

BANCO PRODUCTS (INDIA) LIMITED



**54th ANNUAL REPORT
2014-2015**



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 (wef 01.11.2014)
		Vimal K. Patel	Chairman (upto 30.09.2014)
		Samir K. Patel	Director
		Atul G. Shroff	Director (upto 11.01.2015)
		Ramkisan Devidayal	Director
		Mukesh D. Patel	Director
		Devesh A. Pathak	Director (wef 13.02.2015)
		Udayan P. Patel	Director (wef 13.02.2015)
		Sudesh K. Duggal	Director (upto 22.09.2014)
		Shailesh A. Thakker	Executive Director & CFO (upto 23.09.2014)
		Kiran Shetty	Executive Director
		Himali Patel	Whole time Director & CFO (wef 13.02.2015)
Company Secretary	:	Deep Vaghela	
Bankers	:	State Bank of India	
		Bank of Baroda	
		HDFC Bank Limited	
		Standard Chartered Bank	
Auditors	:	Manubhai & Shah,	
		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)	
Listing	:	Bombay Stock Exchange Limited	
		National Stock Exchange of India Limited	
CIN	:	L51100GJ1961PLC001039	
Website	:	www.bancoindia.com	

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NOTICE

Notice is hereby given that the 54th Annual General Meeting of Banco Products (India) Limited will be held on Saturday, the 8th day of August, 2015 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 :
 - a. the Audited Financial Statements of the Company for the financial year ended 31.03.2015 together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31.03.2015.
2. To declare final dividend on Equity Shares for the Financial Year ended on 31.03.2015.
3. To appoint a Director in place of Shri Samir K. Patel (DIN 00161448), who retires by rotation and being eligible, offers himself for reappointment.
4. To consider the ratification of Statutory Auditor.
To consider and if thought fit, to pass with or without modification(s), 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, Chartered Accountants, Ahmedabad, (FRN : 106041W), 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. To appoint Shri Devesh A. Pathak (DIN 00017515) as a Non-Executive Independent Director of the Company.
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and Clause 49 of the Listing Agreement, Shri Devesh A. Pathak (DIN 00017515), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, whose office shall not be liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company for a period of 5 years w.e.f. 13.02.2015."
"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."
6. To appoint Shri Udayan P. Patel (DIN 00598313) as a Non-Executive Independent Director of the Company.
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and Clause 49 of the Listing Agreement, Shri Udayan P. Patel (DIN 00598313), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, whose office shall not be liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company for a period of 5 years w.e.f. 13.02.2015."
"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."

7. To appoint and consider payment of remuneration to Mrs. Himali H. Patel (DIN 07081636) as the Whole time Director and Chief Financial Officer of the Company.

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

“RESOLVED THAT pursuant to 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 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of Shareholders be and is hereby accorded for appointment of Mrs. Himali H. Patel (DIN 07081636) as the Whole time Director and Chief Financial Officer of the Company for a period of 3 years effective from 13.02.2015 to 12.02.2018, on such remuneration and terms and conditions as set out in the Draft Agreement to be executed with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time within the provisions of the Companies Act, 2013 or any amendment thereto or any reenactment thereof and as may be agreed between the Board of Directors and Mrs. Himali H. Patel.”

Remuneration :

Basic Salary, Perquisites and other allowance / benefits up to maximum CTC of ₹ 11.79 Lacs 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	:	₹	28,680	per month
b) HRA	:	₹	11,472	per month
c) Conveyance Allowance	:	₹	800	per month
d) Medical Reimbursement	:	₹	1,250	per month
e) Washing Allowance	:	₹	250	per month
f) Education Allowance	:	₹	200	per month
g) Leave Travel Concession	:	₹	1,500	per month
h) Telephone Reimbursement	:	₹	765	per month
i) Adhoc Allowance -1	:	₹	26,361	per month
j) Adhoc Allowance -2	:	₹	22,830	per month
k) Provident Fund	:	₹	3,442	per month
l) Bonus	:	₹	700	per month
Total CTC		₹	98,250	per month

“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, the remuneration paid for immediately preceding financial year as minimum remuneration by way of salary, allowances, perquisites and other benefits, subject to the provisions of Schedule V of the 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 authorising 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 7 of the accompanying Notice are annexed hereto.
4. The profile of the Director seeking reappointment under Item No. 3 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges 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 29.07.2015 to 08.08.2015 (both days inclusive).
7. The final dividend on Equity Shares, as recommended by the Board of Directors for the financial year ended 31.03.2015, if approved at the Annual General Meeting will be paid on or after 01.09.2015 :
 - a. To all the beneficial owners in respect of shares held in electronic form, as per the date made available by the National Security Depository Limited and Central Depository Services (India) Limited as of the close of business hours on 28.07.2015; 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 28.07.2015.
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 31.03.2015 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 to 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 dematerialised 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 23rd September, 2014 (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 Agent 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 Clause 35B of the Listing Agreement (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 54th Annual General Meeting of the Company. The Company has provided e-voting facility to the members using the Central Depository Services 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 shall also be made available at the venue of the 54th Annual General Meeting. The members attending the meeting, who have not already cast their vote through remote e-voting shall 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 Shri J. J. Gandhi, Practising 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, 05.08.2015 (9:00 AM) and ends on Friday, 07.08.2015 (5:00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off i.e. Monday, 03.08.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5:00 p.m. on 07.08.2015.
- (ii) Members holding shares in physical or in demat form as on 03.08.2015 shall only be eligible for e-voting.
- (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 03.08.2015, follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the 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. <ul style="list-style-type: none"> 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. 150704022 to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
 - 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.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

Item No. 5

The Board of Directors, in its meeting held on 13.02.2015, in terms of the recommendation of Nomination and Remuneration Committee in its meeting held on 13.02.2015, have approved the appointment of Shri Devesh A. Pathak as a Non-Executive Independent Director of the Company for a period of 5 years wef 13.02.2015.

The brief resume of Shri Devesh A. Pathak together with other details as required under Clause 49 of the Listing Agreement is provided in the Annexure to this notice. In the opinion of the Board, Shri Devesh A. Pathak fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as a Non-Executive Independent Director of the Company and is independent of the management. The copy of the draft letter for appointment of Shri Devesh A. Pathak as a Non-Executive Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Sundays and Public Holidays.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to avail services of Shri Devesh A. Pathak as a Non-Executive Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Devesh A. Pathak as a Non-Executive Independent Director, for the approval by the shareholders of the Company. The Company has received the proposal for appointment as a Director together with requisite deposit, as per applicable rules and regulations.

Shri Devesh A. Pathak is not holding any Equity Shares of the Company.

None of the other Directors, Key Managerial Personnel(s) and their relatives, except Shri Devesh A. Pathak, have any concern or interest, financial or otherwise, in the resolutions set out at Item No. 5 of the Notice.

Item No. 6

The Board of Directors, in its meeting held on 13.02.2015, in terms of the recommendation of Nomination and Remuneration Committee in its meeting held on 13.02.2015, have approved the appointment of Shri Udayan P. Patel as a Non-Executive Independent Director of the Company for a period of 5 years wef 13.02.2015.

The brief resume of Shri Udayan P. Patel together with other details as required under Clause 49 of the Listing Agreement is provided in the Annexure to this notice. In the opinion of the Board, Shri Udayan P. Patel fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as a Non-Executive Independent Director of the Company and is independent of the management. The copy of the draft letter for appointment of Shri Udayan P. Patel as a Non-Executive Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Sundays and Public Holidays.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to avail services of Shri Udayan P. Patel as a Non-Executive Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Shri Udayan P. Patel as a Non-Executive Independent Director, for the approval by the shareholders of the Company. The Company has received the proposal for appointment as a Director together with requisite deposit, as per applicable rules and regulations.

Shri Udayan P. Patel is not holding any Equity Shares of the Company.

None of the other Directors, Key Managerial Personnel(s) and their relatives, except Shri Udayan P. Patel, have any concern or interest, financial or otherwise, in the resolutions set out at Item No. 6 of the Notice.

**Item No. 7**

The Board of Directors, in its meeting held on 13.02.2015, in terms of the recommendation of Audit Committee and Nomination and Remuneration Committee in its meeting held on 13.02.2015, have approved the appointment of Mrs. Himali H. Patel as the Whole time Director and Chief Financial Officer of the Company for a period of 3 years wef 13.02.2015.

The brief resume of Mrs. Himali H. Patel together with other details as required under Clause 49 of the Listing Agreement is provided in the Annexure to this notice.

Mrs. Himali H. Patel is B.Com, M.Com and Chartered Accountant (CA). She has an experience in the field of Strategic Financial Planning, Accounts, Insurance and Taxation and she is in charge of Taxation, Finance, Accounts and other commercial and management activities of the Company. She has more than 10 years of experience in various reputed companies. The Company has received the proposal for appointment as a Director together with requisite deposit, as per applicable rules and regulations.

Mrs. Himali H. Patel is not holding any Equity Shares of the Company.

None of the other Directors, Key Managerial Personnel(s) and their relatives, except Mrs. Himali H. Patel, have any concern or interest, financial or otherwise, in the resolutions set out at Item No. 7 of the Notice.

Registered Office:

Bil, Near Bhaili Railway Station,
Padra Road, Dist. Vadodara-391 410

Date : 04.07.2015

Place : Bil

By Order of the Board,

Kiran Kumar Shetty
Director
(DIN 03129699)

Himali H. Patel
Director
(DIN 07081636)

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

Information pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges regarding appointment / reappointment of Directors.

