017



STANDALONE FINANCIAL STATEMENTS



BALANCE SHEET AS AT 31st MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Note No.	AS AT 31 March, 2017	AS AT 31 March, 2016
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds:			
(a) Share capital	3	1,430.37	1,430.37
(b) Reserves and surplus	4	51,224.49	43,968.68
		52,654.86	45,399.05
2 Non-current liabilities:			
(a) Deferred tax liabilities(Net)	5	876.22	926.89
(b) Long term provisions	6	321.46	258.12
		1,197.68	1,185.01
3 Current liabilities:			
(a) Short term borrowings	7	234.66	193.95
(b) Trade payables	8		
(A) Total outstanding dues of micro enterprises and small enterprises		592.85	571.60
(B) Total outstanding of creditors other than micro enterprises and small enterprises		3,324.95	3,460.65
(c) Other current liabilities	9	1,644.87	1,272.97
(d) Short term provisions	10	61.31	3,496.83
		5,858.64	8,996.00
TOTAL		59,711.18	55,580.06
II. ASSETS			
1 Non-current assets:			
(a) Fixed assets			
(i) Tangible assets	11	11,150.61	11,956.18
(ii) Intangible assets		43.22	84.05
(iii) Capital work in progress		142.51	29.55
		11,336.34	12,069.78
(b) Non-current investments	12	16,276.39	16,276.64
(c) Long-term loans and advances	16	945.76	579.50
(d) Other non- current assets	17	74.28	74.28
		28,632.77	29,000.20
2 Current assets:			
(a) Current investments	12	7,612.92	33.30
(b) Inventories	13	9,436.91	8,522.99
(c) Trade receivables	14	9,558.30	9,798.38
(d) Cash and bank balances	15	3,463.03	7,251.33
(e) Short-term loans and advances	16	780.60	523.54
(f) Other current assets	17	226.65	450.32
		31,078.41	26,579.86
TOTAL		59,711.18	55,580.06
Significant Accounting Policies Accompanying Notes are an integral part of the financial statements	2		

As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
FRN 106041W/W100136

Ashish Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 22nd May, 2017

For and behalf of the board

Mehul K.Patel
Chairman
DIN 01772099

Mukesh D. Patel
Director
DIN 00009605

Devesh A.Pathak
Director
DIN 00017515

Rajendra J. Anandpara
Managing Director
DIN 02461259

Himali H. Patel
Whole Time Director and
Chief Financial Officer
DIN 07081636

Sagar Pandya
Company Secretary

Place : Vadodara
Date : 22nd May, 2017


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Note No.	2016-17	2015-16
I. Revenue from operations	18	54,935.46	52,684.35
Other operating revenues		1,532.50	940.70
Total operating revenue		56,467.96	53,625.06
II. Other income	19	6,031.26	3,157.47
III. TOTAL REVENUE (I +II)		62,499.22	56,782.53
IV. EXPENSES:			
(a) Cost of materials consumed	20	29,224.70	27,822.13
(b) Changes in inventories of work-in-progress and finished goods	21	(833.53)	(58.62)
(c) Excise duty expenses		4,725.86	4,324.39
(d) Employee benefit expenses	22	3,017.82	2,724.56
(e) Finance costs	23	40.33	167.43
(f) Depreciation/amortisation expenses	24	1,734.81	1,899.27
(g) Other expenses	25	11,045.10	9,542.36
TOTAL EXPENSES (IV)		48,955.09	46,421.53
V. PROFIT BEFORE TAX (III-IV)		13,544.13	10,361.00
VI. TAX EXPENSES:			
(i) Current tax		2,869.95	2,210.06
(ii) Deferred tax (benefit)/expenses		(50.67)	(61.93)
		2,819.28	2,148.13
VII. PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS (V-VI)		10,724.85	8,212.87
Earning per equity share (In ₹) Basic and Diluted (Face value of ₹ 2 each)		15.00	11.48
Significant Accounting Policies Accompanying Notes are an integral part of the financial statements	2		

 As per our report of even date attached
For Manubhai & Shah LLP
 Chartered Accountants
 FRN 106041W/W100136

Ashish Shah
 Partner
 Membership No. 103750

 Place : Mumbai
 Date : 22nd May, 2017

For and behalf of the board

Mehul K.Patel
 Chairman
 DIN 01772099

Rajendra J. Anandpara
 Managing Director
 DIN 02461259

 Place : Vadodara
 Date : 22nd May, 2017

Mukesh D. Patel
 Director
 DIN 00009605

Himali H. Patel
 Whole Time Director and
 Chief Financial Officer
 DIN 07081636

Devesh A.Pathak
 Director
 DIN 00017515

Sagar Pandya
 Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	13,544.13	10,361.00
Adjusted for :-		
Depreciation/amortisation expenses	1,734.81	1,899.27
Finance cost	40.33	167.43
Net unrealised foreign exchange loss (gain)	73.32	(15.49)
Profit on sale of fixed assets	(1,079.29)	(31.97)
Loss on sale of investment in shares and mutual funds	0.01	—
Provision for diminution/write back in the value of current investment	19.87	3.30
Sundry balances write off/(write back)	(2.51)	2.57
Foreign exchange gain on redemption of preference shares	—	(45.57)
Interest income	(616.83)	(451.55)
Dividend income	(4,210.70)	(2,246.66)
Operating profit before working capital changes	9,503.14	9,642.33
Adjustment for increase/decrease in operating assets/liabilities:-		
Trade and other receivables	167.32	(2,329.04)
Inventories	(1,015.68)	(576.13)
Loans and advances	(257.07)	(86.19)
Other current assets	62.76	(105.08)
Provisions	70.97	9.45
Other current liabilities	371.91	(186.41)
Trade payable	(112.49)	1,718.31
Cash generated from operations	8,790.86	8,087.24
Income Taxes paid net of refund	(2,957.40)	(2,187.72)
Net cash generated from operating activities (A)	5,833.46	5,899.52
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,318.99)	(1,301.30)
Sale of fixed assets	1,219.35	63.68
Sale of non-current investment	0.75	—
Purchase of Current Investment	(7,599.49)	—
Proceed from redemption of preference shares	—	892.99
Repayment of loan from indirect subsidiary	—	1,037.85
Dividend received from subsidiaries	4,091.08	2,232.33
Dividend received from others	119.62	14.33
Interest received	777.74	142.11
Net cash used in investing activities (B)	(2,709.96)	3,081.99



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Final dividend paid	(2,860.74)	(1,787.97)
Interim dividend paid	(3,575.93)	(429.11)
Dividend distribution tax paid	(475.51)	–
Interest paid	(40.33)	(154.56)
Repayments of long-term borrowings	–	(2,259.69)
Proceeds/(repayments) of short term borrowings (net)	40.71	151.50
Net cash used in financing activities (C)	(6,911.80)	(4,479.81)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(3,788.30)	4,501.70
Cash and cash equivalents at the beginning of the year	7,251.33	2,749.64
Cash and cash equivalents at the end of the year	3,463.03	7,251.33
NOTES:		
(a) The cash flow statement has been prepared under “Indirect Method” as set out in the Accounting Standard 3 “On Cash Flow Statement”.		
(b) Previous year figures have been regrouped and re-arranged, wherever necessary.		
(c) Cash and Cash Equivalent comprises of		
	As at 31st March 2017	As at 31st March 2016
(a) Cash and cash equivalent		
(i) Cash on hand	5.00	7.58
(ii) Balances with banks		
- In current accounts	9.13	17.34
(iii) Deposit with original maturity of less than 3months	–	4,145.00
(b) Other bank balance		
(i) Deposit with original maturity for more than 3 months but less than 12 months	3,330.00	2,973.00
(ii) Unpaid dividend (earmarked balances)	118.90	108.41
	3,463.03	7,251.33
Accompanying Notes are an integral part of the financial statements		

As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
FRN 106041W/W100136

Ashish Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 22nd May, 2017

For and behalf of the board

Mehul K. Patel
Chairman
DIN 01772099

Rajendra J. Anandpara
Managing Director
DIN 02461259

Mukesh D. Patel
Director
DIN 00009605

Himali H. Patel
Whole Time Director and
Chief Financial Officer
DIN 07081636

Devesh A. Pathak
Director
DIN 00017515

Sagar Pandya
Company Secretary

Place : Vadodara
Date : 22nd May, 2017

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
1. CORPORATE INFORMATION

Banco Products (India) Limited is a Public limited company domiciled in India and incorporated under the Indian Companies Act, 1956. Equity shares of the company are listed on two stock exchanges in India. The Company is engaged in manufacturing and selling of radiators. The company caters to both domestic and international market.

2. SIGNIFICANT ACCOUNTING POLICIES
2.1 Basis of accounting

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013("the 2013 Act")/Companies Act, 1956 ("the 1956 Act") to the extent applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets i.e. land which is carried at revalued amounts. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and reported amounts of Revenue and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

2.3 Classification of Current/Non Current Assets and Liabilities

All other assets and liabilities are presented as Current or Non Current as per the Company's normal operating cycle and the other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has ascertained its operating cycle as 12 months for the purpose of Current/Non Current classification of assets/liabilities.

2.4 Fixed assets
(i) Tangible fixed assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation/ accumulated impairment losses if any. Acquisition cost of fixed assets comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Expenses directly attributable to new manufacturing facility during its construction period are capitalized. Profit or Loss on disposal of tangible assets is recognised in the statement of profit and loss.

(ii) Intangible fixed assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Acquisition cost of intangible fixed assets comprises of the purchase price and other non-refundable taxes or levies and any attributable cost of bringing the assets to its working condition for its intended use.

(iii) Capital work in progress and capital advances

Cost of Assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed under long term loans and advances.

(iv) As per revised AS-10 (property, plant and equipments) machinery spares included in stores and spares has been segregated and transferred to capital work in progress as on 31st March 2017.
2.5 Depreciation and amortization

Depreciation on plant and machinery (except electrical installations), computers, laboratory equipment's, machine tools and effluent treatment plant purchased on or after 1st October, 1982 has been provided on straight line basis and on other assets on written down value basis over the useful lives of assets as prescribe in Schedule II of the Companies Act, 2013. Individual items of fixed assets costing up to ₹ 5,000 are fully depreciated in the year of purchase.

Leasehold land and leasehold improvement are amortized over the primary period of lease.

Intangible assets are amortised on a straight line basis over a period of five years. Purchase cost, user license fees and consultancy fees for major software are amortized over the useful lives of assets as specified in schedule II of the Companies Act, 2013.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2.6 Impairment of assets

The carrying amounts of assets are reviewed at balance sheet date to check if there is any indication of impairment based on internal or external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.7 Revenue recognition

- (i) Sale of products is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. The amount recognized as sales is exclusive of net of returns and discounts excise duty, sales tax/ VAT and other charges. Sales are stated gross of excise duty as well as net of excise duty (on goods manufactured), excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognized separately as part of changes in inventories of finished goods and work-in- progress.
- (ii) Interest income is accounted on time proportionate basis at contractual rates.
- (iii) Dividend income is recognized when the right to receive payment is established.
- (iv) Export incentives in respect of export made under duty drawback and other schemes as per the foreign trade policy are recognized on accrual basis and to the extent of certainty of realization of ultimate collection.

2.8 Inventories

- (i) Raw materials, stores and spares, packing materials, work-in-process and finished goods are valued at lower of cost and net realizable value. Damaged, unserviceable and inert stocks are suitably depreciated.
- (ii) In determining cost of raw materials, stores and spares (except machinery spares which as per revised accounting standard AS-10 property, plant and equipments, machinery spares included in stores and spares has been segregated and transferred to capital work in progress as on 31st March 2017) and packing materials weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- (iii) Cost of finished products and work-in-process include the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and excise duty as applicable on the finished goods and other costs incurred in bringing the inventories to their present location and condition.

2.9 Investments

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

2.10 Transactions in foreign currency

- (i) **Initial recognition:**
Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.
- (ii) **Measurement of foreign currency items at the balance sheet date:**
Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognized in the statement of profit and loss.

2.11 Trade receivable

Trade receivable is stated after writing off debts considered as bad. Adequate provision is made for debts considered as doubtful. Discounts due yet to be quantified at the customer level are included under the head other Current Liabilities.

2.12 Borrowing costs

- (i) Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- (ii) Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

2.13 Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities which are not recognized are disclosed by way of notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.14 Taxes on Income

- (i) Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).
- (ii) The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.
- (iii) Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date to reassess realisation.

2.15 Research and development

- (i) Research and Development expenditure of a revenue nature is expensed out and shown separately as research and development expenses under the respective heads of account in the year in which it is incurred.
- (ii) Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets

2.16 Employees benefits

- (i) Provident fund is a defined contribution scheme and the contribution as required by the statute paid to government provident fund and it is charged to the statement of profit and loss.
- (ii) Gratuity liability is a defined benefit obligation and is funded through a gratuity fund administered by trustees and managed by the Life Insurance Corporation of India. The Company accounts for liability for future gratuity benefits based on actuarial valuation carried out as at the end of each financial year, using the projected unit credit method.
- (iii) The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation carried out as at the end of each financial year, using the projected unit credit method.
- (iv) Actuarial gain and/or losses are recognised in the statement of profit and loss.

2.17 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments where the original maturity is three months or less.

2.18 Proposed Dividend

The final dividend recommended by the Board of Directors is accounted in the financial year in which it is approved by the Shareholders in the Annual General Meeting.

2.19 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. 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 is adjusted for the effects of all dilutive potential equity shares.

2.20 Lease Accounting
Assets given on operating lease:

The Company has provided certain properties to a company on an operating lease basis. Lease rental income is accounted on accrual basis in accordance with the lease agreement. Assets given on operating leases are included in the fixed assets.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
3. SHARE CAPITAL

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Authorised share capital		
15,20,00,000 Equity shares (P.Y. 15,20,00,000) of ₹ 2 each	3,040.00	3,040.00
Issued, subscribed and fully paid up		
7,15,18,650 Equity shares (P.Y. 7,15,18,650) of ₹ 2 each fully paid	1,430.37	1,430.37
Total issued, subscribed and fully paid up share capital	1,430.37	1,430.37

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	As at 31st March 2017 No. of Share in Lakhs	As at 31st March 2016 No. of Share in Lakhs
Equity Shares at the beginning of the year	715.19	715.19
Add: Share issued during the year	—	—
Equity Shares at the end of the year	715.19	715.19
	Share Capital ₹ In Lakhs	Share Capital ₹ In Lakhs
Balance at the beginning of the year	1,430.37	1,430.37
Issued during the year	—	—
Balance at the end of the year	1,430.37	1,430.37

(b) Terms/rights attached to each equity share

The company has only one class of share referred to as equity share having a par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The final dividend proposed by the board of directors is subject to approval of the shareholders in the ensuring annual general meeting.