Name of the Director	Shri Devesh A. Pathak	Shri Udayan P. Patel
Date of Birth	03.12.1957	24.10.1964
Date of Appointment on the Board	13.02.2015	13.02.2015
Specialized Expertise / Brief Profile	Shri Devesh A. Pathak is the Fellow Member of ICSI and a registered trade mark attorney. He is having expertise in Corporate Laws especially in Company Law and SEBI Law. He is providing professional services to reputed companies like GACL, GSFC, GIPCL, Munjal Auto Industries Ltd., etc. He is having 31 years of experience including 20 years in practising field.	Shri Udayan P. Patel is the Executive Director of Acura Solutions Pvt. Ltd. Shri Udayan P. Patel did his BE from the Faculty of Technology and Engineering, MSU. He did ME in Construction Management from Stevens Institute of Technology, NJ, USA. He is involved in the business of Real Estate and infrastructure development for past 20 years. Prior to starting his own business in India, Shri Udayan P. Patel worked in Washington DC, USA with Chubb Insurance Company for 3 years. He served as Board Member of CREDAI Vadodara during 2010 to 2013. He is also involved in many philanthropic activities.
Qualifications	B.Com, LLB, FCS	B E (Civil), M E (Construction Management)
Directorships in other Companies as on 31.03.2015	All India Origin Chemists & Distributors Ltd P + W Silo System India Private Ltd Devesh Pathak Professional Solutions Private Ltd	Acura Solutions Pvt Ltd.
Chairman / Member of other Committees of Companies as on 31.03.2015	All India Origin Chemists & Distributors Ltd Audit Committee Chairman Banco Products (India) Ltd Audit Committee Member Stakeholders' Member Relationship Committee	Banco Products (India) Ltd Audit Committee Member Stakeholders' Member Relationship Committee
Shareholding of Director as on 31.03.2015	None	None
Relationship between Directors inter-se	None	None



Name of the Director	Shri Samir K. Patel	Mrs. Himali H. Patel
Date of Birth	25.03.1960	15.09.1982
Date of Appointment on the Board	25.09.1983	13.02.2015
Specialized Expertise / Brief Profile	Shri Samir K. Patel is one of the promoter directors of the Company. He is in charge of commercial and administrative matters of the Company since more than 25 years. He has vast experience of management and expertise in metal industry in general and aluminium in particular.	Ms. Himali H. Patel is Chartered Accountant and has an experience of 10 years in the field of Strategic Financial Planning, Accounts, Insurance, Taxation. In past she was associated with Torrent Pharmaceuticals, Ahmedabad.
Qualifications	B.Sc, MBA	B.Com, M.Com, CA
Directorships in other Companies as on 31.03.2015	Banco Aluminium Ltd. Banco Gaskets (India) Ltd. Kilimanjaro Biochem Ltd Banco Foundation K K Patel Foundation	None
Chairman / Member of other Committees of Companies as on 31.03.2015	Banco Products (India) Ltd Stakeholders' Relationship Committee Member Banco Aluminium Ltd Audit Committee Chairman	None
Shareholding of Director as on 31.03.2015	50,16,997	None
Relationship between Directors inter-se	Relative of Shri Mehul K. Patel	None



BOARD'S REPORT

To,
The Members of
Banco Products (India) Limited

Your Directors have the pleasure in presenting the 54th Annual Report together with the Audited Financial Statements of Banco Products (India) Limited ("the Company") and its subsidiaries for the financial year ended on 31.03.2015.

1. OVERVIEW OF THE COMPANY :

Banco Products (India) Limited has delivered robust performance to its customers, especially to various esteemed Original Equipment Manufacturers, by designing, developing and supplying various engine cooling modules and individual Radiators, Charged Air Coolers and Oil Coolers. By virtue of excellent product development track-record, the company has become a preferred supplier to most prestigious OEMs who have a global standing. The Company has undertaken many initiatives to create significant value to its customers as well as to other stakeholders. The company has continued to solidify its market position by almost doubling its OEM customer count in sectors like power, agricultural and construction equipment. In spite of turbulence in foreign economies and currency markets, the company has managed to maintain stable earnings in the last financial year and has created a solid foundation of enhanced growth whenever Indian manufacturing industry picks up. The company has also taken significant successful initiatives in improving its market share of radiators for the domestic aftermarket.

During the financial year 2014-15, the Company witnessed a downward momentum in Foreign Exchange, especially in third and fourth quarter, which affected the overall results during the year.

2. FINANCIAL PERFORMANCE :

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

(₹ in Crores)

PARTICULARS	STAND ALONE		CONSOLIDATED	
	Year ended on 31.03.2015	Year ended on 31.03.2014	Year ended on 31.03.2015	Year ended on 31.03.2014
Total Turnover	410	438	1112	1144
Profit Before Taxation	54	83	113	122
Less:				
Provision for taxation	11	17	27	30
Deferred Tax Liability	1	(1)	(2)	2
Profit After Tax	42	67	88	90
Add:				
Balance brought forward from Previous Year	255	208	316	245
Profit available for Appropriation	297	275	404	335
Appropriations:				
- Transfer to General Reserve	7	7	7	7
- Interim Dividend Paid	4	12	4	12
- Tax Paid on Interim Dividend	-	-	-	-
- Proposed Final Dividend	18	2	18	2
- Provision For Tax on Proposed Final Dividend	1	(1)	1	(1)
Balance Carried to Balance Sheet	267	255	374	315

3. DIVIDEND :

Your Directors had declared and paid Interim Dividend during the year at 25% i.e. ₹ 0.50 per equity share of ₹ 2.00 each absorbing ₹ 4 crores as dividend and ₹ Nil as Tax on Dividend (as per applicable provision under Section 115BBD of Income Tax Act) and have decided to recommend final dividend at 125% i.e. ₹ 2.50 per equity share of ₹ 2.00 each absorbing ₹ 18 crores as dividend and provision of ₹ 1 crore as Tax on Dividend (as per applicable provision under Section 115BBD of Income Tax Act) for the financial year ended on 31.03.2015 as compared to ₹ 2.00 per equity share (100%) in previous year.

The total dividend for the financial year ended 31st March, 2015 would accordingly be ₹ 3.00 per equity share of ₹ 2.00 each i.e. 150%.

4. RESERVE :

The Company proposes to carry ₹ 7 crores to reserves.

5. OPERATIONS :

The Company has sound manufacturing facilities which have been further upgraded to manufacture complex cooling modules with higher quality standards. Furthermore, new Research and Development building extension together with investment in equipment, software for development of advanced future engine cooling products will strengthen company's capabilities to take on global supply projects for international OEMs and other automotive customers and further widen scope of customer base.

During the year, the Sales and Profit stood at :

Particulars	(₹ In Crores)	
	Year ended on 31.03.2015	Year ended on 31.03.2014
Sales (Net)	410	438
Profit after Tax (PAT)	42	67

DOMESTIC SALES :

For the year under review, the Company's Domestic sales stood at ₹ 279 crores as against previous year of ₹ 284 crores.

EXPORT SALES :

For the year under review, the Company's Export sales stood at ₹ 131 crores as against previous year of ₹ 154 crores.

Overall sales mix remains as Domestic 68% (previous year 65%) and Export 32% (previous year 35%).

6. MANAGEMENT'S DISCUSSION AND ANALYSIS :

The Report on Management's Discussion and Analysis as required under the Listing Agreement is included in this report as Annexure "A". The 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. DIRECTORS' RESPONSIBILITY STATEMENT :

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

- that in the preparation of the annual financial statements for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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, 2015 and of the profit and loss of the Company for that period;
- 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;
- that the annual financial statements have been prepared on a going concern basis;
- that the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- 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.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL :

During the year, Shri Sudesh K. Duggal and Shri Atul G. Shroff resigned as an Independent Director of your Company with effect from 23rd September, 2014 and 12th January, 2015 respectively. Further, Shri Vimal K. Patel resigned as the Chairman of the Company with effect from 1st October, 2014 and Shri Shailesh A. Thakker as Executive Director & CFO with effect from 24th September, 2014. The Board expresses its appreciation for the contribution and services rendered by the Directors, during their tenure.

The Board of Directors had on the recommendation of the Nomination & Remuneration Committee appointed Shri Devesh A. Pathak and Shri Udayan P. Patel as an Additional Non-Executive Directors of the Company in the category of Independent Directors with effect from 13th February, 2015 for a period of 5 years. 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 and Clause 49 of the Listing Agreement.

In accordance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder, Shri Samir K. Patel retires by rotation at the forth coming Annual General Meeting and being eligible offers himself for reappointment.

The Board of Directors had on the recommendation of the Nomination & Remuneration Committee appointed Mrs. Himali H. Patel as the Whole time Director and Chief Financial Officer with effect from 13th February, 2015 to 12th February, 2018 for a period of 3 years. Also, Shri Deep Vaghela had been appointed as the Company Secretary with effect from 13th February, 2015 in place of previous Company Secretary.

The proposal for appointment of Shri Devesh A. Pathak and Shri Udayan P. Patel as an Independent Directors and Mrs. Himali H. Patel as the Whole time Director and Chief Financial Officer at the forthcoming Annual General Meeting is included in the Notice. There is no reappointment of any other Independent Director.

8.1 BOARD EVALUATION :

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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 have been carried out with a well structured questionnaires taking into consideration various aspects and roles of the Board and its Committees. The Board of Directors expressed their satisfaction with the evaluation process.

8.2 POLICY ON DIRECTORS 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 laid 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.

8.3 DISCLOSURE OF COMMISSION TO MANAGING OR WHOLE-TIME DIRECTOR :

Pursuant to Section 197(14) of the Companies Act, 2013, disclosure of Commission paid to Managing Director or Whole time Director is given in the Note No. 5(b) of the Report on Corporate Governance.

9. NUMBER OF BOARD MEETINGS :

The details of eight Board Meetings held during the financial year 2014 – 2015 forms part of the Corporate Governance Report.

10. AUDIT COMMITTEE :

The details regarding the Composition, power and role of Audit Committee forms part of the Corporate Governance Report.

11. RELATED PARTY TRANSACTIONS :

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year ended on 31.03.2015 were in the ordinary course of business and on basis of arms length pricing and do not attract the provisions of Section 188 of the Companies Act, 2013. Thus disclosure in form AOC 2 is not applicable.

All the Related Party Transactions are reviewed by the Audit Committee on quarterly basis and they provide an omnibus approval for all Related Party Transactions which are in ordinary course of business and on arms length basis.

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.

12. 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 provide for direct access to the Chairman of the Company / Chairman of the Audit Committee in exceptional cases. The Vigil Mechanism / Whistle Blower Policy are there on company's website.

13. RISK MANAGEMENT POLICY :

Pursuant to the requirement of Clause 49 of the Listing Agreement, 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 reviews the Risk Management Policy of the Company so that the Management controls 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 provided 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.

14. CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges, 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.

**15. CORPORATE SOCIAL RESPONSIBILITY :**

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

Pursuant to Section 135 of the Companies Act, 2013, and relevant rules and regulations, the report on Corporate Social Responsibility Activities is annexed at Annexure "B" to this Report.

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

In accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 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 Annexure "C" to this Report.

17. PARTICULARS OF EMPLOYEES :

The 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, 2015 is annexed as Annexure "G" to this Report.

The information required under Section 197(12) of the Companies Act, 2013 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 Annexure "H".

18. EXTRACT OF ANNUAL RETURN :

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of The Companies (Management and Administration) Rules, 2014, extract of Annual Return is annexed as Annexure "D" to this Report.

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

The details pursuant to Section 186 of the Companies Act, 2013 regarding loans given, guarantees and investments made by the Company are given in the Notes No. 13, 17 and 32(c) to the Financial Statement.

20. AUDITORS :**20.1 STATUTORY AUDITORS :**

The proposal for ratification of appointment of M/s. Manubhai & Shah, Chartered Accountants, Ahmedabad is included in the Notice of Annual General Meeting. They have confirmed their eligibility under section 141 of the Companies Act, 2013 and the Rules framed thereunder for ratification as Auditor of the Company.

20.2 INTERNAL AUDITORS :

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

20.3 SECRETARIAL AUDITORS :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. J.J. Gandhi & Co., Practising Company Secretaries as Secretarial Auditors of the Company. The Secretarial Audit Report is annexed herewith as Annexure "E" to this Report. The report is self-explanatory and do not call for any further comments.



21. SUBSIDIARY COMPANIES :

21.1 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 productions, 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.

21.2 LAKE MINERAL (MAURITIUS) LIMITED – MAURITIUS :

A Wholly Owned Subsidiary viz. Lake Mineral (Mauritius) Limited was incorporated during the year ended on 31.03.2012 and is in operations.

21.3 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 operations.

Pursuant to Section 129(3) of the Companies Act, 2013 the statement containing the salient feature of the financial statement of the Company's Subsidiaries is annexed as Annexure "F" to this Report.

The determination of Material Subsidiary is in compliance with Listing Agreement.

22. SHARE CAPITAL :

As on 31st March, 2015, the paid up equity share capital of your Company was ₹ 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 2014 – 2015 is as under:

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

24. PUBLIC 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 relations continued to be cordial. Your Directors place on record their appreciation for the continued support and co-operation of all the employees.

27. 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 Customers, Shareholders, Vendors, Bankers and Employees at all levels during the year.

By Order of the Board,

Date : 04.07.2015
Place : Bil

Kiran Kumar Shetty
Director
(DIN 03129699)

Himali H. Patel
Director
(DIN 07081636)



ANNEXURE TO BOARD'S REPORT ANNEXURE "A" MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION :

Banco Products (India) Limited is a leading supplier to the Auto OEM and Industrial OEM Industries for more than five decades. We design, develop and manufacturing Engine Cooling Modules and Individual Cooling Products across a wide range of user industries. These products are considered very critical for Internal Combustion Engines, mainly in for Automobiles, Commercial Vehicles, Agricultural, Power Generation, Earth Moving and Industrial applications. Sales to aftermarket is also important to our business and making available top quality and reliable Radiators to repair trade.

INDUSTRY STRUCTURE AND DEVELOPMENTS :

The Company is largely dependent on Automobile and Industrial Equipments manufacturers in India, which has been passing rough patch of stagnant sales and increased competitions from new vehicles producers. However, in the recent months, the Company has seen improvement in these sectors. In-depth Research and Development activities coupled with various value engineering and cost reduction exercises within the organisation has helped the Company to acquire large share of business from existing customer base and also from new customers in near future.

OPERATIONS :

The factories are equipped with state-of-the-art SPM production equipment from Europe, USA with a capability to manufacture both high and low volume products at short notice and deliver on timely basis for the automotive industry. The manufacturing facilities are on constant upgrade and change mode, coupled with continuous skills up gradation and training being imparted to employees which is being recognized by all OEM customers during their stringent process audits.

Research and Development facilities have been further upgraded with building and facility expansion to enable company to take on more complex and advanced projects with the objective to develop complex cooling units enabling our clients to manufacture engines, vehicles which meet emissions and fuel efficiency standards for the future years.

STRENGTHS :

After more than fifty years of experience in our business, the BANCO brand is the most respected product brand in the aftermarket as well as has attained a reputation of being able to develop and deliver complex cooling solutions amongst OEM customers in various sectors as one stop solution provider.

- Continuous Research and Development, adoption of new technology and processes, customer service, innovation and quick product development.
- Adoption of sound financial disciplined processes.
- Advanced use of IT in all stages of operations.

WEAKNESS :

- Any downward trend in Industrial activity or Automotive Sector directly affects the performance.
- Competition from global competitors is intensifying.
- Volatility in Metal prices and fluctuation in Foreign Exchange.

OPPORTUNITIES :

- Developing OEM customers globally to whom we already supply in India.
- Leverage BANCO brand in aftermarket business segment.
- Company has significantly increased OEM customer count and product approvals which should benefit when overall economy picks up.

THREATS :

- Increase metal prices and depreciation of Indian Rupee.
- The rate of local inflation in the country irrespective of upward or downward state of economy.
- Cost of energy and services is on constant increase.

TECHNOLOGY :

Banco has consistently strived to improve its technology skills in its both manpower and facilities. Timely and prudent investments has yielded benefits and will do so in future.

INTERNAL CONTROL AND ITS ADEQUACY :

The Company has successfully obtained renewal of TS-16949 certification and now started Lean 6-sigma implementation. Software for inter and intra department communication and follow up has been upgraded.

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 used 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 is 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, make suggestions for improvements, follow upon the implementation of corrective actions and keeps informed the Board of its major observation from time to time.

INFORMATION TECHNOLOGY :

Company is successfully operating SAP (ERP) system. 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	Current Year 2014 - 15	Previous Year 2013 - 14
Net Profit to Sales (PBT) (%)	13	19
Earnings Per Share (EPS) (₹)	6	9
Cash earnings per Share (₹)	8	12
Return on Net worth (PAT) (%)	10	17
Dividend Payout Ratio (Including Dividend Tax) (%)	55	22
Retained Earnings (₹ in crores)	42	66
Retained Earnings (%)	45	78

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED :

The Industrial Relations in all the units of the Company during the financial year 2014-2015 were peaceful and harmonious. Over the years, employees have been the backbone of harmonious Industrial Relations of the Company and there were 531 people employed in the Company as on 31.03.2015.

To increase the employees' effectiveness in work and to update themselves with recent developments, employees at all levels were given due priority. Special emphasis were given to team building and work culture besides preparing employees to understand the trends of fast changing technology for achieving higher efficiency levels in production, quality, productivity and profitability.

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

FUTURE STRATEGY :

Faster development of new products, very high quality customer-satisfaction-management is a thrust 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.

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/pdf/Corporate_Social_Responsibility_Policy.pdf

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

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

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 ₹ 7,487.43 lacs.

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

The Company is required to spend ₹ 149.75 lacs for the financial year ended on 31.03.2015.

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

- (a) **Total amount to be spent for the financial year.**

₹ 150.00 lacs.

- (b) **Amount unspent, if any.**

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	**	**	Rs. 150.00 lacs	Rs. 150.00 lacs	Rs. 150.00 lacs	Through implementing Agency

*Implementing Agency is Prashanti Medical Services & Research Foundation Registration Number E/3441/RAJKOT.

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



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.
Not Applicable.
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.

For Banco Products (India) Limited

Date : 04.07.2015
Place : Bil

Ramkisan Devidayal
Director
(DIN 00238853)

Mukesh D. Patel
Director
(DIN 00009605)

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 office building.
 - Low Bay Induction lights at CAC section installed.
 - Low Bay Induction lights at SEZ 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 conversation equipments during the financial year 2014-15 is ₹ 5.40 lacs.

B. TECHNOLOGY ABSORPTION :

Research and Development :

- (i) The efforts made towards technology absorption during the year under review are :
 - To enhance the engine life by developing radiators, oilcoolers 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.