In the unlikely event of the liquidation of the company the equity shareholders are eligible to receive the residual value of the assets of the company if any after secured and unsecured creditors of the company are paid off, in the proportion of their shareholding in the company.

The board of directors at its meeting held on 11th January 2017 declared and paid an interim dividend of ₹ 5.00 (Rupees five only) per equity shares of ₹ 2 each.

(c) Share in the company held by each shareholder holding more than 5% shares specifying the no. of shares

Name of Share holder	As at 31st March 2017 No. in Lakhs (Holding in %)	As at 31st March 2016 No. in Lakhs (Holding in %)
1. Vimal K.Patel	55.73 (7.79%)	55.73 (7.79%)
2. Samir K.Patel	50.17 (7.01%)	50.17 (7.01%)
3. Mehul K.Patel	56.15 (7.85%)	56.15 (7.85%)
4. Overseas Pearl Limited	269.10 (37.63%)	269.10 (37.63%)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

4. RESERVES AND SURPLUS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(a) Capital reserve	0.77	0.77
	0.77	0.77
(b) Security premium reserve	1,200.31	1,200.31
	1,200.31	1,200.31
(c) Revaluation reserve		
As per last balance sheet	66.73	54.14
Add :- Addition during the year	—	12.59
	66.73	66.73
(d) General reserve		
As per last balance sheet	12,217.69	11,517.69
Add: Transferred from surplus in the statement of profit and loss	—	700.00
	12,217.69	12,217.69
(e) Surplus in the statement of profit and loss		
As per last balance sheet	30,483.18	26,699.85
Net profit after tax for the year transferred from statement of profit and loss	10,724.85	8,212.87
Add:- reversal of excess dividend distribution tax provision *	582.40	142.71
Less : Appropriations		
Dividend on Equity Shares		
Interim dividend paid during the year		
(Amount per shares of ₹ 5.00 (P.Y. ₹ 0.60 per share) of ₹ 2 each)	(3,575.93)	(429.11)
Dividend distribution tax on interim dividend *	(475.51)	—
Proposed final dividend		
(Amount per shares P.Y. ₹ 4.00 per share of ₹ 2 each)	—	(2,860.74)
Dividend distribution tax on proposed final dividend	—	(582.40)
Transfer to general reserve	—	(700.00)
Closing balance	37,738.99	30,483.18
	51,224.49	43,968.68

* Dividend distribution tax was adjusted against dividend received from foreign subsidiaries as per the provision of Income Tax Act, 1961, which resulted into Nil and/or Lower liabilities during the year on final dividend paid for the year 2015-2016 and interim dividend paid for the year 2016-2017.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
5. DEFERRED TAX LIABILITIES (Net)

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Deferred tax liabilities		
Fixed assets :- Impact of difference between WDV as per Income Tax Act 1961 and as per Companies Act, 2013.	1,008.69	1,037.13
Deferred tax assets		
Expenses allowable for tax purpose on payment basis	132.47	110.24
Closing net deferred tax liabilities	876.22	926.89
Opening net deferred tax liability	926.89	988.82
Charged to statement of profit and loss	(50.67)	(61.93)

6. LONG TERM PROVISIONS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Provision for employee benefits		
Provision for gratuity (refer note 27 (a) to (h))	147.44	118.50
Provision for leave encashment (refer note 27 (i))	174.02	139.62
	321.46	258.12

7. SHORT TERM BORROWINGS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Secured		
Cash credit from banks *	234.66	193.95
	234.66	193.95

* Cash credit loans are secured against first charge on pari passu basis by way of hypothecation of the current assets both present and future in favour of participating scheduled banks.

* Cash credit carries interest @ 8% to 11% p.a. and there is no default in repayment.

8. TRADE PAYABLES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Total outstanding dues of micro enterprises and small enterprises *	592.85	571.60
Trade payables other than above	3,324.95	3,460.65
	3,917.80	4,032.25

* Refer note 32 for details of dues to Micro, Small and Medium Enterprises


NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
9. OTHER CURRENT LIABILITIES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(a) Advance received from customers	113.12	31.02
(b) Unclaimed/unpaid dividend *	118.90	108.41
(c) Other payables		
(i) Statutory payables		
Payable towards provident fund	17.07	15.70
Payable towards professional tax	0.99	0.96
Payable towards TDS under income tax	37.69	33.05
(ii) Payable to employees	234.97	238.48
(iii) Others	1,122.13	845.35
	1,644.87	1,272.97

* There is no amount payable to Investor Education and Protection Fund as of 31st March 2017. These amounts will be paid to the fund as and when they become due.

10. SHORT TERM PROVISIONS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(a) Provision for employee benefits		
Provision for gratuity (refer note 27 (a) to (h))	33.43	29.66
Provision for leave encashment (refer note 27 (i))	27.88	24.03
(b) Provision for dividend		
Proposed final dividend	—	2,860.74
Dividend distribution tax on proposed final dividend	—	582.40
	61.31	3,496.83

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

11. FIXED ASSETS

(₹ in Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK		
	As at 1st April 2016	Additions during the year	Deletion during the year	As at 31st March 2017	As at 1st April 2016	For the year	Deduction Others	Other Adjust-ment	As at 31st March 2017	As at 31st March 2017	As at 31st March 2016
I Tangible Assets											
a. Leasehold Land	869.96 (869.96)	– –	– –	869.96 (869.96)	46.49 (37.79)	8.79 (8.79)	– –	– –	55.28 (46.49)	814.68 (823.46)	823.47 (832.26)
b. Freehold Land	229.95 (197.40)	0.40 (32.55)	14.89 –	215.46 (229.95)	– –	– –	– –	– –	– –	215.46 (229.95)	229.95 (197.40)
c. Buildings	4,352.74 (4,043.12)	130.59 (309.62)	180.93 –	4,302.40 (4,352.74)	1,696.54 (1,428.61)	250.11 (267.93)	60.92 –	– –	1,885.73 (1,696.54)	2,416.66 (2,656.20)	2,656.20 (2,614.51)
d. Plant and Equipments	17,157.03 (16,186.40)	838.95 (1,039.53)	8.26 (68.90)	17,987.72 (17,157.03)	9,452.90 (8,063.00)	1,316.21 (1,427.09)	3.92 (37.19)	– –	10,765.19 (9,452.90)	7,222.53 (7,704.13)	7,704.13 (8,123.40)
e. Furniture & Fixtures	231.17 (231.17)	3.57 –	– –	234.74 (231.17)	172.97 (154.28)	14.89 (18.69)	– –	– –	187.86 (172.97)	46.88 (58.19)	58.20 (76.89)
f. Vehicles	413.51 (407.72)	19.63 (8.16)	27.89 (2.37)	405.25 (413.51)	352.37 (316.26)	24.81 (38.48)	27.07 (2.37)	– –	350.11 (352.37)	55.14 (61.14)	61.14 (91.45)
g. Office equipment	272.50 (261.36)	4.99 (11.14)	– –	277.49 (272.50)	217.41 (193.00)	21.62 (24.41)	– –	– –	239.03 (217.41)	38.46 (55.09)	55.09 (68.36)
h. Scientific Research											
1 Building	109.01 (85.25)	– (23.76)	– –	109.01 (109.01)	58.86 (54.21)	4.77 (4.65)	– –	– –	63.63 (58.86)	45.38 (50.15)	50.15 (31.04)
2 Plant and Equipments	582.12 (392.52)	19.51 (189.60)	– –	601.63 (582.12)	275.62 (228.24)	45.88 (47.38)	– –	– –	321.50 (275.62)	280.13 (306.50)	306.50 (164.28)
3 Software	71.89 (71.89)	– –	– –	71.89 (71.89)	52.02 (42.95)	6.57 (9.07)	– –	– –	58.59 (52.02)	13.30 (19.86)	19.87 (28.94)
4 Office Equipment	4.46 (4.29)	– (0.17)	– –	4.46 (4.46)	3.88 (3.66)	0.17 (0.22)	– –	– –	4.05 (3.88)	0.41 (0.59)	0.58 (0.63)
5 Furniture and Fixture	20.75 (20.75)	0.56 –	– –	21.31 (20.75)	17.72 (16.62)	0.97 (1.10)	– –	– –	18.69 (17.72)	2.62 (3.03)	3.03 (4.13)
i. Others assets	41.82 (41.82)	9.33 –	– –	51.15 (41.82)	34.08 (30.05)	4.84 (4.03)	– –	– –	38.92 (34.08)	12.23 (7.74)	7.74 (11.77)
II Intangible Assets											
a. Software	254.69 (243.93)	0.92 (10.76)	– –	255.61 (254.69)	190.51 (143.08)	35.18 (47.43)	– –	– –	225.69 (190.51)	29.92 (64.19)	64.18 (100.86)
Total	24,611.62	1,028.45	231.97	25,408.10	12,571.37	1,734.81	91.91	–	14,214.27	11,193.83	12,040.23
Previous year	(23,057.58)	(1,625.29)	(71.27)	(24,611.62)	(10,711.66)	(1,899.27)	(39.56)	–	(12,571.37)	(12,040.23)	(12,345.93)

Notes:

- The Company has acquired leasehold land on 16th December 2010 on lease for 99 years. The amortization per year on the same is ₹ 8.79 lakhs (P.Y. ₹ 8.79 lakhs)
- Other assets include Weighing machine, Air Conditioners and other equipments.
- Figures in bracket represent previous year figures.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

12. NON CURRENT INVESTMENTS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Other Investments:-		
(a) Unquoted fully paid shares in subsidiaries/indirect subsidiaries (note 31)		
25,000 (P.Y.25,000) Ordinary shares of 4.54 Euro each in Netherlands Radiateuren Fabriek BV.	11,194.54	11,194.54
2,259 (P.Y. 2,259) Equity shares of TShs 1,00,000 each in Kilimanjaro Biochem Limited.	80.79	80.79
26,750 Equity Shares (P.Y. 26,750) of US\$ 100 each in Lake Mineral (Mauritius) Limited.	1,475.71	1,475.71
35,000,000 (P.Y. 35,000,000) Equity shares of ₹ 10 each in Banco Gaskets (India) Limited.	3,500.00	3,500.00
	16,251.04	16,251.04
(b) Unquoted fully paid equity instrument in company where some of directors are common (note 31)		
620,080 (P.Y.620,080) equity shares of ₹ 10 each in Banco Aluminium Ltd.	25.35	25.35
	25.35	25.35
(c) Nil (P.Y.1,000) Equity shares of ₹ 25 each fully paid in Co-Operative Bank of Baroda		
	—	0.25
	—	0.25
	16,276.39	16,276.64
CURRENT INVESTMENTS :		
(a) Investment in equity and other instruments (quoted) (fully paid up)		
6,588 (P.Y.6,588) India Motor Parts and Accessories Limited. of ₹ 10 each	3.14	3.14
132,700 (P.Y.132,700) Swiss Glasscoat Equipment Limited. of ₹ 10 each	13.38	13.38
511 (P.Y.511) NHPC Limited of ₹ 10 each	0.18	0.18
Less :- Provision for diminution of current investment in NHPC Limited	—	(0.08)
1049 (P.Y.787) Oil India Limited of ₹ 10 each (262 bonus share received during the year)	3.31	3.31
400 (P.Y.400) Anand I-Power Ltd. (Formerly known as Perfect Circle I. Ltd.) of Re.1 each	0.01	0.01
122 (P.Y.122) Talbros Automotive Component Limited of Re.10 each.	—	—
17 (P.Y.17) Talbros Engineers Limited of ₹ 10 each having total value of ₹ 426/-	0.004	0.004
	20.02	19.94

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(b) Investment in mutual fund-quoted, fully paid up		
1,39,09,539 (P.Y.NIL) Investment in IIFL Cash Opportunity Fund of ₹ 10 each.	1,500.00	—
Less :- Provision for diminution of investment	—	—
70,67,415 (P.Y.NIL) Kotak Equity Arbitrage Fund – Monthly Dividend plan of ₹ 10 each.	760.10	—
Less :- Provision for diminution of investment	(0.56)	—
1,95,646 (P.Y.NIL) Kotak Select Focus Fund – Dividend plan of ₹ 10 each.	40.00	—
Less :- Provision for diminution of investment	—	—
15,51,903 (P.Y.NIL) Invesco India Arbitrage Fund – Dividend plan of ₹ 10 each.	200.00	—
Less :- Provision for diminution of investment	(0.66)	—
22,20,481 (P.Y.NIL) Reliance Gilt Securities Fund – Growth plan of ₹ 10 each.	484.00	—
Less :- Provision for diminution of investment	—	—
24,751 (P.Y.NIL) Reliance Growth Fund – Dividend plan of ₹ 10 each.	16.00	—
Less :- Provision for diminution of investment	(0.12)	—
93,61,406 (P.Y.NIL) Reliance Gilt Securities Fund – Monthly Dividend plan of ₹ 10 each.	979.67	—
Less :- Provision for diminution of investment	(13.06)	—
91,306 (P.Y.NIL) Reliance Mid and Small Cap Fund Dividend Pay out plan of ₹ 10 each.	20.00	—
Less :- Provision for diminution of investment	(0.51)	—
96,85,894 (P.Y.NIL) Reliance Medium Term Fund– Monthly Dividend plan of ₹ 10 each.	1,070.07	—
Less :- Provision for diminution of investment	—	—
1,91,829 (P.Y.NIL) Reliance Top 200 Fund - Dividend Plan of ₹ 10 each.	30.00	—
Less :- Provision for diminution of investment	(0.14)	—
94,705 (P.Y.NIL) DSP Black Rock Strategic Bond Fund Dividend plan of ₹ 1000 each.	976.66	—
Less :- Provision for diminution of investment	(7.45)	—
28,969 (P.Y.NIL) DSP Black Rock Small and Mid Cap Fund Dividend plan of ₹ 10 each.	7.00	—
Less :- Provision for diminution of investment	(0.30)	—
61,165 (P.Y.NIL) DSP Black Rock Opportunities Fund Dividend plan of ₹ 10 each.	16.00	—
Less :- Provision for diminution of investment	—	—
90,22,522 (P.Y.NIL) HDFC Arbitrage Fund of ₹ 10 each.	982.01	—
Less :- Provision for diminution of investment	—	—