- Company could develop products to substitute coolers earlier imported by OEMs at lower cost.
- 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 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 Lacs)

Expenditure on R&D	2014-2015	2013-2014
1. Capital	59.02	77.49
2. Recurring	372.50	341.92
3. Total	431.52	419.41
4. Percentage of R&D Expenditure to Total Turnover	1.05%	0.96%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(₹ in Lacs)

	2014-2015	2013-2014
a. Foreign Exchange earned in terms of Actual Inflows	15,630.36	18,852.66
b. Foreign Exchange outgo in terms of Actual Outflows	11,058.65	9,823.20



ANNEXURE “D”
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND 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 and 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 |
| vii) Name, Address and Contact details of Registrar and 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 and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Aluminum Radiator	374.8	81%
2	Copper Brass Radiator	374.8	17%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No	NAME AND 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: Suite G 12, St. James Court, St. Denis Street, Port Louis, Mauritius	-	Subsidiary	100%	2(87)


IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	17555215	517548	18072763	25.27	17555215	517548	18072763	25.27	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	3567269	0	3567269	4.99	3567269	0	3567269	4.99	0.00
Sub-total (A)(1)	21122484	517548	21640032	30.26	21122484	517548	21640032	30.26	0.00
(2) Foreign									
a) NRIs - Individual	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individual	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	26909960	26909960	37.63	0	26909960	26909960	37.63	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	26909960	26909960	37.63	0	26909960	26909960	37.63	0.00
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	21122484	27427508	48549992	67.88	21122484	27427508	48549992	67.88	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	516274	0	516274	0.72	3500913	0	3500913	4.90	4.18
b) Banks / FI	0	2000	2000	0.00	34257	2000	36257	0.05	0.05
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	324647	0	324647	0.45	0.45
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)									
- Foreign Company	2189040	900600	3089640	4.32	881367	900600	1781961	2.49	(1.83)
Sub-total (B)(1)	2705314	902600	3607914	5.04	4741178	902600	5643778	7.89	2.85
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	1973380	2700	1973380	2.76	1494101	2700	1496801	2.09	(0.67)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	9931552	968956	10900508	15.24	9014137	895706	9909843	13.86	(1.36)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2134717	63550	2198267	3.07	1806029	63550	1869579	2.61	(0.46)
c) Others (specify)									
- Other Directors	586034	6600	592634	0.83	586034	0	586034	0.82	(0.01)
- Clearing Members	247352	0	247352	0.35	114391	0	114391	0.16	(0.19)
- Foreign National									
Non Resident Indian (REPAT)	971490	487450	1458940	2.04	932348	468850	1401198	1.96	(0.08)
Non Resident Indian (NON REPAT)	991483	994480	1985963	2.78	951554	994480	1946034	2.72	(0.06)
Trusts	1000	0	1000	0.00	1000	0	1000	0.00	0.00
Sub-total (B)(2)	16837008	2523736	19360744	27.07	14899594	2425286	17324880	24.22	(2.85)
Total Public Shareholding (B)= (B)(1)+ (B)(2)	19542322	3426336	22968658	32.12	19640772	3327886	22968658	32.12	(0.00)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	40664806	30853844	71518650	100.00	40763256	30755394	71518650	100.00	0.00

(ii) **Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	5572836	7.79	0.00	5572836	7.79	0.00	0.00
2	Samir K. Patel	5016997	7.01	0.00	5016997	7.01	0.00	0.00
3	Mehul K. Patel	5615382	7.85	0.00	5615382	7.85	0.00	0.00
4	Hasumati K. Patel	1867548	2.62	0.00	1867548	2.62	0.00	0.00
5	Overseas Pearl Ltd	26909960	37.63	0.00	26909960	37.63	0.00	0.00
6	Prity V. Patel	1182085	1.65	0.00	1182085	1.65	0.00	0.00
7	Monal S. Patel	1182806	1.65	0.00	1182806	1.65	0.00	0.00
8	Gayatri M. Patel	1202378	1.68	0.00	1202378	1.68	0.00	0.00

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during 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	48549992	67.88	48549992	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):	-	-	48549992	67.88
	At the end of the year	48549992	67.88	48549992	67.88

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Japan Metal Gasket Company Limited	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2189040	3.06		
	09.05.2014	(300000)		1889040	2.64
	23.05.2014	(87000)		1802040	2.52
	20.06.2014	(13000)		1789040	2.50
	30.06.2014	(100000)		1689040	2.36
	10.10.2014	(100000)		1589040	2.22
	17.10.2014	(100000)		1489040	2.08
	24.10.2014	(100000)		1389040	1.94
	31.10.2014	(100000)		1289040	1.80
	07.11.2014	(100000)		1189040	1.66
	30.01.2015	(307679)		881361	1.23
	At the end of the year	881361	1.23		



Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Bhartibala Ramesh Chandra Patel	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	990000	1.38		
		-	-	990000	1.38
	At the end of the year	990000	1.38		
Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Palate Star Investments Limited	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	900000	1.26		
		-	-	900000	1.26
	At the end of the year	900000	1.26		
Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	VLS Finance Limited	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	500000	0.70		
	30.06.2014	(500000)		0	0.00
	12.09.2014	10400		10400	0.01
	10.10.2014	6500		16900	0.02
	17.10.2014	(15900)		1000	0.00
	At the end of the year	1000	0.00		
Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Sanjiv Vinubhai Patel	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	450000	0.63		
		-	-	450000	0.63
	At the end of the year	450000	0.63		
Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Ashit Chandubhai Patel	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	418740	0.59		
		-	-	418740	0.59
	At the end of the year	418740	0.59		
Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Lalitaben Chandubhai Patel	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	418740	0.59		
		-	-	418740	0.59
	At the end of the year	418740	0.59		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	HDFC Trustee Company Limited A/C HDFC Balanced Fund	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	325626	0.46		
	04.07.2014	(250000)		75626	0.11
	08.08.2014	(75626)		0	0.00
	At the end of the year	0	0.00		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Ramesh Damani	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	247496	0.35		
	11.07.2014	(17500)		229996	0.32
	31.10.2014	(7500)		222496	0.31
	At the end of the year	222496	0.31		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Shweta Patel	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	215907	0.30		
		-	-	215907	0.30
	At the end of the year	215907	0.30		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Raghuvir Devidayal	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	118653	0.17		
		-	-	118653	0.17
	At the end of the year	118653	0.17		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Srinivasan Varadarajan	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	117427	0.16		
		-	-	117427	0.16
	At the end of the year	117427	0.16		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Franklin India Smaller Companies Fund	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-		
	30.06.2014	42478		42478	0.06
	04.07.2014	724216		766694	1.07
	11.07.2014	183306		950000	1.33
	18.07.2014	43150		993150	1.39
	15.08.2014	81850		1075000	1.50
	22.08.2014	9415		1084415	1.52
	29.08.2014	140585		1225000	1.71
	21.11.2014	(55000)		1170000	1.64
	09.01.2015	25000		1195000	1.67
	06.02.2015	75000		1270000	1.78
	13.02.2015	25000		1295000	1.81
	20.02.2015	1209		1296209	1.81
	27.02.2015	48791		1345000	1.88
	20.03.2015	25000		1370000	1.92
	27.03.2015	45000		1415000	1.98
	31.03.2015	6978		1421978	1.99
	At the end of the year	1421978	1.99		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	HDFC Small & Midcap Fund	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-		
	04.07.2014	250000		250000	0.35
	27.07.2014	17000		267000	0.37
	08.08.2014	75626		342626	0.48
	05.09.2014	107374		450000	0.63
	19.09.2014	12000		462000	0.65
	30.09.2014	113150		575150	0.80
	10.10.2014	174850		750000	1.05
	At the end of the year	750000	1.05		

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Pure Value Fund	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-		
	23.05.2014	15000		15000	0.02
	30.05.2014	34900		49900	0.07
	06.06.2014	50000		99900	0.14
	30.06.2014	35000		134900	0.19
	17.10.2014	110300		245200	0.34
	24.10.2014	31650		276850	0.39
	31.10.2014	57294		334144	0.47
	07.11.2014	230200		564344	0.79
	21.11.2014	42900		607244	0.85
	28.11.2014	60000		667244	0.93
	31.12.2014	26050		693294	0.97
	At the end of the year	693294	0.97		

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shri Vimal K. Patel				
	At the beginning of the year	5572836	7.79	5572836	7.79
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	5572836	7.79
	At the end of the year	5572836	7.79	5572836	7.79
2.	Shri Mehul K. Patel				
	At the beginning of the year	5615382	7.85	5615382	7.85
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	5615382	7.85
	At the end of the year	5615382	7.85	5615382	7.85
3.	Shri Samir K. Patel				
	At the beginning of the year	5016997	7.01	5016997	7.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	5016997	7.01
	At the end of the year	5016997	7.01	5016997	7.01
4.	Shri Ramkisan Devidayal				
	At the beginning of the year	586034	0.82	586034	0.82
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	586034	0.82
	At the end of the year	586034	0.82	586034	0.82

5.	Shri Atul G. Shroff				
	At the beginning of the year	6600	0.01	6600	0.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	6600	0.01
	At the end of the year	6600	0.01	6600	0.01
6.	Shri Sudesh Kumar Duggal				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	0	0.00
	At the end of the year	0	0.00	0	0.00
7.	Shri Mukesh D. Patel				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	0	0.00
	At the end of the year	0	0.00	0	0.00
8.	Shri Devesh A. Pathak				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	0	0.00
	At the end of the year	0	0.00	0	0.00
9.	Shri Udayan P. Patel				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	0	0.00
	At the end of the year	0	0.00	0	0.00
10.	Shri Shailesh A. Thakker				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	0	0.00
	At the end of the year	0	0.00	0	0.00
11.	Shri Kiran Kumar Shetty				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	0	0.00
	At the end of the year	0	0.00	0	0.00
12.	Ms. Himat H. Patel				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	0	0.00
	At the end of the year	0	0.00	0	0.00
13.	Shri Dinesh Kavthekar				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	0	0.00
	At the end of the year	0	0.00	0	0.00

14.	Shri Deep Vaghela				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	0	0.00
	At the end of the year	0	0.00	0	0.00

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment****(₹ in Lacs)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,699.02	4,666.00	Nil	11,365.02
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	46.97	18.56	Nil	65.53
Total (i+ii+iii)	6,745.99	4,684.56	Nil	11,430.55
Change in Indebtedness during the financial year				
- Addition	Nil	2,600.00	Nil	2,600.00
- Reduction	(4,430.99)	(7,284.56)	Nil	(11,715.55)
Net Change	(4,430.99)	(4,684.56)	Nil	(9,115.55)
Indebtedness at the end of the financial year				
i) Principal Amount	2,302.13	Nil	Nil	2,302.13
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	12.87	Nil	Nil	12.87
Total (i+ii+iii)	2,315.00	Nil	Nil	2,315.00

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

Sl. no.	Particulars of Remuneration	Shri Mehul K. Patel (Chairman)	Shri Kiran Kumar Shetty (Executive Director)	Shri Shailesh Thakker (Executive Director & CFO upto 23.09.2014)	Mrs. Himali H. Patel (Whole time Director & CFO w.e.f. 13.02. 2015)	Total Amount
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,27,30,167	58,20,000	36,03,632	1,38,328	2,22,92,127
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	80,313	56,378	30,554	1,540	1,68,785
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	2,86,90,564	Nil	Nil	Nil	2,86,90,564
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	4,15,01,044	58,76,378	36,34,186	1,39,868	5,11,51,476
	Ceiling as per the Act	573.84 lacs				

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Shri Atul G. Shroff (upto 11.01.2015)	Shri Ramkisan Devidayal	Shri Mukesh D. Patel	Shri Sudesh K. Duggal (upto 22.09.2014)	Shri Devesh A. Pathak (w.e.f. 13.02. 2015)	Shri Udayan P. Patel (w.e.f. 13.02. 2015)	Total Amount
	1. Independent Directors							
	- Fee for attending board / committee meetings	1,12,500	2,75,000	2,45,000	65,000	50,000	50,000	7,97,500
	- Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	1,12,500	2,75,000	2,45,000	65,000	50,000	50,000	7,97,500
	2. Other Non-Executive Directors							
	- Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	1,12,500	2,75,000	2,45,000	65,000	50,000	50,000	7,97,500
	Total Managerial Remuneration	5,19,48,976						
	Overall Ceiling as per the Act	573.84 lacs						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Shri Dinesh Kavthekar (Company Secretary upto 30.09.2014)	Shri Deep Vaghela (Company Secretary w.e.f. 13.02. 2015)	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,47,710	31,090	6,78,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) 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			
	- others, specify...			
5.	Others, please specify	Nil	Nil	Nil
	Total	6,47,710	31,090	6,78,800

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

**ANNEXURE “E”
SECRETARIAL AUDIT REPORT**

(For the Financial year ended on 31st March, 2015)

[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.

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 Banco Products (India) Ltd. 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, 2015, 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, 2015, 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 and Overseas Direct Investment and External Commercial Borrowings;

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.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. - Not mandatory for the Company to comply with during the Audit Period.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

Further, we confirm that as per representation of management letter there are no laws specifically applicable to the Company, considering its products, process or location.

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 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. It is mentioned that Secretarial Standards were not mandatory to comply with during the Audit period.

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

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

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

**Place: Vadodara
Date: 15th May, 2015**

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



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

To,
The Members
Banco Products (India) Ltd.

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

Place: Vadodara
Date: 15th May, 2015

Sd/-
(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 COMPANIES/JOINT VENTURES
PART "A" : SUBSIDIARIES

Sr. No.	Name of the Subsidiary	Reporting Period	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
1	Nederlandse Handelsscheepvaartbank NV	1 st December 2013 to 30 th November 2014	77	27,962	32,071	4,101	-	37,300	3,180	307	2,873	1,103	100%
1.1	NRF Thermal Engineering BV (Suprex BV)	1 st December 2013 to 30 th November 2014	11	212	1,533	1,285	-	4,286	(5)	(1)	(3)	-	100%
1.2	NRF France Sarl	1 st December 2013 to 30 th November 2014	127	1,257	2,811	1,478	-	7,535	437	126	509	-	100%
1.3	NRF BVBA	1 st December 2013 to 30 th November 2014	-	-	-	-	-	-	-	-	-	-	100%
1.4	NRF United Kingdom Ltd	1 st December 2013 to 30 th November 2014	1,225	385	2,617	895	-	3,253	(39)	5	(43)	-	100%
1.5	NRF Handloges, mbH	1 st December 2013 to 30 th November 2014	25	121	303	404	-	1,291	177	12	194	-	100%
1.6	NRF Deutschland GmbH	1 st December 2013 to 30 th November 2014	70	331	1,694	1,223	-	7,925	206	92	204	-	100%
1.7	NRF Espana S.A.	1 st December 2013 to 30 th November 2014	2,235	657	3,730	747	-	7,336	440	134	506	-	100%
1.8	NRF Poland Spuz	1 st December 2013 to 30 th November 2014	12	755	3,115	2,337	-	5,195	905	62	243	-	100%
1.9	NRF Italia Srl	1 st December 2013 to 30 th November 2014	7	754	1,733	872	-	3,813	121	47	74	-	100%
1.10	NRF Zwi'serland AG	1 st December 2013 to 30 th November 2014	41	183	286	77	-	439	28	5	21	-	100%
1.11	NRF USA	1 st December 2013 to 30 th November 2014	19	(62)	147	129	-	47	6.1	6.6	0.1	-	100%
2.	Klimanjar Biochem limited	1 st April 2014 to 31 st March 2015	1,459	2,354	3,632	2,229	-	5,021	1,088	340	743	-	100%
3.	Lake Mineral (Mauritius) Limited	1 st April 2014 to 31 st March 2015	2,563	1,159	3,733	5	-	1,747	1,726	-	1,726	-	100%
4.	Banco Gaskets (India) Limited	1 st April 2014 to 31 st March 2015	3,600	1,456	7,622	2,394	-	11,119	746	339	477	-	100%

Note:

- Sr. 1.1 to 1.11 are subsidiaries of NRF (Subsidiary at Sr. No. 1.3 was Liquidated in October 2014 and at Sr. No. 1.11 was founded in March 2015)
- Exchange rate used for conversion of figures in Euro (1 to 1.11 of NRF group) ₹ 68.21 Per Euro (31st March 2014, ₹ 83.20 Per Euro)
- Exchange rate used for conversion of figures in Tshts (No. 2 of Klimanjar Biochem limited) :- 0.0358 ₹ Per Tshts (31st March 2014, ₹ 0.0358 Per Tshts)
- Exchange rate used for conversion of figures in US\$ (No.3 of Lake Mineral (Mauritius) Limited:- ₹ 62.90 per US\$ (31st March 2014, ₹ 60.23 Per US\$)
- No. 2 of Klimanjar Biochem limited is subsidiary of Lake Mineral (Mauritius) Limited
- No. 4 of Banco Gaskets (India) limited is an Indian Subsidiary using Indian Rupees as functional currency
- Names of Subsidiaries which are yet to commence Operations – Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year – Not Applicable



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

PART "B" : ASSOCIATES AND JOINT VENTURES

----- Not Applicable -----

For and on behalf of the Board,

Date : 04.07.2015
Place : Bil

Kiran Kumar Shetty
Director
(DIN 03129699)

Himali H. Patel
Director
(DIN 07081636)

Himali H. Patel
Chief Financial Officer

Deep Vaghela
Company Secretary

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, 2015

- (1) The Percentage Increase in remuneration of each Directors, Chief Financial Officer and Company Secretary during the Financial year 2014-15, The ratio of the remuneration of each Director to the median remuneration of the employee of the company for the Financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No	Name of Director/ KMP	Designation	Remuneration for the Financial year 2014-15 Rs. Lacs	% increase in Remuneration in the Financial year 2014-15	Ratio of Remuneration of each Directors/KMP to median remuneration of Employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mehul K Patel	Chairman	415.01	259 %	178.12	Profit Before Tax
2	Shailesh A Thakker *	Executive Director & CFO	36.34	-	-	Reduced by 35.5% during Financial year 2014-15
3	Kiran K Shetty	Executive Director	58.76	5%	25.22	Profit After Tax
4	Himali Patel **	Whole Time Director & CFO	1.40	-	-	Reduced by 37.2% during Financial year 2014-15
5	Dinesh Kavthekar ***	Company Secretary	6.47	-	-	
6	Deep Vaghela ****	Company Secretary	0.31	-	-	

* Details not given as he was Executive Director & CFO for part of the Financial year i.e upto 23.09.2014