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
16,883 (P.Y.NIL) HDFC Equity Fund-Regular Dividend plan of ₹ 10 each.	9.00	—
Less :- Provision for diminution of investment	(0.38)	—
17,619 (P.Y.NIL) HDFC TOP 200 Fund-Regular Dividend Plan of ₹ 10 each.	9.00	—
Less :- Provision for diminution of investment	(0.19)	—
45,39,963 (P.Y.NIL) Birla Sun Life Enhanced Arbitrage Fund – Dividend plan of ₹ 10 each.	491.97	—
Less :- Provision for diminution of investment	—	—
8,040 (P.Y. NIL) Birla Sun Life Euty Fund – Dividend plan of ₹ 10 each.	8.00	—
Less :- Provision for diminution of investment	—	—
200,000 (P.Y.200,000) Baroda Pioneer PSU Equity Fund of ₹ 10 each.	20.00	20.00
Less :- Provision for diminution of investment	(3.22)	(6.64)
	7,592.90	13.36
	7,612.92	33.30
(c) Market value of quoted current investments		
Equity investments	326.27	202.68
Others	7,682.84	13.36
	8,009.11	216.04

13. INVENTORIES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(At lower of cost and net realisable value)		
(a) Raw materials *	4,769.22	4,746.80
(b) Packing materials	177.55	133.20
(c) Work-in-progress	1,789.43	1,521.43
(d) Finished goods **	1,940.88	1,344.72
(e) Stores and spares	747.27	767.28
(f) Loose tools	12.56	9.56
	9,436.91	8,522.99

* Raw material includes goods in transit of ₹ 54.51 Lakhs (P.Y. ₹ 180.78 Lakhs)

** Finished goods includes goods in transit of ₹ 379.49 Lakhs (P.Y. ₹ 100.57 Lakhs)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
14. TRADE RECEIVABLES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(Unsecured and considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	257.42	315.94
Others	9,300.88	9,482.44
	9,558.30	9,798.38

15. CASH AND BANK BALANCES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(a) Cash and cash equivalent		
(i) Cash on hand	5.00	7.58
(ii) Balances with banks		
- In current accounts	9.13	17.34
(iii) Deposit with original maturity of less than 3 months	—	4,145.00
(b) Other bank balances		
(i) Deposit with original maturity for more than 3 months but less than 12 months	3,330.00	2,973.00
(ii) Unpaid dividend (earmarked balances)	118.90	108.41
	3,463.03	7,251.33

16. LOANS AND ADVANCES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(i) Long term (unsecured, considered good)		
(a) Capital advances	548.09	269.27
(b) Other advances		
Advance payment of income tax (Net)	397.67	310.23
	945.76	579.50
(ii) Short term (unsecured, considered good)		
(a) Security deposit	33.00	37.07
(b) Prepaid expenses	81.77	80.27
(c) Balance with statutory authorities	314.10	321.16
(d) Advance to vendors	340.76	69.07
(e) Advances to employees	10.97	15.97
	780.60	523.54


NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
17. OTHER ASSETS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Non-Current Assets		
Long term margin money with banks against bank guarantee	74.28	74.28
	74.28	74.28
Other Current Assets		
Interest accrued on deposit with banks	177.84	338.74
Others	48.81	111.58
	226.65	450.32

18. REVENUE FROM OPERATIONS

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
(a) Sale of product		
Finished goods (net of returns and discounts)	54,935.46	52,684.35
	54,935.46	52,684.35
(b) Other operating revenue		
Scrap sales	1,072.68	807.44
Export incentives	459.82	133.26
	1,532.50	940.70
	56,467.96	53,625.06
(i) DETAILS OF PRODUCT SOLD		
Copper brass radiators	10,813.63	10,969.37
Aluminium radiators	44,121.83	41,499.19
Others	—	215.79
	54,935.46	52,684.35

19. OTHER INCOME

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
(a) Interest income		
From bank deposits	616.83	451.28
From loan to subsidiaries	—	64.80
From others	—	0.27
(b) Dividend received		
(i) From non current investments		
- From subsidiaries	4,091.08	2,232.33
- From others	55.81	9.30
(ii) From current investments	63.81	5.03
(c) Profit on sale of fixed assets (Net)	1,079.29	31.97
(d) Net gain on foreign currency transaction and translation	—	221.36
(e) Insurance claim received	27.20	7.20
(f) Other non operating income	97.24	133.93
	6,031.26	3,157.47

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
20. COST OF MATERIALS CONSUMED

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Opening stock	4,880.00	4,388.11
Add : Purchases during the year	29,291.47	28,314.02
	34,171.47	32,702.13
Less : Closing stock	4,946.77	4,880.00
Cost of materials consumed*	29,224.70	27,822.13
*Includes packing material consumption of ₹ 1796.04 lakhs (P.Y. ₹ 1727.33 lakhs)		
(a) Particulars of materials consumed		
Copper and copper alloys	3,343.63	3,781.27
Steel sheet/plates	130.84	151.83
Aluminium	12,626.09	11,725.00
Others	13,124.14	12,164.03
	29,224.70	27,822.13
(b) Value of imported and indigenious materials consumed and percentage there of to total consumption.		
Imported (Including canalized items at landed cost)	13,225.80	13,758.93
Percentage	45.26%	49.45%
Indigenous	15,998.90	14,063.20
Percentage	54.74%	50.55%
	29,224.70	27,822.13

21. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Inventories at the end of the year		
Work-in-progress	1,789.43	1,521.43
Finished goods (Including goods in transit)	1,940.88	1,344.72
	3,730.31	2,866.15
Inventories at the beginning of the year		
Work-in-progress	1,521.43	1,284.13
Finished goods (Including goods in transit)	1,344.72	1,516.17
	2,866.15	2,800.30
Changes in inventories	(864.16)	(65.85)
Increase/(decrease) in excise duty on finished goods	30.63	7.23
Changes in inventories of finished goods and work in progress	(833.53)	(58.62)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**22. EMPLOYEE BENEFIT EXPENSES**

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
(a) Salaries and wages	2,670.24	2,454.44
(b) Contribution to provident and other funds	234.55	162.56
(c) Staff welfare expenses	113.03	107.56
	3,017.82	2,724.56

23. FINANCE COST

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
(a) Interest expenses		
- Borrowing from banks	20.94	53.94
- Others	1.26	2.66
(b) Bank and other financial charges	18.13	37.44
(c) Net loss on foreign currency transaction and translation	—	73.39
	40.33	167.43

24. DEPRECIATION AND AMORTIZATION EXPENSES

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Depreciation		
(a) On tangible assets	1,693.06	1,842.77
(b) On intangible assets	41.75	56.50
	1,734.81	1,899.27

25. OTHER EXPENSES

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Consumption of stores, spares and loose tools	576.74	637.10
Power and fuel	902.04	839.05
Labour charges	4,054.97	3,335.40
Repair and maintenance		
- Plant and machinery	497.68	365.14
- Electric installation	79.67	57.91
- Buildings	253.36	236.69
Sundry repairs	0.03	1.14
Factory general expenses	178.03	196.37
Insurance premium on assets	20.71	15.05
Payment to auditors (refer note 25.1 below)	14.04	13.90
Rent rates and taxes	63.94	77.46
Postage and courier	44.20	43.07

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Telephone expenses	21.44	30.14
Travelling and conveyance	248.22	261.10
Miscellaneous expenses	536.74	337.17
Director's sitting fees & commission	27.10	8.70
Net loss on foreign currency transaction and translation	65.00	–
Provision for diminution of Investment (Net)	19.87	3.30
Expenditure towards corporate social responsibility activities	254.21	40.08
Loss on sale of Investment (Net)	0.01	–
Donation	1.87	0.85
Commission and discount	722.04	610.52
Advertisement and sales promotion	23.65	13.40
Other selling expenses	289.16	245.66
Freight and transport (Net)	2,150.39	2,173.16
	11,045.10	9,542.36

25.1 PAYMENT TO AUDITORS

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
As auditor :		
Audit fees	10.50	10.50
In other capacity:-		
(i) Other services (certification fees)	3.30	3.10
(ii) Out of pocket expenses	0.24	0.30
	14.04	13.90

26. EARNING PER SHARE

Particulars	2016-2017	2015-2016
Profit attributable to shareholders as per statement of profit and loss (₹ In Lakhs)	10,724.85	8212.87
Weighted average numbers of equity shares outstanding - Nos. (in Lakhs)	715.19	715.19
Basic & diluted earnings per share attributable to shareholders in rupees (Face value of ₹ 2/- per share)	15.00	11.48

27. EMPLOYEE BENEFITS**a) DEFINED CONTRIBUTION PLAN:**

The Company makes contribution towards recognized provident fund to defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefit.

The Company has recognized an amount of ₹ 102.45 Lakhs (P.Y. ₹ 96.16 Lakhs) as expenses under the defined contribution plan in the statement of profit and loss for the year ended 31st March, 2017.

b) DEFINED BENEFIT PLAN:

The Company makes annual contributions to the Employees' Group Gratuity with the LIC, a funded defined benefit plan for employees of the Company.

Actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out for the position as of 31st March every year. The present value of the defined benefit obligations and

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

the related current service cost and past service cost, were measured using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the status of the gratuity plan and the amounts recognized in the company's financial statements as at 31st March, 2017.

c) RECONCILIATION OF PRESENT VALUE OF DEFINED BENEFIT OBLIGATION FOR GRATUITY

Particulars	31st March 2017 ₹ In Lakhs	31st March 2016 ₹ In Lakhs
Opening defined benefit obligation	288.59	253.74
Current service cost	29.66	25.99
Interest cost	21.17	19.76
Benefits paid	(34.52)	(23.11)
Past service cost	—	7.95
Actuarial losses on obligation	22.19	4.26
Closing defined benefit obligation	327.09	288.59

d) RECONCILIATION OF FAIR VALUE OF PLAN ASSETS FOR GRATUITY (FUNDED)

Particulars	31st March 2017 ₹ In Lakhs	31st March 2016 ₹ In Lakhs
Opening fair value of plan assets	140.43	128.11
Expected return	10.64	12.12
Contribution by employer	29.43	31.20
Benefits paid	(34.52)	(23.11)
Actuarial gains/(losses)	0.25	(0.80)
Adjustment to Opening fund/expenditure on fund	—	(7.09)
Closing fair value of plan assets	146.23	140.43

e) RECONCILIATION OF PRESENT VALUE OF OBLIGATION AND FAIR VALUE OF PLAN ASSETS FOR CURRENT AND PREVIOUS FOUR PERIODS

Gratuity (Funded)	31 st Mar 17 ₹ In Lakhs	31 st Mar 16 ₹ In Lakhs	31 st Mar 15 ₹ In Lakhs	31 st Mar 14 ₹ In Lakhs	31 st Mar 13 ₹ In Lakhs
Present Value of Obligation at end of year	327.09	288.59	253.74	218.60	192.27
Fair value of plan assets at end of year	146.23	140.43	128.11	114.67	105.26
Surplus/(deficit)	(180.86)	(148.16)	(125.63)	(103.93)	(87.01)
Actuarial losses on obligation	22.19	4.26	18.31	14.66	22.22
Actuarial gain/(losses) on plan assets	0.25	0.80	(0.66)	(0.33)	1.40

f) EXPENSES RECOGNIZED IN THE STATEMENT OF PROFIT AND LOSS

Particulars	31st March 2017 ₹ In Lakhs	31st March 2016 ₹ In Lakhs
Current service cost	29.66	25.99
Interest cost on benefit obligation	21.17	19.76
Expected return on plan assets	(10.64)	(12.11)
Prior year changes	—	7.95
Net actuarial loss recognized in the year	21.94	5.06
Adjustment to opening fund/expenditure on fund	—	7.08
Net benefit expenses recognized in the statement of profit and loss	62.13	53.73

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**g) THE MAJOR CATEGORIES OF PLAN ASSETS AS A PERCENTAGE OF THE FAIR VALUE AS FOLLOWS:**

Particulars	31st March 2017	31st March 2016
Insurer managed funds (100%)	100%	100%

h) THE PRINCIPAL ASSUMPTIONS USED IN DETERMINING GRATUITY FOR THE COMPANY'S PLAN AS BELOW:

Particulars	31st March 2017	31st March 2016
Expected return on plan assets	7.00%	7.90%
Discount rate	7.00%	7.90%
Salary escalation rate	6.00%	6.00%
Withdrawal rate*	3 % to 15%	3 % to 15%

Mortality assumption is based on LIC (2006-2008) published table rate

* 15% at younger ages reducing to 3% at older age

i) OTHER EMPLOYEE BENEFITS

The liability for leave encashment based on actuarial valuation as at the year ended on 31st March 2017 is ₹ 201.90 Lakhs (P.Y. ₹ 163.65 Lakhs)

28. SEGMENT INFORMATION

- a) The company is only in one line of business- automobile components.
- b) The Segment Revenue in the Geographical Segment considered for disclosures are as follow:
- Revenue with India includes sales to customers located within India
 - Revenue outside India includes sales to customers located outside India

Sales	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Within India	38,196	33,767
Outside India	12,014	14,593

29. CONTINGENT LIABILITIES

Particulars	31st March 2017 ₹ In Lakhs	31st March 2016 ₹ In Lakhs
Service tax and excise duty	1100.77	446.98
Sales tax	340.16	340.16
Income tax	2.37	2.37
Letter of credit	77.03	84.96
Guarantees issued by banks to third parties	337.77	300.42

The company is contesting the demands and the management, including its tax advisors, believes that its position is likely to be upheld in the appellate process. No tax expenses have been accrued in the financial statements for the demands raised as above. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and result of operations.

30. CAPITAL AND OTHER COMMITMENTS

Particulars	31st March 2017 ₹ In Lakhs	31st March 2016 ₹ In Lakhs
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1231.22	568.26
Other commitments	—	—


NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
31. INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY ACCOUNTING STANDARD (AS-18) ON RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31ST MARCH 2017.
(a) Subsidiaries:
Direct subsidiaries
Name of the Company

Banco Gaskets (India) limited

Nederlandse Radiatoren Fabriek B.V.

Lake Mineral (Mauritius) Limited

Indirect subsidiaries
i) Subsidiary of the wholly owned subsidiary, Lake Mineral (Mauritius) Limited, Mauritius

Kilimanjaro Biochem Limited

ii) Subsidiary of the wholly owned subsidiary, Nederlandse Radiatoren Fabriek B.V., Netherlands
Name of the Company

NRF Thermal Engineering BV (Skopimex BV)

NRF France SARL

NRF (United Kingdom) Ltd

NRF Handels GMBH

NRF Deutschland GMBH

NRF Espana S.A.