** Details not given as she became Whole Time Director & CFO for part of the Financial year i.e w.e.f. 13.02.2015

*** Details not given as he was Company Secretary for part of the Financial year i.e upto 30.09.2014

**** Details not given as he became Company Secretary for part of the Financial year i.e w.e.f. 13.02.2015

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 ₹ 2.33 Lacs PA
- (3) In the Financial year, there was an increase of 9.39% in the median remuneration of the employees
- (4) There were 531 Employees on roll of the company as on 31.03.2015
- (5) Relationship between average increase in remuneration and company performance. The profit after Tax reduced by 37.2% to ₹ 4168 Lacs for Financial year 2014-15 (For Financial year 2013-14 ₹ 6641 Lacs) whereas the increase in median remuneration was 9.39%.
- (6) Comparison of Remuneration of Key managerial personnel against the performance of the Company. The total remuneration of Key managerial personnels increased by 53.14 % from ₹ 338.43 Lacs to ₹ 518.29 Lacs in Financial year 2014-15. Where as profit after Tax reduced by 37.2% to ₹ 4168 Lacs in Financial year 2014-15 (In Financial year 2013-14 ₹ 6641 Lacs)
- (7) a) Variations in the market capitalisation of the Company : The market capitalisation as on March 31, 2015 was ₹ 748 crore (₹ 506 crore as on March 31, 2014)
- b) Price Earnings ratio of the Company was 8 as at March 31, 2015 and was 18 as at March 31, 2014.
- c) Market Quotation % increased on 31.03.2014 was 2285% compared with IPO issue price. Market Quotation % increased as on 31.03.2015 was 3387% compared with IPO issue price.
- (8) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 8.92% whereas the increase in the managerial remuneration for the same financial year was 53.14%
- (9) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (10) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- (11) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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, 2015

Sr No	Particulars	Details	
a)	Name of the Employee	Mehul K. Patel	Shailesh Thakker
b)	Designation of the Employee	Chairman	Vice-President (Accounts, Finance & Taxation)
c)	Remuneration received (in Lacs)	128.10*	96.81
d)	Nature of employment, whether contractual or otherwise	Contractual	Contractual / On Roll
e)	Qualification of employee	M.Sc (Engineering)	B.com, PGDBM, ICWA
f)	Experience of employee	24 years	22 years
g)	Date of commencement of employment	1-Aug-11	15-May-06
h)	The age of such employee	50 Yrs	47 Yrs
i)	The last employment held by such employee before joining the company	-	Deepak Nitrite Limited
j)	The percentage of equity shares held by the employee in the company within the meaning of clause(iii) of sub-rule(2)above	7.85%	None
k)	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Yes (He is relative of Shri Samir K Patel)	No

* Excluding Commission of ₹ 286.91 Lacs.

Notes :

- i All appointments are contractual and terminable by notice on either side.
- ii Shri Mehul K. Patel is the Chairman of the Company and a relative of Shri Samir K. Patel.
- iii Shri Shailesh Thakker was Executive Director & CFO upto 23.09.2014 and from 24.09.2014 onwards, he holds the position of Vice-President (Accounts, Finance & Taxation).



REPORT ON CORPORATE GOVERNANCE

In compliance with Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company presents the report on Corporate Governance as mentioned in the said Clause for the financial year ended on 31st March, 2015.

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, reinforces 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 Clause 49 of the Listing Agreement entered into with the Stock Exchanges, 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 :

The Board of Directors comprises of 8 (Eight) Directors. There are 4 (Four) Non-Executive Independent Directors, 3 (Three) Executive Non-Independent Directors and 1 (One) Non-Executive Non-Independent Director. 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.

The Composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

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 Clause 49, across all the Companies in which he / she is a Director. Necessary disclosure regarding the Committee position in other Public Companies as at 31.03.2015 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, function, 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 Companies Act, 2013 and Clause 49 of the Listing Agreement and other relevant regulations.

By way of an introduction to the Company, the Director provides 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 Annexure X to the Clause 49 of the Listing Agreement is regularly made available to the Board.

Details of Board Meeting

During the year under review, the Board met eight times on 08.05.2014, 23.05.2014, 14.07.2014, 09.08.2014, 01.11.2014, 27.12.2014, 13.02.2015 and 28.03.2015. 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 2014-2015	Whether attended last A.G.M.	No. of Directorship held in other Indian Public Companies	@ Committee Position	
					Chairman	Member
Shri Mehul K. Patel	Chairman & Promoter	8	Yes	2	1	1
Shri Vimal K. Patel*	Executive Chairman & Promoter	1	Yes	-	-	-
Shri Samir K. Patel	Non-Executive & Promoter	6	Yes	2	1	1
Shri Atul G. Shroff**	Non-Executive Independent	4	Yes	-	-	-
Shri Ramkisan Devidayal	Non-Executive Independent	8	Yes	4	3	4
Shri Mukesh D. Patel	Non-Executive Independent	7	No	4	5	2
Shri Sudesh Kumar Duggal***	Non-Executive Independent	4	Yes	-	-	-
Shri Devesh Pathak****	Non-Executive Independent	2	-	1	1	2
Shri Udayan Patel*****	Non-Executive Independent	2	-	-	-	2
Shri Shailesh Thakker*****	Executive Director & CFO	4	Yes	-	-	-
Shri Kiran Kumar Shetty	Executive Director	8	Yes	-	-	-
Mrs. Himali Patel*****	Whole time Director & CFO	2	-	-	-	-

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

* resigned with effect from 01.10.2014

** resigned with effect from 12.01.2015

*** resigned with effect from 23.09.2014

**** appointed with effect from 13.02.2015

***** appointed with effect from 13.02.2015

***** resigned with effect from 24.09.2014

***** appointed with effect from 13.02.2015

Shareholding of Directors	No. of Shares held as on 31.03.2015
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 four Non-Executive Independent Directors and one Executive Non-Independent Director viz. Shri Ramkisan Devidayal, Shri Mukesh D Patel, Shri Devesh A. Pathak, Shri Udayan P. Patel and 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 Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the terms of reference stipulated by the Board of Directors for the Audit Committee are:

Powers of the Audit Committee:

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

Role of the Audit Committee:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of Internal Auditors and Statutory Auditors of the company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - 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 Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of Related Party Transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- 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. To look 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. To review the functioning of the Whistle Blower 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 2014-2015, four Audit Committee meetings were held on 23.05.2014, 09.08.2014, 01.11.2014 and 13.02.2015. 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 Atul G. Shroff	3	1
Shri Mukesh D. Patel	4	4
Shri Devesh A. Pathak	-	-
Shri Udayan P. Patel	-	-
Shri Mehul K. Patel	2	2

5. NOMINATION AND REMUNERATION COMMITTEE :

The Board of Directors has constituted a Nomination and Remuneration Committee, comprising four Non-Executive Independent Directors and one Executive Non-Independent Director viz. Shri Ramkisan Devidayal, Shri Mukesh D Patel, Shri Devesh A. Pathak, Shri Udayan P. Patel and 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 Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the terms of reference stipulated by the Board of Director for the Nomination and Remuneration Committee are:

Role of the Nomination and Remuneration Committee:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- b. Formulation of criteria for evaluation of Independent Directors and the Board.
- c. Devising a policy on Board diversity.
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend 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.

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 Companies Act, 2013 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 Companies Act, 2013 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 Companies Act, 2013 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 Companies Act, 2013 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 lac 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 2014-2015, four Nomination and Remuneration Committee meetings were held on 14.07.2014, 09.08.2014, 13.02.2015 and 28.03.2015. 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 Atul G. Shroff	2	2
Shri Ramkisan Devidayal	4	4
Shri Mukesh D. Patel	4	3
Shri Devesh A. Pathak	1	1
Shri Udayan P. Patel	1	1
Shri Mehul K. Patel	2	2

The details of remuneration paid to Executive Directors during the financial year 2014-2015 are as under:

Sr. No.	Name of the Directors	Designation	*Total Remuneration paid by way of Salary & Perquisites (Rs. in Lacs)
1.	Shri Mehul K. Patel	Executive Chairman	128.10
2.	Shri Vimal K. Patel	Executive Chairman (upto 30.09.2014)	-
3.	Shri Shailesh A. Thakker	Executive Director & CFO (upto 23.09.2014)	36.34
4.	Shri Kiran K. Shetty	Executive Director	58.76
5.	Mrs. Himali H. Patel	Whole time Director & CFO (w.e.f. 13.02.2015)	1.40

*Note : Remuneration excludes Commission of ₹ 286.91 Lacs

The details of sitting fees paid to Non-Executive Directors during the financial year 2014-2015 are as under:

Sr. No.	Name of the Directors	Designation	Total Sitting Fees paid (in Rs.)
1.	Shri Atul G. Shroff	Non-Executive Independent Director	1,12,500
2.	Shri Ramkisan Devidayal	Non-Executive Independent Director	2,75,000
3.	Shri Mukesh D. Patel	Non-Executive Independent Director	2,45,000
4.	Shri Sudesh K. Duggal	Non-Executive Independent Director	65,000
5.	Shri Devesh A. Pathak	Non-Executive Independent Director	50,000
6.	Shri Udayan P. Patel	Non-Executive Independent Director	50,000

6. STAKEHOLDERS RELATIONSHIP COMMITTEE :

The Board of Directors has constituted a Stakeholders Relationship Committee, comprising four Non-Executive Independent Directors and one Non-Executive Non-Independent Director viz. Shri Mukesh D Patel, Shri Ramkisan Devidayal, Shri Devesh A. Pathak, Shri Udayan P. Patel and 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, dematerialisation 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 Companies Act, 2013 and Clause 49 of the Listing Agreement.

During the financial year 2014-2015, two Stakeholders Relationship Committee meetings were held on 23.05.2014 and 01.11.2014. 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	Meetings Attended
Shri Atul G. Shroff	2	0
Shri Ramkisan Devidayal	2	2
Shri Mukesh D. Patel	2	2
Shri Devesh A. Pathak	-	-
Shri Udayan P. Patel	-	-
Shri Samir K. Patel	2	2

The Company has appointed Shri Upendra Joshi, the Secretarial Executive, as the Compliance Officer along with the Company Secretary, as Compliance Officer.

During the period under review, 2 (two) investor grievances were received and resolved. No grievances / complaints are outstanding and no requests for share transfers and / or requests for dematerialisation were pending for approval as on 31.03.2015.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

The Board of Directors has constituted a Corporate Social Responsibility Committee, comprising four Non-Executive Independent Directors, one Executive Non-Independent Director and one Non-Executive Non-Independent Director viz. Shri Ramkisan Devidayal, Shri Mukesh D Patel, Shri Devesh A. Pathak, Shri Udayan P. Patel, 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 Companies Act, 2013. 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 2014-2015, one Corporate Social Responsibility Committee meeting was held on 27.12.2014. The details of Members' attendance at the meeting of Corporate Social Responsibility Committee is as under:

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

8. SEPARATE INDEPENDENT DIRECTORS' MEETING :

During the financial year 2014-2015, one Separate Meeting of Independent Directors' was held on 13.02.2015. The meeting interalia discussed :

- a. Criteria for Performance Evaluation of the Board of Directors of the Company by the Independent Directors.
- b. Criteria for Performance Evaluation of the Non-Independent Directors of the Company by the Independent Directors.
- c. Criteria for Performance Evaluation of the Independent Directors of the Company 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	Meetings Attended
Shri Ramkisan Devidayal	1	1
Shri Mukesh D. Patel	1	1
Shri Devesh A. Pathak	1	1
Shri Udayan P. Patel	1	1

9. GENERAL BODY MEETINGS :

Date	Time	Place	Special Resolution
04.08.2012	10:00 a.m.	At the Registered Office	No Special Resolution was passed
21.09.2013	10:00 a.m.	At the Registered Office	No Special Resolution was passed
23.09.2014	10:30 a.m.	At the Registered Office	Special Resolution was passed

10. DISCLOSURES :

- a. 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 188 of the Companies Act, 2013. None of the transactions with any of the related parties were in conflict with the interest of the Company and as per requirements of Accounting Standard 18, this has been disclosed in notes to accounts annexed to the financial statements.
- b. None of the Non-Executive Directors has any material pecuniary relationship or transactions with the Company.
- c. The Independent Directors have confirmed that they meet the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.
- d. There were no instances 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.

Mandatory Requirements:

The Company has complied with the mandatory requirements as stipulated in Clause 49 of the Listing Agreements entered into with the Stock Exchanges.

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 Stock Exchange 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 Listing Agreement 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 8th day of August, 2015 at 10:00 a.m.
 Venue : At the Registered Office of the Company at Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara – 391 140

Financial Calendar:

Period	Board Meeting to approve
Unaudited Financial Results for:	
Quarter ending 30.06.2015	By end of July, 2015 or within statutory time limit
Quarter ending 30.09.2015	By end of October, 2015 or within statutory time limit
Quarter ending 31.12.2015	By end of January, 2016 or within statutory time limit
Audited Results for the year ended on 31.03.2016	By end of May, 2016 or within statutory time limit

Dividend Payment Date : On or after 01.09.2015

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 31.03.2015, the Register of Members and Share Transfer Books of the Company will remain closed from 29.07.2015 to 08.08.2015 (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 31.03.2015, if approved at the Annual General Meeting will be paid on or after 01.09.2015:

- To all the beneficial owners in respect of shares held in electronic form, as per the date made available by the National Security Depository Limited and Central Depository Services (India) Limited as of the close of business hours on 28.07.2015; 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 28.07.2015.

Listing of Equity Shares on Stock Exchanges:

- Bombay Stock Exchange 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 Bombay Stock Exchange 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, 2014	85.25	61.40	10,72,774	85.40	68.10	21,60,858
May, 2014	106.45	74.10	21,30,261	106.50	74.65	38,97,190
June, 2014	120.90	84.00	23,39,530	121.10	84.40	50,67,253
July, 2014	148.25	112.00	15,25,491	148.50	117.65	34,19,954
August, 2014	138.00	113.00	4,38,053	138.90	112.65	10,56,002
September, 2014	174.00	134.00	8,81,924	173.00	133.05	29,46,418
October, 2014	167.40	135.30	11,79,294	168.40	135.45	22,36,763
November, 2014	184.00	154.00	12,45,058	183.95	154.00	30,81,247
December, 2014	174.00	146.25	3,39,440	174.20	146.05	10,85,481
January, 2015	166.00	135.00	3,79,319	166.80	135.00	13,38,512
February, 2015	142.00	120.00	2,31,858	141.95	119.05	10,02,900
March, 2015	128.00	99.00	3,03,396	129.90	98.95	8,94,501

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

Distribution of Shareholding as on 31.03.2015:

No of Share Holding	No. of Share holders	No. of Shares	% to Total Paid-up Capital
1 – 500	9,402	13,73,917	1.92
501 – 1000	1,713	14,62,835	2.04
1001 – 2000	969	15,60,252	2.18
2001 – 3000	475	13,13,435	1.84
3001 – 4000	200	7,42,470	1.04
4001 – 5000	139	6,57,376	0.92
5001 – 10000	214	15,38,017	2.15
10001 and above	208	6,28,70,348	87.91
Total	13,320	7,15,18,650	100.00

**Distribution of Shareholding Pattern as on 31.03.2015:**

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	36,257	0.05
Bodies Corporate	14,96,801	2.09
Non-Residents Indians	33,47,232	4.68
Mutual Funds	35,00,913	4.90
Public	1,45,87,455	20.40
Total	7,15,18,650	100.00

Dematerialisation of Shares as on 31.03.2015:

About (57.00%) of equity shares of the Company, have been dematerialised.

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.	293	5,41,240
Number of Shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the year.	2	3,600
Number of Shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	2	3,600
Aggregate Number of Shareholders and the outstanding shares in the suspense account at the end of the year.	291	5,37,640

As per Clause 5A of the Listing Agreement, the Company had demated 5,58,640 Equity Shares in Banco Products (India) Limited Unclaimed Suspense Account.

The voting rights on the shares outstanding in the Suspense Account as on 31.03.2015 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)

Address for Correspondence:

For transfer/dematerialisation of shares, transmission, etc	For payment of dividend and other queries of the Company
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) 2680220/21/22 Email : sec@bancoindia.com , investor@bancoindia.com



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 31.03.2015 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, the Company Secretary and other employees in the Vice President cadre as on 31.03.2015.

For Banco Products (India) Limited

Date : 04.07.2015

Place : Bil

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

CFO CERTIFICATION

To,

The Board of Directors

BANCO PRODUCTS (INDIA) LIMITED

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

- a. I had reviewed the financial statements and the cash flow statement for the financial year ended on 31.03.2015 and that to the best of my knowledge and belief, I 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. I further state that to the best of my 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. I hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. I am responsible for establishing and maintaining internal controls for financial reporting and that I 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 take to rectify these deficiencies.
- e. I had indicated, based in my 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 : 04.07.2015

Place : Bil

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



AUDITORS' REPORT 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** for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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 management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For Manubhai & Shah
Chartered Accountants
FRN : 106041W**

**Date : 04.07.2015
Place : Ahmedabad**

**Gaurav Parmar
Partner
Membership No. 121462**

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 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 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 there under.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 31st March, 2015, 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 March 31, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. 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 30 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 amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Manubhai & Shah
Chartered Accountants
FRN: 106041W

Gaurav Parmar
Partner
Membership No. 121462
Place : Ahmedabad
Date : 26th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Para 1 under the heading "Report on the other – Legal and Regulatory Requirements" of our Report of even date)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and Situation of fixed asset.
- (b) The Company has a regular program of physical verification of fixed assets which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. According to the information and explanations give to us, no material discrepancies were noticed on such verification.
2. (a) The Inventory has been physically verified by the Management at the reasonable intervals during the year except stock lying with third parties in respect of which confirmations have been obtained in majority of the cases by the company.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
3. The company had granted unsecured loan to its one of the subsidiary covered in the register maintained under section 189 of the Companies Act, 2013.
 The subsidiary is regular in repayment of the principal amount and in payment of interest. There is no overdue amount for more than ₹ 1 Lac.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have any information of any instances of major weaknesses in the aforesaid internal control systems.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for the goods manufactured by company.
7. (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March 2015 for a period of more than six months from the date they became payable.

- (b) Following disputed demands aggregating to ₹ 506.51 lakhs have not been deposited since the matters are pending with the relevant concerned authorities.