NRF Poland Sp.z.o.o.

NRF Italia Srl

NRF Switzerland AG

NRF USA

(b) Key Managerial Personnel:
Name of Director/Employee
Designation

Mr. Subhasis Dey

Managing Director (upto 30th April 2016)

Mrs. Himali H.Patel

Whole Time Director and CFO

Mr. Sagar Pandya

Company Secretary

Mr. Praveen Rao

Chief Executive Officer (w.e.f 12th November 2016)

Mr. Kiran Shetty

Whole Time Director (upto 16th January 2016)

Mr. Deep Waghela

Company Secretary (upto 7th October 2015)

(c) Company in which certain directors are common
Name of Company-

Banco Aluminium Limited

Details of related party transaction during the year ended 31st March, 2017

Name of Related Party	Nature of Transaction during the year	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Banco Aluminium Limited	Purchase of goods	417.63	452.72
	Sales of goods	273.09	257.77
	Purchase of Licenses	28.10	—
	Sales of assets	1210.00	—
	Dividend received	55.81	9.31
	Receipt of rent (including taxes)	16.18	20.50
	Services received	3.44	1.00
	Reimbursement of Expenses	1.05	—
	Receivable/Payable	63.18	—

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Kilimanjaro Biochem Limited	Interest received	–	46.86
	Loan installment received	–	1037.85
	Receivable	–	–
Nederlandse Radiateuren Fabriek B.V.	Sales of goods	2751.82	3,546.93
	Other sales	105.94	58.93
	Dividend received	3,767.03	1,889.87
	Reimbursement of expenses	8.08	9.87
	Purchase of goods	22.58	17.11
	Receivable (net of payable)	226.60	59.28
NRF United Kingdom Limited	Sales of goods	9.89	114.64
	Receivable	0.90	17.30
NRF Espana S.A.	Sales of goods	243.66	202.17
	Purchase of goods	0.16	–
	Receivable	–	39.88
NRF Poland Sp.z.o.o.	Sales of goods	1306.91	1,050.55
	Purchase of goods	0.05	–
	Receivable	178.65	254.23
NRF ITALIA SRL	Sales of goods	277.08	398.23
	Receivable	21.02	53.10
NRF USA	Sales of goods	1275.50	1187.29
	Purchase of goods	2.98	–
	Receivable	475.74	130.40
Lake Mineral (Mauritius) Limited	Redemption of Preference Shares	–	892.99
	Dividend received	324.05	342.46
Banco Gaskets (India) Limited	Sale of goods	22.51	44.27
	Purchase of goods	393.21	327.62
	Loan given	–	600.00
	Repayment of loan	–	600.00
	Interest received	–	17.94
	Reimbursement of expenses–received	38.90	39.38
	Payable	20.21	9.74
Remuneration to Key Management Personnel* (Including Perquisite)	Shri Kiran Shetty (Upto 16 th Jan 2016)	–	50.29
	Shri Sagar Pandya- Company Secretary	5.45	1.87
	Shri Shubhasis Dey (Up to 30 th April 2016)	23.26	35.12
	Shri Deep Waghela- Company Secretary (Up to 7 th October 2015)	–	1.32
	Himali Patel	13.49	11.66
	Praveen Rao	35.82	–

*Key Management Personnel who are under the employment of the Company are entitled to post employment benefits and other long term benefits recognized as per AS-15 (Revised) on Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

32. DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2016-2017, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIER" REGARDING THEIR STATUS UNDER THE ACT.

Particulars	31st March 2017 ₹ In Lakhs	31st March 2016 ₹ In Lakhs
Principal amount remaining unpaid.	592.85	571.60
Interest due thereon remaining unpaid	—	—
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	—	—
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	—	—
Interest accrued and remaining unpaid	—	—
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	—	—

33. In the opinion of the management, there are no indications, internal or external which could have the effect of impairment of the assets of the Company to any material extent as at the Balance sheet date, which requires recognition in terms of Accounting Standard 28 (AS-28) on "Impairment of Assets".
34. In compliance with Accounting Standard 22 (AS-22) "Accounting for Taxes on Income", the Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s).
35. **DIVIDEND RECEIVED FROM SUBSIDIARY COMPANIES**

Particulars	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Nederlandse Radiateuren Fabriek B.V.	3,767.03	1,889.87
Lake Mineral (Mauritius) Limited	324.05	342.46
	4,091.08	2,232.33

36. **VALUE OF IMPORTS ON CIF BASIS**

Particulars	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Raw materials	12,522.30	12,277.97
Components and spares parts	462.74	564.68
Capital goods	224.87	382.08
	13,209.91	13,224.73

37. **EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)**

Particulars	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Professional fees	20.59	5.31
Commission on exports	9.63	19.31
Foreign travelling	17.31	21.92
Others	44.19	101.35
	91.72	147.89

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
38. NET DIVIDEND REMITTED IN FOREIGN CURRENCY

Particulars	2016-2017			2015-2016		
	Number of Non-resident Shareholders	Number of Equity Shares held	Dividend remitted (₹ in Lakhs)	Number of Non-resident Shareholders	Number of Equity Shares held	Dividend remitted (₹ in Lakhs)
Final Dividend 2014-2015	–	–	–	383	3,20,42,194	717.28
Interim Dividend 2015-2016	–	–	–	427	3,17,08,001	170.35
Final Dividend 2015-2016	442	3,14,99,507	1,131.65	–	–	–
Interim Dividend 2016-2017	617	3,13,92,417	1,409.57	–	–	–

39. AS AT BALANCE SHEET DATE, UNHEDGED FOREIGN CURRENCY RECEIVABLES AND PAYABLES ARE AS BELOW.

Currency	Payable (In "000) FC		Receivable (In "000) FC		Payable ₹ In Lakhs		Receivable ₹ In Lakhs	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
USD	376	1,319	1,328	2,413	249	878	897	1,607
EURO	3	18	643	1,173	3	13	460	888
GBP	–	–	1	32	–	–	1	30
CHF	–	3	–	–	–	2	–	–
JPY	–	3,481	2,538	–	–	20	13	–

40. THE DETAILS OF REVENUE AND CAPITAL EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT IS AS BELOW

Particulars	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Capital expenditure :		
Plant and machinery	19.51	189.60
Buildings	–	23.76
Office equipments	0.56	0.17
Software	–	–
Total Capital expenditure	20.07	213.53
Revenue expenditure:		
Salary and wages	233.05	179.50
Raw material consumed	86.55	115.18
Administrative and manufacturing expenses	60.40	93.79
Finance cost	–	0.01
Depreciation	58.36	62.42
Total Revenue expenditure	438.36	450.90
Total Research and Development expenditure	458.43	664.43

41. EARNING IN FOREIGN CURRENCY

Particulars	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Revenue from exports on FOB basis	11,822.97	13,563.14
Interest on loans	–	46.86
Others	44.41	89.72

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 201742. PURSUANT TO THE ACCOUNTING STANDARD (AS-19)- LEASE, THE FOLLOWING INFORMATION IS GIVEN :
Assets given on operating leases

- a) The company has given on lease a land to a company in which certain directors are common for a period of 5 Years. The lease rentals are payable monthly in advance. The agreement is terminated during the financial year.

Particulars	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Not later than one year	—	18.00
Later than one year and not later than five years	—	33.96

43. EXPENDITURE RELATED TO CORPORATE SOCIAL RESPONSIBILITY AS PER SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH SCHEDULE VII THERE OF :

- a. Gross amount required to be spent (refer note below) by the company during the year ₹ 252.82 Lakhs (P.Y. ₹ 127.81 Lakhs).
- b. Amount spent during the year on : (₹ In Lakhs)

Sr. No.	Nature	In cash	Yet to be Paid in Cash	Total
i.	Construction / acquisition of assets	— (—)	— (—)	— (—)
ii.	Other purposes *	254.21 (40.08)	— (—)	254.21 (40.08)

Note :- Gross amount required to be spent includes previous year unspent amount of ₹ 87.73 Lakhs

*Figure in bracket represent for previous year

44. As far as balances of trade payables and trade receivables are concerned, the company has done reconciliation with major parties, pending formal confirmation.

45. Details of specified bank notes (SBN) held and transacted during the period from 08/11/2016 to 30/12/2016 as provided in the Table below (Amt. in ₹)

Particulars	Denomination of SBNs	SBN	Other denomination notes	Total
Closing cash in hand as on 08.11.16	500 x 2231 1000 x 9	11,24,500	2,59,774	13,84,274
(+) Permitted receipts	—	—	20,29,445	20,29,445
(-) Permitted payments	—	—	11,13,216	11,13,216
(-) Amount deposited in Banks	500 x 2231 1000 x 9	11,24,500	—	11,24,500
Closing cash in hand as on 30.12.16	—	—	11,76,003	11,76,003

46. The board of directors at their meeting held on 22nd May 2017 has recommended a final dividend of 200% (₹ 4/- per equity share of face value ₹ 2/- each). The proposal is subject to the approval of share holders at the Annual General Meeting and if approved would result in cash out flow of ₹ 3,443.12 lakhs inclusive of corporate dividend tax of ₹ 582.38 lakhs.

47. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosure.

As per our report of even date attached For Manubhai & Shah LLP Chartered Accountants FRN 106041W/W100136 Ashish Shah Partner Membership No. 103750 Place : Mumbai Date : 22nd May, 2017	For and behalf of the board Mehul K. Patel Chairman DIN 01772099 Rajendra J. Anandpara Managing Director DIN 02461259 Place : Vadodara Date : 22nd May, 2017	Mukesh D. Patel Director DIN 00009605 Himali H. Patel Whole Time Director and Chief Financial Officer DIN 07081636	Devesh A. Pathak Director DIN 00017515 Sagar Pandya Company Secretary
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INDEPENDENT AUDITORS' REPORT

To the Members of **BANCO PRODUCTS (INDIA) LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Banco Products (India) Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March 2017, their consolidated Profit and their consolidated Cash Flows for the year ended on that date.

Other Matter:

We did not audit the financial statements of Subsidiary companies as mentioned in "Annexure A" to this report, whose financial statements reflect total Assets of ₹ 56945.31 lakhs as at 31 March 2017, total revenues of ₹ 85824.82 lakhs and net cash inflows amounting to ₹ 1332.80 lakhs for the year ended on that date, as considered in the consolidated financial statements. These Financial statements have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the

amounts and disclosures included in respect of the subsidiary companies and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary companies, is based solely on the reports of the other auditors.

Our Opinion on the Consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of section 143 of the Act, based on our audit and on the consideration of reports of the other auditors on the separate financial statements of subsidiaries, as noted in the 'other matter' paragraph, we report to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial control over financial reporting of the Group, incorporated in India and the operating effectiveness of such control, refer to our separate report in "Annexure B" and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of subsidiary companies:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group-Refer Note:-28 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India.
 - iv. The Company has provided requisite disclosures in its financial statements as to the holdings as well as dealings in specified bank notes during the period from 8th November, 2016 to 30th December 2016 and these are in the accordance with the books of accounts maintained by the Holding and its Subsidiary company incorporated in India. Refer note 35 in the financial statements.

For MANUBHAI & SHAH LLP
Chartered Accountants
FRN: 106041W/W100136

Ashish Shah
Partner
Membership No: 103750

Place: Mumbai
Date: 22.05.2017



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report on even date)

The Following Subsidiaries have not been audited by Manubhai & Shah LLP, which are considered for the Consolidation of Banco Products (India) Limited.

(a) Subsidiaries:

Direct subsidiaries

Name of the Company	Country of Incorporation	% of Holding as on 31 st March 2017
Banco Gaskets (India) limited	India	100%
Nederlandse Radiateuren Fabriek B.V.	Netherlands	100%
Lake Mineral (Mauritius) Limited	Mauritius	100%

Indirect subsidiaries

- Subsidiary of the wholly owned subsidiary, Lake Mineral (Mauritius) Limited, Mauritius

Name of the Company	Country of Incorporation	% of Holding as on 31 st March 2017
Kilimanjaro Biochem Limited	Tanzania	95%

- Subsidiary of the wholly owned subsidiary, Nederlandse Radiateuren Fabriek B.V., Netherlands

Name of the Company	Country of Incorporation	% of Holding as on 31 st March 2017
NRF Thermal Engineering BV (Skopimex BV)	Uden	100%
NRF France SARL	France	100%
NRF (United Kingdom) Ltd	England	100%
NRF Handels GMBH	Austria	100%
NRF Deutschland GMBH	Germany	100%
NRF Espana S.A.	Spain	100%
NRF Poland Sp.z.o.o.	Poland	100%
NRF Italia Srl	Italy	100%
NRF Switzerland AG	Switzerland	100%
NRF USA	USA	100%

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In Conjunction with our audit of the Consolidate financial statements of **Banco Products (India) Limited** ("the Holding Company") as of and for the year ended 31 March 2017, we have audited the internal financial control over financial reporting of the Holding Company, and Subsidiary Company, incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company's and its Subsidiary company, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditor of the Subsidiary company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one Subsidiary company, incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For MANUBHAI & SHAH LLP

Chartered Accountants

FRN: 106041W/W100136

Ashish Shah

Partner

Membership No: 103750

Place: Mumbai

Date: 22.05.2017

CONSOLIDATED FINANCIAL STATEMENTS


CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Note No.	As at 31st March, 2017	As at 31st March, 2016
I. EQUITY AND LIABILITIES			
1 Shareholders' funds:			
(a) Share capital	3	1,430.37	1,430.37
(b) Reserves and surplus	4	72,010.27	67,356.66
		73,440.64	68,787.03
2 Non current liabilities:			
(a) Long term borrowings	5	—	—
(b) Deferred tax liabilities	6	1,922.03	2,097.06
(c) Long term provisions	7	474.91	389.19
		2,396.94	2,486.25
3 Current liabilities:			
(a) Short term borrowings	8	3,837.23	3,628.43
(b) Trade payables	9		
(A) Total outstanding dues of micro enterprises and small enterprises		675.50	630.51
(B) Total outstanding of creditors other than micro enterprises and small enterprises		8,914.90	11,589.85
(c) Other current liabilities	10	6,766.70	5,622.79
(d) Short term provisions	11	77.61	3,509.63
		20,271.94	24,981.21
TOTAL		96,109.52	96,254.49
II. ASSETS			
1 Non-current assets:			
(a) Fixed assets			
(i) Tangible assets	12	19,119.66	21,876.07
(ii) Intangible assets		140.24	250.85
(iii) Capital work in progress		356.43	270.63
		19,616.33	22,397.55
(b) Non-current investments	13	105.83	112.79
(c) Deferred tax assets	6	696.31	618.46
(d) Long-term loans and advances	17	3,368.10	3,679.55
(e) Other non-current assets	18	74.77	65.99
		23,861.34	26,874.34
2 Current assets:			
(a) Current investments	13	7,612.91	33.30
(b) Inventories	14	32,200.97	32,734.98
(c) Trade receivables	15	20,481.37	22,006.00
(d) Cash and bank balances	16	8,344.04	10,807.82
(e) Short-term loans and advances	17	3,334.06	3,314.39
(f) Other current assets	18	274.83	483.66
		72,248.18	69,380.15
TOTAL		96,109.52	96,254.49
Significant Accounting Policies	2		
Accompanying Notes are an integral part of the financial statements			

As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
FRN 106041W/W100136

Ashish Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 22nd May, 2017

For and behalf of the board

Mehul K. Patel
Chairman
DIN 01772099

Rajendra J. Anandpara
Managing Director
DIN 02461259

Place : Vadodara
Date : 22nd May, 2017

Mukesh D. Patel
Director
DIN 00009605

Himali H. Patel
Whole Time Director and
Chief Financial Officer
DIN 07081636

Devesh A. Pathak
Director
DIN 00017515

Sagar Pandya
Company Secretary


CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2017

(₹ in Lakhs)

PARTICULARS	Note No.	2016-17	2015-16
I. Revenue from operations	19	133,914.83	124,563.97
Other operating revenues		2,203.83	1,642.35
Total operating revenue		136,118.66	126,206.32
II. Other income	20	3,157.61	1,104.41
III. TOTAL REVENUE (I +II)		139,276.27	127,310.73
IV. EXPENSES:			
(a) Cost of materials consumed	21	69,638.63	67,776.22
(b) Changes in inventories of finished goods & work-in-progress.	22	(799.00)	(4,944.04)
(c) Excise duty expense		6,213.91	5,776.89
(d) Employee benefit expenses	23	16,227.97	15,616.98
(e) Finance cost	24	195.53	323.82
(f) Depreciation and amortisation expenses	25	3,332.67	3,467.40
(g) Other expenses	26	30,506.40	27,347.13
TOTAL EXPENSES (IV)		125,316.11	115,364.40
V. PROFIT BEFORE TAX (III-IV)		13,960.16	11,946.33
VI. TAX EXPENSES:			
(i) Current tax		4,734.95	3,479.22
(ii) Deferred tax (benefit)/expenses		(252.89)	(521.82)
		4,482.06	2,957.40
VII. PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS (V-VI)		9,478.09	8,988.93
Earning per equity share (In ₹) Basic and Diluted (Face value of ₹ 2 each)		13.25	12.57
Significant Accounting Policies Accompanying Notes are an integral part of the financial statements	2		

As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
FRN 106041W/W100136

Ashish Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 22nd May, 2017

For and behalf of the board

Mehul K. Patel
Chairman
DIN 01772099
Rajendra J. Anandpara
Managing Director
DIN 02461259

Mukesh D. Patel
Director
DIN 00009605
Himali H. Patel
Whole Time Director and
Chief Financial Officer
DIN 07081636

Devesh A. Pathak
Director
DIN 00017515

Sagar Pandya
Company Secretary

Place : Vadodara
Date : 22nd May, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	13,960.16	11,946.33
Adjusted for :-		
Depreciation/amortisation expenses	3,332.67	3,467.40
Finance cost	195.53	323.82
(Profit)/loss on sale of fixed assets (Net)	(1,759.39)	(67.14)
Interest income	(963.65)	(716.88)
Net unrealised foreign exchange loss	106.69	15.49
Loss on sale of investment (Net)	0.01	–
Provision/(Write back) for diminution in value of current investment	19.87	3.30
Sundry balances write off/(write back)	(2.51)	2.57
Provision for doubtful debts	–	83.36
Effect of exchange rate difference in translation	(1,355.45)	1,539.61
Dividend income	(119.62)	(14.33)
Operating profit before working capital changes	13,414.31	16,583.53
Adjustment for increase/decrease in operating assets/liabilities:-		
Trade and other receivables	1,436.46	(4,655.99)
Inventories	534.01	(7,148.37)
Loans and advances	540.84	1,420.17
Provisions	(163.33)	22.83
Other current liabilities	1,130.57	(1,710.37)
Trade payable	(2,621.51)	5,725.59
Cash generated from operations	14,271.36	10,237.39
Taxes paid (Net)	(4,654.92)	(3,387.76)
Net cash flow from operating activities (A)	9,616.44	6,849.65
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets (net of currency translation)	(1,596.63)	(2,289.82)
Purchase of Investment	(7,599.50)	–
Sale of fixed assets	2,804.57	227.07
Dividend income received from investment	119.62	14.33
Interest received	1,087.49	396.73
Net cash flow from investing activities (B)	(5,184.45)	(1,651.69)


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

(₹ in Lakhs)

PARTICULARS	31st March, 2017	31st March, 2016
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interim and final dividend paid (Including applicable dividend distribution tax)	(6,436.67)	(1,787.97)
Income tax (dividend distribution tax) paid on dividend	(475.51)	(429.11)
Interest and finance charges paid	(192.39)	(301.61)
Proceed /(repayment) in long-term borrowings	–	(778.49)
Proceed /(repayment) in short-term borrowings	208.80	2,672.55
Net cash used in financing activities (C)	(6,895.75)	(624.63)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,463.78)	4,573.33
Cash and cash equivalents at the beginning of the year	10,807.82	6,234.49
Cash and cash equivalents at the end of the year	8,344.04	10,807.82
NOTES:		
(a) The cash flow statement has been prepared under “ Indirect Method” as set out in the Accounting Standard 3“ On Cash Flow Statement”.		
(b) Previous year figures have been regrouped and re-arranged, wherever necessary.		
(c) Cash and Cash Equivalent comprises of		
	As at	As at
	31st March, 2017	31st March, 2016
(a) Cash and cash equivalents	41.71	38.02
(i) Cash on hand		
(ii) Balances with banks	3,157.00	3,344.61
- In current accounts		
(iii) Deposit with original maturity of less than 3 months	595.00	4,145.00
(b) Other bank balances		
(i) Deposit with original maturity for more than 3 months but less than 12 months	4,431.43	3,171.78
(ii) Unpaid dividend (earmarked balances)	118.90	108.41
	8,344.04	10,807.82
Accompanying Notes are an integral part of the financial statements		

As per our report of even date attached
For Manubhai & Shah LLP
Chartered Accountants
FRN 106041W/W100136

Ashish Shah
Partner
Membership No. 103750

Place : Mumbai
Date : 22nd May, 2017

For and behalf of the board

Mehul K. Patel
Chairman
DIN 01772099

Rajendra J. Anandpara
Managing Director
DIN 02461259

Mukesh D. Patel
Director
DIN 00009605

Himali H. Patel
Whole Time Director and
Chief Financial Officer
DIN 07081636

Devesh A. Pathak
Director
DIN 00017515

Sagar Pandya
Company Secretary

Place : Vadodara
Date : 22nd May, 2017



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. CORPORATE INFORMATION

Banco Products (India) Limited is a Public limited company domiciled in India and incorporated under the Indian Companies Act, 1956. Equity shares of the company are listed on two stock exchanges in India. The Company is engaged in manufacturing and selling of radiators. The company caters to both domestic and international market.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act") to the extent applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets i.e. land which is carried at revalued amounts. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

2.2 Principles of consolidation

The consolidated financial statements relate to Banco Products (India) Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- (i) The Audited financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the company i.e., 31st March 2017.
- (ii) The financial statements of the company and its subsidiary companies are combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 – Consolidated Financial Statements.
- (iii) The difference between the cost of investment in the subsidiary companies over the net assets at the time of acquisition of shares in the subsidiary companies is recognized in the financial statements as goodwill or capital reserve as the case may be.
- (iv) The consolidated financial statement have been prepared using uniform accounting policies for the like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's financial statements.
- (v) The audited financial statements of subsidiary companies have been prepared in accordance with the generally accepted accounting principal (GAAP) of its country of incorporation. The difference between accounting policies of the company and its subsidiary companies are not material.
- (vi) The following subsidiaries have been considered in the preparation of these consolidated financial statements:

Sr. No.	Name of the subsidiary companies	Country of incorporation	Proportion of ownership Interest	Reporting date (date till accounts have been audited)
1	Nederlandse Radiatoren Fabrik BV	Netherlands	100%	31 st March 2017
1.1	NRF Thermal Engineering BV(Skopimex BV)	Uden	100%	31 st March 2017
1.2	NRF France SARL	France	100%	31 st March 2017
1.3	NRF (United Kingdom) Ltd	England	100%	31 st March 2017
1.4	NRF Handels GMBH	Austria	100%	31 st March 2017
1.5	NRF Deutschland GMBH	Germany	100%	31 st March 2017
1.6	NRF Espana S.A.	Spain	100%	31 st March 2017
1.7	NRF Poland Sp.z.o.o.	Poland	100%	31 st March 2017
1.8	NRF Italia Srl	Italy	100%	31 st March 2017
1.9	NRF Switzerland AG	Switzerland	100%	31 st March 2017
1.10	NRF USA	USA	100%	31 st March 2017
Note : Sr. No.1.1 to 1.10 are subsidiaries of Nederlandse Radiatoren Fabrik BV				



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

2	Lake Mineral (Mauritius) Ltd.	Mauritius	100%	31 st March 2017
2.1	Kilimanjaro Biochem Ltd	Tanzania	95 %	31 st March 2017
	Note : Sr. No. 2.1 is Subsidiary of Lake Mineral (Mauritius) Ltd.			
3	Banco Gaskets (India) Ltd.	India	100%	31 st March 2017

2.3 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and reported amounts of Revenue and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

2.4 Classification of Current/Non Current Assets and Liabilities

All other assets and liabilities are presented as Current or Non-Current as per the Company's normal operating cycle and the other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of assets/liabilities.

2.5 Fixed assets and depreciation/amortization

(i) In respect of Banco Products (India) Limited

(a) Tangible fixed assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation/accumulated impairment losses if any. Acquisition cost of fixed assets comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Expenses directly attributable to new manufacturing facility during its construction period are capitalized. Profit or Loss on disposal of tangible assets is recognised in the statement of profit and loss.

(b) Intangible fixed assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Acquisition cost of intangible fixed assets comprises of the purchase price and other non-refundable taxes or levies and any attributable cost of bringing the assets to its working condition for its intended use.

(c) Capital work in progress and capital advances

Cost of Assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as long term loans and advances.

(d) As per revised AS- 10 (property, plant and equipments) machinery spares included in stores and spares has been segregated and transferred to capital work in progress as on 31st March 2017.

(e) Depreciation/Amortization

Depreciation on plant and machinery (except electrical installations), computers, laboratory equipment's, machine tools and effluent treatment plant purchased on or after 1st October, 1982 has been provided on straight line basis and on other assets written down value basis over the useful lives of assets as prescribe in Schedule II of the Companies Act, 2013. Individual items of fixed assets costing up to ₹ 5,000 are fully depreciated in the year of purchase.

Leasehold land and leasehold improvement are amortized over the primary period of lease.

Intangible assets are amortised on a straight line basis over a period of five years. Purchase cost, user license fees and consultancy fees for major software are amortized over the useful lives of assets as specified in schedule II of the Companies Act, 2013.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(ii) In respect of Banco Gaskets (India) limited

Depreciation on tangible assets except Plant and Machinery has been provided on written down value method over the useful lives of the assets prescribed under Part C of Schedule II to the Companies Act, 2013. Depreciation on Plant and machinery is provided on straight-line method over the useful lives of the assets prescribed under Part C of Schedule II to the Companies Act, 2013. Depreciation on additions/deletion during the year is provided on pro-rata basis. For assets costing ₹ 5000/- or less depreciation @ 100% is provided in the year of purchase.

Intangible assets are amortized over the period of five years.

(iii) In respect of Nederlandse Radiateuren Fabriek B.V., the annual depreciation rates are as follows:

Buildings	:	2.50%
Plant & Machinery	:	10%-20%
Other operating Fixed Assets	:	20%-33.1/3%

(iv) In respect of Kilimanjaro Biochem Limited, The annual depreciation rates are as follows:

Buildings & Civil Works	:	5%
Plant & Machinery	:	10%
Motor Vehicles	:	20%
Office Equipments	:	25%
Furniture & Fittings	:	25%
Computers	:	25%

2.6 Impairment of assets

The carrying amounts of assets are reviewed at balance sheet date to check if there is any indication of impairment based on internal or external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.7 Revenue recognition

- (i) Sale of products is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. The amount recognized as sales is exclusive of net of returns and discounts excise duty, sales tax/VAT and other charges. Sales are stated gross of excise duty as well as net of excise duty (on goods manufactured), excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognized separately as part of changes in inventories of finished goods and work-in- progress.
- (ii) Interest income is accounted on time proportionate basis at contractual rates.
- (iii) Dividend income is recognized when the right to receive payment is established.
- (iv) Export incentives in respect of export made under duty drawback and other schemes as per the foreign trade policy are recognized on accrual basis and to the extent of certainty of realization of ultimate collection.
- (v) In respect of Nederlandse Radiateuren Fabriek B.V. Income from supply of goods is recognized as soon as all substantial rights and risks relating to the title of the goods are transferred to the customer.

2.8 Inventories

- (i) Raw materials, stores and spares, packing materials, work-in-process and finished goods are valued at lower of cost and net realizable value. Damaged, unserviceable and inert stocks are suitably depreciated.
- (ii) In determining cost of raw materials, stores and spares (except machinery spares which as per revised accounting standard AS-10 property, plant and equipments, machinery spares included in stores and spares has been segregated and transferred to capital work in progress as on 31st March 2017) and packing materials weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- (iii) Cost of finished products and work-in-process include the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and excise duty as applicable on the finished goods and other costs incurred in bringing the inventories to their present location and condition.

2.9 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

2.10 Transactions in foreign currency

(i) Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

(ii) Measurement of foreign currency items at the balance sheet date:

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognized in the statement of profit and loss.

(iii) Translation of financial statements of foreign entities

In case of foreign subsidiaries, being Non-Integral Foreign Operations, income and expense items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rate prevailing at the end of the year. The resultant translation gains and losses are disclosed as 'Foreign Currency Translation Reserve' under 'Reserves and Surplus'.

2.11 Trade receivable

Trade receivable is stated after writing off debts considered as bad. Adequate provision is made for debts considered as doubtful. Discounts due yet to be quantified at the customer level are included under the head other Current Liabilities.

2.12 Borrowing costs

- (i) Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
- (ii) Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

2.13 Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities which are not recognized are disclosed by way of notes. Contingent assets are neither recognized nor disclosed in the financial statements.

(i) In respect of Banco Products (India) Limited and Banco Gaskets (India) limited from Note 2.14 to Note 2.21

2.14 Taxes on Income

- (i) Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).
- (ii) The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- (iii) Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date to reassess realisation.

2.15 Research and development

- (i) Research and Development expenditure of a revenue nature is expensed out and shown separately as research and development expenses under the respective heads of account in the year in which it is incurred.
- (ii) Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets

2.16 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments where the original maturity is three months or less.

2.17 Proposed Dividend

The final dividend recommended by the Board of Directors is accounted in the financial year in which it is approved by the Shareholders in the Annual General Meeting.

2.18 Employees benefits

- (i) Provident fund is a defined contribution scheme and the contribution as required by the statute paid to government provident fund is charged to the statement of profit and loss.
- (ii) Gratuity liability is a defined benefit obligation and is funded through a gratuity fund administered by trustees and managed by the Life Insurance Corporation of India. The Company accounts for liability for future gratuity benefits based on actuarial valuation carried out as at the end of each financial year, using the projected unit credit method.
- (iii) The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation carried out at the end of each financial year, using the projected unit credit method.
- (iv) Actuarial gain and losses are recognised in the statement of profit and loss.

2.19 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. 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 is adjusted for the effects of all dilutive potential equity shares.

2.20 Lease Accounting

Assets given on operating lease:

The Company has provided certain properties to a company on an operating lease basis. Lease rental income is accounted on accrual basis in accordance with the lease agreement. Assets given on operating leases are included in the fixed assets.

Assets acquired on operating lease:

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to the statement of profit and loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
3. SHARE CAPITAL

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Authorised share capital		
15,20,00,000 (P.Y. 15,20,00,000) Equity shares of ₹ 2 each	3,040.00	3,040.00
Issued, subscribed and paid up		
7,15,18,650 (P.Y. 7,15,18,650) Equity shares of ₹ 2 each fully paid	1,430.37	1,430.37
	1,430.37	1,430.37

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

	No. of shares in Lakhs	Share Capital (₹ in Lakhs)
Balance at the beginning of the year	715.19	1,430.37
Issued during the year	—	—
Balance at the end of the year	715.19	1,430.37

(b) Terms/rights attached to each equity share

The company has only one class of share referred to as equity share having a par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. Payment of dividend is also made in foreign currency to shareholders outside India. The final dividend proposed by the board of directors is subject to approval of the shareholders in the ensuing annual general meeting. In the unlikely event of the liquidation of the company the equity shareholders are eligible to receive the residual value of the assets of the company if any after secured and unsecured creditors of the company are paid off, in the proportion of their shareholding in the company. The board of directors at its meeting held on 11th January 2017 declared and paid an interim dividend of ₹ 5.00 (Rupees Five only) per equity shares of ₹ 2 each.

(c) Share in the company held by each shareholder holding more than 5% shares specifying the no. of shares

Name of Share holder	As at 31st March 2017 No. in Lakhs (Holding in %)	As at 31st March 2016 No. in Lakhs (Holding in %)
1. Vimal K.Patel	55.73 (7.79%)	55.73 (7.79%)
2. Samir K.Patel	50.17 (7.01%)	50.17 (7.01%)
3. Mehul K.Patel	56.15 (7.85%)	56.15 (7.85%)
4. Overseas Pearl Limited	269.10 (37.63%)	269.10 (37.63%)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

4. RESERVE AND SURPLUS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(a) Capital reserve on acquisition	9,617.24	9,617.24
	9,617.24	9,617.24
(b) Capital reserve	0.77	0.77
	0.77	0.77
(c) Security premium reserve	1,200.31	1,200.31
	1,200.31	1,200.31
(d) Revaluation reserve		
As per last balance sheet	66.73	54.14
Add :- Addition during the year	–	12.59
	66.73	66.73
(e) General reserve		
As per last balance sheet	12,217.69	11,517.69
Add : Transferred from surplus in the statement of profit and loss	–	700.00
	12,217.69	12,217.69
(f) Translation adjustment reserve		
At the beginning of the year	2,302.83	763.22
Adjustment during the year	(1,355.45)	1,539.61
At the end of the year	947.38	2,302.83
(g) Surplus in the statement of profit and loss		
As per last balance sheet	41,951.09	37,391.70
Net profit after tax for the year transferred from statement of profit and loss	9,478.09	8,988.93
Add:- reversal of excess dividend distribution tax provision *	582.40	142.71
Less : Appropriations		
Dividend on Equity Shares		
Interim dividend paid during the year		
(Amount per shares of ₹ 5.00 (P.Y. ₹ 0.60 per share) of ₹ 2 each)	(3,575.93)	(429.11)
Dividend distribution tax on interim dividend *	(475.51)	–
Proposed final dividend		
(Amount per shares P.Y. ₹ 4.00 per share of ₹ 2 each)	–	(2,860.74)
Dividend distribution tax on proposed final dividend	–	(582.40)
Transfer to General Reserve	–	(700.00)
Closing balance	47,960.14	41,951.09
	72,010.27	67,356.66

* Dividend distribution tax was adjusted against dividend received from foreign subsidiaries as per the provision of Income Tax Act, 1961, which resulted into Nil/Lower liabilities during the year on final dividend paid for the year 2015-2016 and interim dividend paid for the year 2016-2017.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
5. LONG TERM BORROWINGS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Secured		
(a) Foreign currency secured term loan from bank	–	–
Less: current portion of long-term borrowing (Refer note 10)	–	–
	–	–
	–	–

6. DEFERRED TAX LIABILITIES (Net)

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Deferred tax liability		
Fixed assets :- Impact of difference between WDV for tax purpose and as per books of accounts	1,922.03	2,097.06
Deferred tax assets		
Expenses allowable for tax purpose on payment basis	696.31	618.46
	1,225.72	1,478.61
Opening net deferred tax liability	1,478.61	2,000.43
Charged to statement of profit and loss	(252.89)	(521.82)

7. LONG TERM PROVISIONS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Provision for employee benefits		
Provision for gratuity (Refer note 31)	268.70	222.76
Provision for leave encashment (Refer note 31 (g))	206.21	166.43
	474.91	389.19

8. SHORT TERM BORROWINGS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Secured		
Cash credit from banks	601.69	1,352.33
Short-term loan from banks	3,235.54	2,276.10
	3,837.23	3,628.43

- (i) Rupees loan in the form of cash credit loans are secured against first charge on pari passu basis by way of hypothecation of the current assets both present and future in favour of participating scheduled banks.
- (ii) Cash credit from bank carries interest @ 8% to 11% p.a. and there is no default in repayment.


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
9. TRADE PAYABLES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Total outstanding dues of micro enterprises and small enterprises	675.50	630.51
Trade payables other than above	8,914.90	11,589.85
	9,590.40	12,220.36

10. OTHER CURRENT LIABILITIES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(a) Advance received from customers	227.03	116.82
(b) Unclaimed/Unpaid dividend *	118.90	108.41
(c) Interest accrued but not due on borrowings	8.24	5.09
(d) Other payables		
(i) Statutory payables		
Payable towards central sales tax and VAT	139.87	136.42
Payable towards provident fund	21.87	19.84
Payable towards professional tax	1.38	1.33
Payable towards TDS under income tax	46.41	39.37
(ii) Payable to employees	234.97	313.55
(iii) Others	5,968.03	4,881.97
	6,766.70	5,622.79

* There is not amount payable to Investor Education and Protection Fund as of 31st March 2017. These amounts will be paid to the fund as and when they become due.

11. SHORT TERM PROVISIONS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(a) Provision for employee benefits		
Provision for gratuity (refer note 31)	44.67	38.45
Provision for leave encashment (refer note 31 (g))	32.94	28.04
(b) Other provisions		
Proposed final dividend	—	2,860.74
Dividend distribution tax on proposed final dividend	—	582.40
	77.61	3,509.63

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

12. FIXED ASSETS

(₹ in Lakhs)

	GROSS BLOCK						DEPRECIATION/AMORTIZATION					NET BLOCK	
	As at 1 April 2016	Additions	Revalu- ation Reserve	Transl- ation Difference	Deduction Others	As at 31 March 2017	As at 1 April 2016	Additions	Transl- ation Difference	Deduction Others	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
I Tangible Assets													
a. Leasehold Land	869.96 (869.96)	–	–	–	–	869.96 (869.96)	45.29 (36.50)	8.79 (8.79)	–	–	54.08 (45.29)	815.88 (824.67)	824.67 (833.46)
b. Freehold Land	987.29 (939.93)	2.56 (32.55)	–	(31.95) (32.91)	222.25 (18.09)	735.65 (987.29)	–	–	–	–	–	735.65 (987.29)	987.29 (939.93)
c. Buildings	14,123.29 (13,293.40)	134.37 (316.32)	–	(712.02) (636.95)	1,381.83 (123.38)	12,163.81 (14,123.29)	8,352.61 (7,335.73)	346.08 (417.91)	(486.39) (598.97)	568.42 (8,352.61)	7,643.89 (5,770.68)	4,519.92 (5,770.68)	5,770.68 (5,957.67)
d. Plant and Equipments	41,284.50 (38,695.15)	1,188.14 (1,319.86)	–	(1,891.96) (1,340.03)	68.90 (70.54)	40,511.78 (41,284.50)	28,605.24 (25,272.79)	2,545.55 (2,516.54)	(1,517.86) (1,565.42)	662.14 (749.51)	28,970.79 (28,605.24)	11,540.99 (12,679.26)	12,679.26 (13,425.31)
e. Furniture & Fixtures	3,607.23 (3,055.63)	4.43 (241.74)	–	(253.60) (309.86)	59.08 (–)	3,298.98 (3,607.23)	3,014.12 (2,603.19)	50.31 (142.43)	(220.14) (268.49)	–	2,844.29 (3,014.12)	454.68 (593.11)	593.11 (452.44)
f. Vehicles	1,049.11 (1,015.28)	201.75 (79.41)	–	(78.88) (39.56)	7.39 (6.03)	1,164.60 (1,049.11)	770.31 (662.25)	130.48 (125.19)	(54.23) (12.62)	27.54 (4.51)	819.03 (770.31)	345.57 (278.80)	278.80 (455.40)
g. Office equipment	334.99 (318.89)	10.81 (19.62)	–	(6.01) (3.52)	–	339.79 (334.99)	263.67 (231.54)	29.24 (34.33)	(4.59) (2.20)	–	288.31 (263.67)	51.47 (71.32)	71.32 (10.63)
h. Scientific Research													
1 Building	161.41 (85.25)	4.90 (76.16)	–	–	–	166.31 (161.41)	62.20 (54.21)	9.43 (7.99)	–	–	71.63 (62.20)	94.68 (99.21)	99.21 (31.04)
2 Plant and Equipments	832.38 (445.57)	30.19 (386.81)	–	–	–	862.57 (832.38)	293.04 (231.11)	70.17 (61.93)	–	–	363.21 (293.04)	499.36 (539.34)	539.34 (211.50)
3 Software	71.90 (71.90)	–	–	–	–	71.90 (71.90)	52.02 (42.95)	6.57 (9.07)	–	–	58.59 (52.02)	13.31 (19.88)	19.88 (28.95)
4 Office equipment	0.06 (29.48)	0.56 (2.51)	–	–	–	0.62 (31.99)	18.66 (6.66)	16.55 (12.00)	–	–	35.21 (18.66)	(34.59) (13.33)	13.33 (25.67)
5 Furniture and Fixture	55.20 (21.36)	– (1.91)	–	–	–	55.20 (23.27)	18.59 (16.81)	1.58 (1.78)	–	–	20.17 (18.59)	35.03 (4.68)	4.68 (4.70)
i. Others assets	69.36 (60.70)	25.48 (8.67)	–	–	0.19 (–)	94.65 (69.37)	55.00 (42.99)	9.81 (12.01)	–	–	64.81 (55.00)	29.84 (14.37)	14.37 (17.67)
II Intangible Assets													
a. Technical Knowhow	140.63 (130.55)	–	–	(7.78) (10.08)	–	132.85 (140.63)	78.81 (47.94)	27.76 (27.44)	(4.88) (3.43)	–	101.70 (78.81)	31.15 (61.82)	61.82 (82.61)
b. Software	496.93 (443.20)	45.61 (35.54)	–	(18.02) (18.19)	–	524.52 (496.93)	327.79 (229.32)	80.33 (89.98)	(10.53) (8.48)	–	397.59 (327.79)	126.93 (169.14)	169.14 (206.54)
Total	64,084.24	1,648.80	–	(3,000.22)	1,739.64	60,993.18	41,957.32	3,332.67	(2,298.61)	1,258.10	41,733.28	19,259.90	22,126.92
Previous year	(59,476.25)	(2,521.09)	–	(2,304.94)	(218.05)	64,084.24	(36,813.99)	(3,467.40)	(2,429.96)	754.02	(41,957.32)	(22,126.92)	(22,662.26)

Notes-

- The Company has acquired Leasehold land on 16th December 2010 on Lease for 99 years. The amortisation per year on the same is ₹ 8.79 Lakhs.
- Other Assets include Weighing Machine, Air Conditioner and other Equipments.
- Figure in bracket represent previous year figures.

13. NON CURRENT INVESTMENTS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
Other Investments :		
(a) Unquoted fully paid equity instrument in company where some of directors are common		
620,080 (P.Y. 620,080) equity shares of ₹ 10 each in Banco Aluminium Ltd.	25.35	25.35
	25.35	25.35
(b) Nil (P.Y. 1,000) Equity shares of ₹ 25 each fully paid in Co-Operative Bank of Baroda	–	0.25
	–	0.25
(c) Investment in Building (Spain)	80.48	87.19
	80.48	87.19
	105.83	112.79

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
CURRENT INVESTMENTS		
(a) Investment in equity and other instruments (quoted) (fully paid up)		
6,588 (P.Y.6,588) India Motor Parts & Accessories Limited. of ₹10 each	3.14	3.14
132,700 (P.Y.132,700) Swiss Glasscoat Equipment Limited. of ₹ 10 each	13.38	13.38
511 (P.Y.511) NHPC Limited of ₹ 10 each	0.18	0.18
Less :- Provision for diminution of Investment in NHPC Ltd.	—	(0.08)
1049 (P.Y.787) Oil India Limited of ₹ 10 each (262 bonus share received during the year)	3.31	3.31
400 (P.Y.400) Anand I-Power Limited (Formerly known as Perfect Circle India Limited) of Re.1 each	0.01	0.01
122 (P.Y.122) Talbros Automative Component Limited of Re.10 each.	—	—
17 (P.Y.17) Talbros Eng Limited of ₹10 each having total value of ₹ 426/- (P.Y. ₹ 426/-)	0.004	0.004
	20.02	19.94
(b) Investment in mutual fund-quoted, fully paid up		
1,39,09,539 (P.Y.NIL) Investment in IIFL Cash Opportunity Fund of ₹ 10 each.	1,500.00	—
Less :- Provision for diminution of investment	—	—
70,67,415 (P.Y.NIL) Kotak Equity Arbitrage Fund - Monthly Dividend plan of ₹ 10 each.	760.10	—
Less :- Provision for diminution of investment	(0.56)	—
1,95,646 (P.Y.NIL) Kotak Select Focus Fund - Dividend plan of ₹ 10 each.	40.00	—
Less :- Provision for diminution of investment	—	—
15,51,903 (P.Y.NIL) Invesco India Arbitrage Fund - Dividend plan of ₹ 10 each.	200.00	—
Less :- Provision for diminution of investment	(0.66)	—
22,20,481 (P.Y.NIL) Reliance Gilt Securities Fund - Growth plan of ₹ 10 each.	484.00	—
Less :- Provision for diminution of investment	—	—
24,751 (P.Y.NIL) Reliance Growth Fund - Dividend plan of ₹ 10 each.	16.00	—
Less :- Provision for diminution of investment	(0.12)	—
93,61,406 (P.Y.NIL) Reliance Gilt Securities Fund - Monthly Dividend plan of ₹ 10 each.	979.67	—
Less :- Provision for diminution of investment	(13.06)	—
91,306 (P.Y.NIL) Reliance Mid and Small Cap Fund Dividend Pay out plan of ₹ 10 each.	20.00	—
Less :- Provision for diminution of investment	(0.51)	—
96,85,894 (P.Y.NIL) Reliance Medium Term Fund - Monthly Dividend plan of ₹ 10 each.	1,070.07	—
Less :- Provision for diminution of investment	—	—

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
1,91,829 (P.Y.NIL) Reliance Top 200 Fund - Dividend Plan of ₹ 10 each.	30.00	—
Less :- Provision for diminution of investment	(0.14)	—
94,705 (P.Y.NIL) DSP Black Rock Strategic Bond Fund Dividend plan of ₹ 1000 each.	976.66	—
Less :- Provision for diminution of investment	(7.45)	—
28,969 (P.Y.NIL) DSP Black Rock Small and Mid Cap Fund Dividend plan of ₹ 10 each.	7.00	—
Less :- Provision for diminution of investment	(0.30)	—
61,165 (P.Y.NIL) DSP BlackRock Opportunities Fund Dividend plan of ₹ 10 each.	16.00	—
Less :- Provision for diminution of investment	—	—
90,22,522 (P.Y.NIL) HDFC Arbitrage Fund of ₹ 10 each.	982.01	—
Less :- Provision for diminution of investment	—	—
16,883 (P.Y.NIL) HDFC Equity Fund-Regular Dividend plan of ₹ 10 each.	9.00	—
Less :- Provision for diminution of investment	(0.38)	—
17,619 (P.Y.NIL) HDFC TOP 200 Fund-Regular Dividend Plan of ₹ 10 each.	9.00	—
Less :- Provision for diminution of investment	(0.19)	—
45,39,963 (P.Y.NIL) Birla Sun Life Enhanced Arbitrage Fund - Dividend plan of ₹ 10 each.	491.97	—
Less :- Provision for diminution of investment	—	—
8,040 (P.Y. NIL) Birla Sun Life Euity Fund - Dividend plan of ₹ 10 each.	8.00	—
200,000 (P.Y.200,000) Baroda Pioneer PSU Equity Fund of ₹ 10 each	20.00	20.00
Less :- Provision for diminution of Investment	(3.22)	(6.64)
	7,592.89	13.36
	7,612.92	33.30
(c) Market value of quoted current investments		
Equity Investments	326.27	202.68
Others	7,682.84	13.36
	8,009.11	216.04

14. INVENTORIES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(At lower of cost and net realisable value)		
(a) Raw materials *	10,331.20	11,740.37
(b) Packing materials	250.29	212.19
(c) Work-in-progress	2,551.46	3,030.49
(d) Finished goods **	18,168.75	16,849.46
(e) Stores and spares	885.19	889.73
(f) Loose tools	14.08	12.74
	32,200.97	32,734.98

* Raw materials includes goods in transit of ₹ 78.81 Lakhs (P. Y. ₹ 214.52 Lakhs)

** Finished goods includes goods in transit of ₹ 467.15 Lakhs (P. Y. ₹ 175.76 Lakhs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

15. TRADE RECEIVABLES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(Unsecured and considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	307.46	345.78
Others	20,173.91	21,660.22
	20,481.37	22,006.00

16. CASH AND BANK BALANCES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(a) Cash and cash equivalents		
(i) Cash on hand	41.71	38.02
(ii) Balances with banks		
- In current accounts	3,157.00	3,344.61
(iii) Deposit with original maturity of less than 3 months	595.00	4,145.00
(b) Other bank balances		
(i) Deposit with original maturity for more than 3 months but less than 12 months	4,431.43	3,171.78
(ii) Unpaid dividend (earmarked balances)	118.90	108.41
	8,344.04	10,807.82

17. LOANS AND ADVANCES

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
(i) Long term (Unsecured, considered good)		
(a) Capital advances	583.41	307.84
(b) Other advances		
(i) Loan given to others	2,277.75	3,037.62
(ii) Advance payment of income tax (Net)	506.94	334.09
	3,368.10	3,679.55
(ii) Short term (Unsecured, considered good)		
(a) Security deposit	45.37	49.77
(b) Current maturities of loan	646.28	682.76
(c) Prepaid expenses	1,498.89	1,790.55
(d) Balance with statutory authorities	358.20	365.94
(f) Advance to vendors (trade)	681.06	310.47
(g) Other advances	104.26	114.90
	3,334.06	3,314.39

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
18. OTHER CURRENT ASSETS

	As at 31st March 2017 ₹ In Lakhs	As at 31st March 2016 ₹ In Lakhs
<u>Non-Current Assets</u>		
Long term margin money with banks against bank guarantee	74.77	65.99
	74.77	65.99
<u>Other Current Assets</u>		
Interest accrued on deposit with banks	226.02	349.86
Others	48.81	133.80
	274.83	483.66

19. REVENUE FROM OPERATIONS

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
(a) Sale of products		
Finished goods (net of returns and discounts)	133,914.83	124,563.97
	133,914.83	124,563.97
(b) Other operating revenue		
Scrap sales	1,624.17	1,354.70
Export incentives	579.66	287.65
	2,203.83	1,642.35
	136,118.66	126,206.32

20. OTHER INCOME

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
(a) Interest income		
From bank deposits	963.65	453.32
From others	—	263.56
(b) Dividend received		
(i) From non current investments	55.81	9.30
(ii) From current investments	63.81	5.03
(c) Profit on sale of fixed assets (Net)	1,759.39	67.14
(d) Net gain on foreign currency transaction and translations	221.89	76.74
(e) Insurance claim received	27.20	9.03
(f) Other non operating income	65.86	220.29
	3,157.61	1,104.41

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

21. COST OF MATERIALS CONSUMED

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Opening stock	11,952.56	9,712.78
Add : Purchases during the year	68,267.56	70,016.00
	80,220.12	79,728.78
Less : Closing stock	10,581.49	11,952.56
Cost of materials consumed*	69,638.63	67,776.22

*Includes packing material consumption of ₹ 2204.72 Lakhs
(P.Y. ₹ 2085.70 Lakhs)

22. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Inventories at the end of the year		
Work in progress	2,551.46	3,030.49
Finished goods (Including goods in transit)	18,168.75	16,849.46
	20,720.21	19,879.95
Inventories at the beginning of the year		
Work in progress	3,030.49	2,281.58
Finished goods (Including goods in transit)	16,849.46	12,624.27
	19,879.95	14,905.85
Changes in inventories	(840.26)	(4,974.10)
Increase/(decrease) in excise duty on finished goods	41.26	30.06
Changes in inventories of finished goods and work in progress	(799.00)	(4,944.04)

23. EMPLOYEE BENEFIT EXPENSES

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
(a) Salaries wages and bonus	13,278.32	12,732.10
(b) Contribution to provident and other funds	2,788.99	2,724.40
(c) Staff welfare expenses	160.66	160.48
	16,227.97	15,616.98

24. FINANCE COST

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
(a) Interest expenses		
- Borrowing from banks	76.99	103.68
- Others	1.26	7.83
(b) Net loss on foreign currency transaction and translation	—	73.39
(c) Bank and other financial charges	117.28	138.92
	195.53	323.82



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

25. DEPRECIATION AND AMORTIZATION EXPENSES

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Depreciation		
(i) On tangible assets	3,234.39	3,340.92
(ii) On intangible assets	98.28	126.48
	3,332.67	3,467.40

26. OTHER EXPENSES

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
Consumption of stores and spares	862.35	959.09
Power and fuel	2,177.01	2,320.87
Labour charges	8,266.58	7,013.81
Repair and maintenance		
- Plant and machinery	1,417.71	1,295.50
- Electric installation	88.86	61.16
- Buildings	336.28	327.19
Sundry repairs	0.03	1.14
Factory general expenses	504.04	457.65
Insurance premium on assets	95.96	93.54
Payment to auditors (refer note 26.1 below)	183.01	207.06
Rent rates and taxes	1,004.97	867.29
Postage and courier	47.81	55.43
Telephone expenses	178.33	186.29
Travelling and conveyance	1,304.07	1,293.29
Director sitting fees & commission	27.10	8.70
Provision for diminution in value of current investment	19.87	3.30
Miscellaneous expenses	1,096.53	907.63
Donation	1.87	0.85
Expenditure towards corporate social responsibility activities	272.46	55.58
Loss on sale of investment (Net)	0.01	—
Insurance	65.14	15.66
Commission and discount	6,631.26	5,625.01
Advertisement and sales promotion	449.60	453.89
Other selling expenses	604.62	388.10
Provision for doubtful debts	—	83.36
Freight and transport (Net)	4,870.93	4,665.74
	30,506.40	27,347.13

26.1 PAYMENT TO AUDITORS

	2016-2017 ₹ In Lakhs	2015-2016 ₹ In Lakhs
As auditor :		
Audit fees	82.27	100.34
In other capacity:-		
(i) Other services (certification fees)	17.36	102.47
(ii) Out of pocket expenses	83.38	4.25
	183.01	207.06

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
27. CAPITAL AND OTHER COMMITMENTS

Particulars	31 st March 2017 ₹ In Lakhs	31 st March 2016 ₹ In Lakhs
Capital commitments	—	—
Estimated amount of contracts remaining to be executed on capital account	1287.94	569.01
Other commitments	—	—

28. CONTINGENT LIABILITIES

Particulars	31 st March 2017 ₹ In Lakhs	31 st March 2016 ₹ In Lakhs
Service tax and excise duty	1253.28	508.80
Sales tax	355.20	340.16
Income tax	9.51	9.51
Letter of credit	122.26	149.45
Guarantees issued by banks to third parties	337.77	300.42

The company is contesting the demands and the management, including its tax advisor, believes that its position is likely to be upheld in the appellate process. No tax expenses have been accrued in the financial statements for the demands raised as above. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and result of operations.

29. INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY ACCOUNTING STANDARD (AS-18) ON RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31ST MARCH 2017
(a) Key Managerial Personnel:

Name of Director/Employee	Designation
Mrs. Himali H.Patel	Whole Time Director and CFO
Mr. Sagar Pandya	Company Secretary (w.e.f. 6 th November 2015)
Mr. Praveen Rao	Chief Executive Officer (w.e.f. 12 th November 2016)
Mr. Subhasis Dey	Managing Director (up to 30 th April 2016)
Mr. Kiran Shetty	Whole Time Director (up to 16 th January 2016)
Mr. Deep Waghela	Company Secretary (up to 7 th October 2015)

(b) Company in which certain directors are common

Name of Company-	Banco Aluminium Limited
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Name of Related Party	Nature of Transaction during the year	2016-2017 ₹ in lakhs	2015-2016 ₹ in lakhs
Banco Aluminium Limited	Purchase of goods	417.63	452.72
	Sales of goods	273.09	257.77
	Purchase of Licenses	28.10	—
	Sales of assets	12.10	—
	Dividend received	55.81	9.31
	Receipt of rent (including taxes)	16.18	20.50
	Services received	3.44	1.00
	Reimbursement of Expenses	1.05	—
	Receivable/Payable	63.18	—
Remuneration to Key Management Personnel (Including Perquisite)	Shri Kiran Shetty	—	50.29
	Shri Sagar Pandya- Company Secretary	5.45	1.87

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Name of Related Party	Nature of Transaction during the year	2016-2017 ₹ in lakhs	2015-2016 ₹ in lakhs
	Shri Shubhasis Dey	23.26	35.12
	Shri Deep Waghela- Company Secretary	—	1.32
	Mrs. Himali Patel	13.49	11.66
	Shri Praveen Rao	35.82	—

30. EARNING PER SHARES

	2016-2017	2015-2016
Profit available for equity shareholders (₹ in Lakhs)	9,478.09	8,988.93
Weighted average paid up equity shares - Nos. in Lakhs	715.19	715.19
Earning per equity share (Basic and Diluted) (In ₹)	13.25	12.57

31. DISCLOSURE IN RESPECT OF GRATUITY AS REQUIRED UNDER AS-15- EMPLOYEE BENEFITS

a) RECONCILIATION IN PRESENT VALUE OF DEFINED BENEFIT OBLIGATION

Particulars	31 st Mar 2017 ₹ In Lakhs	31 st Mar 2016 ₹ In Lakhs
Opening defined benefit obligation	415.81	366.44
Current service cost	38.45	34.27
Interest cost	30.54	28.40
Benefits paid	(39.78)	(31.89)
Actuarial (gains)/losses on obligation	32.98	6.47
Prior year changes	—	12.12
Closing defined benefit obligation	478.00	415.81

b) RECONCILIATION OF FAIR VALUE OF PLAN ASSETS FOR GRATUITY (FUNDED)

Particulars	31 st Mar 2017 ₹ In Lakhs	31 st Mar 2016 ₹ In Lakhs
Opening fair value of plan assets	154.60	144.98
Expected return	11.48	13.82
Contribution by employer	37.71	39.40
Benefits paid	(39.78)	(31.89)
Actuarial gains/(losses)	0.64	(4.62)
Adjustment to opening funds/expenditure on fund	—	(7.09)
Closing fair value of plan assets	164.65	154.60

c) RECONCILIATION OF PRESENT VALUE OF OBLIGATION AND FAIR VALUE OF PLAN ASSETS FOR CURRENT AND PREVIOUS FOUR PERIODS

Gratuity (Funded)	31 st Mar 17 ₹ In Lakhs	31 st Mar 16 ₹ In Lakhs	31 st Mar 15 ₹ In Lakhs	31 st Mar 14 ₹ In Lakhs	31 st Mar 13 ₹ In Lakhs
Present value of obligation at end of year	478.00	415.81	366.44	328.08	307.57
Fair value of plan assets at end of year	164.65	154.60	144.98	148.75	150.99
Surplus/(Deficit)	(313.35)	(261.21)	(221.46)	(179.33)	(156.58)
Actuarial (gains)/losses on obligation	32.98	6.47	30.26	17.27	37.58
Actuarial gain/(losses) on plan assets	0.64	(4.62)	(4.22)	(0.33)	1.40

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

d) EXPENSES RECOGNIZED IN THE STATEMENT OF PROFIT AND LOSS

Particulars	31 st Mar 2017 ₹ In Lakhs	31 st Mar 2016 ₹ In Lakhs
Current service cost	38.45	34.27
Interest cost on benefit obligation	30.54	28.40
Expected return on plan assets	(11.48)	(13.82)
Prior year changes	—	12.12
Net actuarial (gain)/loss recognized in the year	32.34	18.19
Net benefit expenses	89.85	79.16

e) THE MAJOR CATEGORIES OF PLAN ASSETS AS A PERCENTAGE OF THE FAIR VALUE AS FOLLOWS:

Particulars	31 st Mar 2017	31 st Mar 2016
Insurer managed funds (100%)	100%	100%

f) THE PRINCIPAL ASSUMPTIONS USED IN DETERMINING GRATUITY FOR THE COMPANY'S PLAN AS BELOW:

Particulars	31 st Mar 2017	31 st Mar 2016
Expected rate of return on plan assets	7.00%	7.90%
Discount rate	7.00%	7.90%
Salary escalation rate	6.00%	6.00%
Withdrawal rate*	3 % to 15%	3% to 15%

Mortality assumption is based on LIC (1994-1996) published table rate

* 15% at younger ages reducing to 3% at older age

g) OTHER EMPLOYEE BENEFITS:

The liability for leave encashment based on actuarial valuation at the year ended on 31st March 2017 is ₹ 239.15 Lakhs (P.Y. ₹ 194.47 Lakhs).

32. The Company has identified manufacturing of automobile components as its sole primary segment. Thus the disclosure requirements as set out in Accounting Standard 17 (AS-17) "Segment Reporting" are not applicable.
33. In the opinion of the management, there are no indications, internal or external which could have the effect of impairment of the assets of the company to any material extent as at the Balance Sheet date, which requires recognition in terms of Accounting Standard 28 (AS-28) on "Impairment of Assets".
34. **EXPENDITURE RELATED TO CORPORATE SOCIAL RESPONSIBILITY AS PER SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH SCHEDULE VII THERE OF:**

a. Gross amount required to be spent by the Company during the year. ₹ 270.27 Lakhs (P.Y. ₹ 143.22 Lakhs).

b. Amount spent during the year on: (₹ in lakhs)

Sr. No.	Nature	In cash	Yet to be Paid in Cash	Total
i.	Construction / acquisition of Assets (Specify)	—	—	—
ii.	Other Purposes (Specify)	272.46 (55.57)	— (—)	272.46 (55.57)

Note : Gross amount required to be spent includes previous year unspent amount of ₹ 87.73 Lakhs

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

35. Details of specified bank notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below (Amt. in ₹)

Particulars	SBN	Other denomination notes	Total
Closing cash in hand as on 08.11.16	12,28,000	3,25,186	15,53,186
(+) Permitted receipts	–	24,79,445	24,79,445
(–) Permitted payments	–	12,65,890	12,65,890
(–) Amount deposited in Banks	12,28,000	–	12,28,000
Closing cash in hand as on 30.12.16	–	15,38,741	15,38,741

36. The board of directors at their meeting held on 22nd May 2017 has recommended a final dividend of 200 % (₹ 4/- per equity share of face value ₹ 2/- each). The proposal is subject to the approval of share holders at the Annual General Meeting and if approved would result in cash out flow of ₹ 3,443.12 lakhs inclusive of corporate dividend tax of ₹ 582.38 lakhs

37. **ADDITIONAL INFORMATIONS AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT TO SCHEDULE III TO THE COMPANIES ACT, 2013**

Name of the Enterprises	2016-2017				2015-2016			
	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ In Lakhs)	As % of consolidated net assets	Amount (₹ In Lakhs)	As % of consolidated net assets	Amount (₹ In Lakhs)	As % of consolidated net assets	Amount (₹ In Lakhs)
Parent :-								
Banco Products (India) Limited	56.54%	52,654.86	77.10%	10,724.85	53.24%	45,399.05	68.96%	8,212.87
Subsidiaries								
Indian								
Banco Gaskets (India) Limited	7.13%	6,640.29	4.86%	675.54	6.50%	5,964.72	8.13%	968.97
Foreign								
Lake Mineral (Mauritius) Limited	7.56%	7,038.51	6.43%	894.35	7.69%	7,055.68	6.06%	722.05
Nederlandse Radiatoren Fabriek B.V.	28.77%	26,793.95	11.61%	1,615.92	32.57%	29,869.82	16.85%	2,007.28
Total	100.00%	93,127.61	100.00%	13,910.66	100.00%	88,289.27	100.00%	11,911.17
Adjustment arising out of consolidation		(19,686.97)		(4,432.57)		(19,502.22)		(2,922.24)
Minority Interest in all subsidiaries		–		–		–		–
Associates (Investment as per the equity method)								
Indian		–		–		–		–
Foreign		–		–		–		–
Joint Ventures (As per proportionate consolidation/ investment as per equity method)								
Indian		–		–		–		–
Foreign		–		–		–		–
Consolidated Net Assets / Net Profit after Tax		73,440.64		9,478.09		68,787.03		8,988.93


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

38. Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year classification/disclosure.

As per our report of even date attached	For and behalf of the board		
For Manubhai & Shah LLP	Mehul K. Patel	Mukesh D. Patel	Devesh A. Pathak
Chartered Accountants	Chairman	Director	Director
FRN 106041W/W100136	DIN 01772099	DIN 00009605	DIN 00017515
Ashish Shah	Rajendra J. Anandpara	Himali H. Patel	Sagar Pandya
Partner	Managing Director	Whole Time Director and	Company Secretary
Membership No. 103750	DIN 02461259	Chief Financial Officer	
		DIN 07081636	
Place : Mumbai	Place : Vadodara		
Date : 22nd May, 2017	Date : 22nd May, 2017		

To,
Link Intime India Pvt. Ltd.
The Registrar and Transfer Agent
(Unit : Banco Products (India) Limited)
B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank,
Near Radhakrishna Char Rasta, Akota, Vadodara 390 020.

**Electronic Clearing Service (Credit Clearing)
Mandate Form**

(Shareholders' option to receive payments through Credit Clearing Mechanism)

Dividend Payment

- 1) Shareholder's Name :
- 2) Registered Folio No. :
- 3) Particulars of Bank Account :
- (A) Name of the Bank :
- (B) Name of the Branch :
And Address :
- (C) 9-Digit Code number of the :
bank and branch appearing
on the MICR Cheque
issued by the Bank.
- (D) Type of the account :
(Saving, Current or Cash
Credit) with MICR Code:
- (E) Ledger and Ledger Folio :
Number
- (F) Bank Account Number :
(as appearing on the
cheque book)

(In lieu of the bank certificate to be obtained as under, please attach a blank cancelled cheque or photocopy of a cheque or front page of your saving bank pass book issued by your bank for verification of the above particulars)

4. Date of effect:

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete information, I would not hold Banco Products (India) Limited responsible.

Date:
Place:

Signature of the shareholder

Certified that the particulars furnished above are correct as per our records.

Bank's Stamp

Signature of the authorized Official of the Bank.

BANK CERTIFICATE NOT REQUIRED, IF ATTACHMENT GIVEN AS PER 3 "F" ABOVE.

[illegible]

PROXY FORM

CIN : L51100GJ1961PLC001039
Name of the Company : Banco Products (India) Limited
Registered Office : Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara-391410
Tel Nos. 0265-2680220-21-22-23 • Website: www.bancoindia.com
E-Mail : investor@bancoindia.com.

Name of the member (s) : _____
Registered address : _____
E-mail Id : _____
Folio No./Client Id : _____ DP ID : _____

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him
2. Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him
3. Name : _____
Address : _____
E-mail Id : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 56th Annual General Meeting of Banco Products (India) Limited to be held on 23.09.2017 at the Registered Office of the Company at Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara - 391 410 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution Details
	Ordinary Business
1.	To receive, consider and adopt Financial Statements for the year ended 31st March, 2017 and the Report of the Board of Directors and Auditors thereon.
2.	To declare final dividend on Equity Shares.
3.	To appoint a Director in place of Mrs. Himali Harnish Patel (DIN : 07081636), who retires by rotation and being eligible, offers herself for reappointment.
4.	To consider the ratification of Statutory Auditor.
	Special Business
5.	Appointment of Shri Rajendra Jayantilal Anandpara as Director
6.	Appointment and Remuneration of Shri Rajendra Jayantilal Anandpara as Managing Director

Signed this.....day of2017

Signature of the Shareholder(s)

Signature of Proxy holder(s)

Please affix
Re. 1/-
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes please refer Notice of the Annual General Meeting.
3. Please complete all details including details of member(s) before submission.

This image shows a full page of blank white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page, providing a template for writing or drawing. There are no margins, text, or other markings present.

ATTENDANCE SLIP

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

CIN : L51100GJ1961PLC001039
Name of the Company : Banco Products (India) Limited
Registered Office : Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara-391410
Tel Nos. 0265-2680220-21-22-23 • Website: www.bancoindia.com
E-Mail : investor@bancoindia.com.

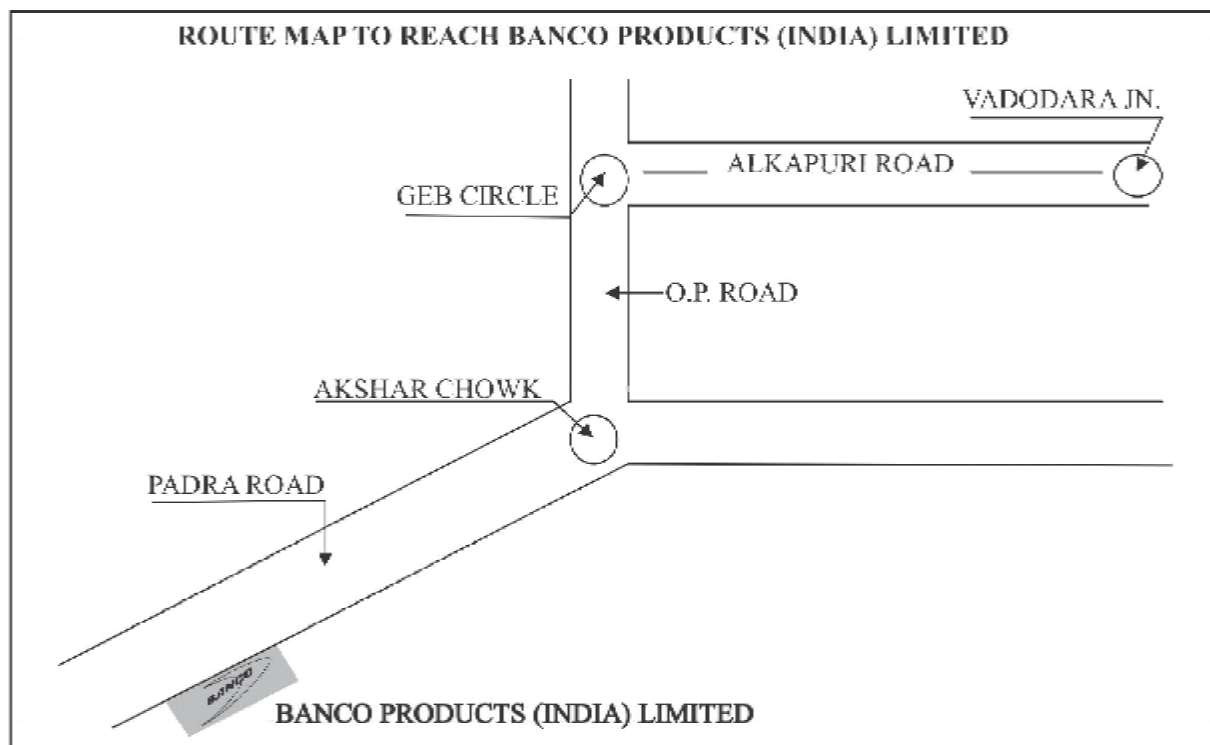
Name of the Member(s)/Proxy	
Folio No.	
DP ID - Client ID	
No of Shares Held	

I hereby record my presence at the 56th Annual General Meeting of the Company at Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara - 391 410 on 23.09.2017.

Signature of the Member(s)/Proxy

Note:

1. Members/Proxy holders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after affixing their signature on it.
2. Members are requested to bring their copies of Annual Report at the AGM.



[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Cautionary Statement

The report contains certain forward-looking statements, including words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates' or other words indicating similar meaning. All such statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. As such, forward looking statements are based on certain assumptions and expectations of future events, and hence the Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results or performance could thus differ materially from those projected, if any, in any such forward looking-statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

Printed Matter

If undelivered, please return to :

BANCO PRODUCTS (INDIA) LIMITED

Bil, Near Bhaili Railway Station,

Padra Road, Dist. Baroda – 391410, Gujarat, India.

CIN : L51100GJ1961PLC001039

Tel Nos.: (0265) 2680220/21/22, Fax No. (0265) 2680433

Website : www.bancoindia.com

Email : investor@bancoindia.com, sec@bancoindia.com