Name of the Statute	Nature of Dues	Amount in Lacs	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty and Service Tax	396.83	Financial Year 1998-1999 till financial year 2014-2015	<p>- ₹ 384.62 lacs pending with CEGAT, WZB, Ahmedabad</p> <p>- ₹ 9.10 lacs pending with Commissioner Central Excise and Custom (Appeal)</p> <p>- ₹ 3.11 lacs pending with Commissioner (Appeal) Customer, Mumbai</p>
Sales Tax Act	VAT/CST	109.68	Financial Year 2008-2009 till 2010-2011	<p>₹ 41.38 lacs pending with Appellate Tribunal, Ahmedabad.</p> <p>₹ 7.35 lacs pending with JC-Appeal, Vadodara and ₹ 60.95 lacs pending with DC-Assistant Commissioner, Ranchi.</p>

- (c) The amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
8. The company does not have any accumulated loss as at 31st March, 2015. It has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
9. According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution or banks.
10. According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from a bank or financial institution.
11. According to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
12. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For Manubhai & Shah
Chartered Accountants
FRN: 106041W

Gaurav Parmar
Partner
Membership No. 121462
Place : Ahmedabad
Date : 26th May, 2015



BALANCE SHEET AS AT 31st MARCH, 2015

(₹ in Lacs)

PARTICULARS	Note No.	AS AT 31 March, 2015	AS AT 31 March, 2014
I Equity and liabilities			
1 Shareholders' Funds:			
Share capital	3	1,430.37	1,430.37
Reserves and surplus	4	39,472.75	37,600.29
		40,903.12	39,030.66
2 Non-current liabilities:			
Long term borrowings	5	432.44	2,167.91
Deferred tax liabilities(net)	6	988.82	948.64
Long term provisions	7	266.68	154.19
		1,687.94	3,270.74
3 Current liabilities:			
Short term provisions	8	1,966.38	312.30
Short term borrowings	9	42.44	7,034.29
Trade payables	10	2,294.73	3,614.75
Other current liabilities	11	3,273.75	3,622.67
		7,577.30	14,584.01
		50,168.36	56,885.41
II Assets			
1 Non-current assets:			
Fixed assets			
Tangible assets	12	12,245.07	12,273.02
Intangible assets		100.85	151.69
Capital work in progress		300.36	669.70
		12,646.28	13,094.41
Non-current investments	13	17,124.06	19,783.24
Long-term loans and advances	17	642.43	4,311.28
		17,766.49	24,094.52
2 Current assets:			
Current investments	13	36.60	33.25
Inventories	14	7,946.86	7,577.11
Trade receivables	15	7,437.21	9,214.32
Cash and cash equivalents	16	2,749.64	628.84
Short-term loans and advances	17	1,473.05	2,089.66
Other current assets	18	112.23	153.30
		19,755.59	19,696.48
		50,168.36	56,885.41
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For Manubhai & Shah

Chartered Accountants

FRN 106041W

Gaurav Parmar

Partner

Membership No. 121462

For and behalf of the board

Mehul K. Patel

Chairman

DIN 01772099

Udayan P. Patel

Director

DIN 00598313

Mukesh D. Patel

Director

DIN 00009605

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

Devesh A. Pathak

Director

DIN 00017515

Deep Vaghela
Company Secretary

Place : Ahmedabad

Date : 26th May, 2015

Place : Vadodara

Date : 25th May, 2015


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015

(₹ in Lacs)

PARTICULARS	Note No.	2014-15	2013-14
I Revenue from operations (gross)	19	44,651.42	47,252.84
Less :- Excise duty		3,614.25	3,536.86
		41,037.17	43,715.98
Other operating income		973.71	1,006.37
		42,010.88	44,722.35
II Other income	20	1,558.32	3,366.48
III Total revenue (I+II)		43,569.20	48,088.83
IV Expenses			
Cost of materials consumed	21	24,306.35	24,427.61
Changes in inventories of work-in-progress and finished goods	22	(524.15)	441.20
Employee benefit expenses	23	2,933.06	2,570.31
Finance costs	24	568.10	1,421.77
Depreciation and amortisation expenses	25	1,646.38	1,651.71
Other expenses	26	9,291.30	9,286.46
Total(IV)		38,221.04	39,799.06
V Profit/(loss) before exceptional and extra-ordinary items (III-IV)		5,348.16	8,289.77
VI Exceptional and extra-ordinary items		-	-
VII Profit before Tax (V-VI)		5,348.16	8,289.77
Current tax		1,118.19	1,734.27
Deferred tax		62.39	(85.48)
		1,180.58	1,648.79
VIII Profit for the year		4,167.58	6,640.98
Earning per equity share (face value of ₹ 2 each)			
Basic and diluted earning per share before exceptional and ordinary items		5.83	9.29
Basic and diluted earning per share after exceptional and ordinary items		5.83	9.29
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

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

Gaurav Parmar
Partner
Membership No. 121462

Place : Ahmedabad
Date : 26th May, 2015

For and behalf of the board

Mehul K. Patel
Chairman
DIN 01772099

Udayan P. Patel
Director
DIN 00598313

Place : Vadodara
Date : 25th May, 2015

Mukesh D. Patel
Director
DIN 00009605

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

Devesh A. Pathak
Director
DIN 00017515

Deep Vaghela
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

(₹ in Lacs)

PARTICULARS	31st March 2015	31st March 2014
Cash flow from operating activities		
Net profit/(loss) before tax	5,348.16	8,289.76
Adjustments for non cash items/items required to be disclosed separately:		
Depreciation and amortisation expenses	1,646.38	1,651.71
Interest and finance charges paid	568.10	1,421.77
Unrealised loss (net of gain)	13.52	77.43
(Profit)/loss on sale of fixed assets	(28.23)	(11.48)
(Profit)/loss on sale of investment	(118.95)	-
foreign exchange gain on redemption of preference shares	(168.41)	-
Interest received	(198.12)	(419.55)
Dividend income from non-current investment	(564.26)	(2,380.30)
Dividend income from current investment	(13.71)	(15.71)
Operating profit before working capital changes	6,484.48	8,613.63
Movement in working capital:		
(Increase)/decrease in trade receivables	1,741.28	(390.22)
(Increase)/decrease in inventories	(369.75)	1,650.76
(Increase)/decrease in loans and advances	1,116.15	1,350.70
Increase/(decrease) in provisions	(379.03)	(1,672.59)
Increase/(decrease) in other current liabilities	(26.22)	131.44
Increase/(decrease) in trade payables	(1,318.39)	983.79
Cash generated from operations	7,248.52	10,667.51
Direct tax paid (net of refunds)	(1,128.51)	(1,796.60)
Net cash flow from operating activities (A)	6,120.01	8,870.91
Cash flow from investing activities		
Purchase of fixed assets and capital advances	(911.01)	(2,432.72)
Sale of fixed assets	72.32	31.72
Purchase of long term investments	(412.16)	(1,718.61)
Sale of current investment	-	52.12
Sale of non-current investment	233.07	-
Redemption of preference shares	3,125.62	-
Repayment of loan by Kilimanajaro Biochem Limited	1,019.10	1,005.32
Repayment of loan (others)	2,409.20	-
Dividend income received	577.97	2,396.01
Interest received	168.82	408.01
Net cash flow from investing activities (B)	6,282.93	(258.15)
Cash flow from financing activities		
Dividend paid	(572.15)	(2,503.17)
Income tax (dividend distribution tax) paid on dividend	(0.09)	(30.47)
Interest and finance charges paid	(555.23)	(1,444.30)
Proceed/(repayment) in long-term borrowings	(2,162.82)	(1,543.78)
Proceed/(repayment) in short-term borrowings	(6,991.85)	(2,663.33)
Net cash used in financing activities (C)	(10,282.14)	(8,185.05)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	2,120.80	427.71
Cash and cash equivalents at the beginning of the year	628.84	201.13
Cash and cash equivalents at the end of the year	2,749.64	628.84

As per our report of even date attached

For Manubhai & Shah

Chartered Accountants

FRN 106041W**Gaurav Parmar****Partner****Membership No. 121462**

For and behalf of the board

Mehul K. Patel

Chairman

DIN 01772099

Mukesh D. Patel

Director

DIN 00009605

Devesh A. Pathak

Director

DIN 00017515

Udayan P. Patel

Director

DIN 00598313

Himali H. Patel

Whole Time Director and

Chief Financial Officer

DIN 07081636

Deep Vaghela

Company Secretary

Place : Ahmedabad

Date : 26th May, 2015

Place : Vadodara

Date : 25th May, 2015

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
1) Corporate information

Banco Products (India) Limited is a public company domiciled in India and incorporated under the 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

- i) The financial statements have been prepared under the historical cost convention (except for certain fixed assets, which have been revalued) in accordance with the generally accepted accounting principles (GAAP) to comply with the applicable Accounting Standards as prescribed under section 133 of the companies act, 2013 (Act) read with rule 7 of the Companies (Accounts) Rules 2014.

The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

- ii) **Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of income and expenses during the period.

2.2 Fixed assets and depreciation/amortization

- i) Fixed Assets are stated at cost (net of cenvat/service tax credit wherever claimed) less accumulated depreciation and impairment, if any, other than land and building at Bhaili division which are shown at revalued cost. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to its working condition for its intended use including borrowing cost and incidental expenditure incurred up to the date the assets are ready for its intended use.
- ii) Depreciation on plant & machinery (except electrical installations), computers, laboratory equipments, 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 specified in schedule II of the Companies Act, 2013. Individual items of fixed assets costing upto ₹ 5,000 are fully depreciated in the year of purchase.
- iii) Leasehold land is amortized over the period of lease.
- iv) Intangible assets are amortized over a period of five years.
- v) Purchase cost and user license fees on software are amortized on straight line basis over the useful lives of assets as specified in schedule II of the Companies Act, 2013.

2.3 Impairment of assets

The carrying amounts of assets are reviewed at each 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 & 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.

2.4 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies at the year-end are translated at the year-end rates. Any exchange differences arising on settlement/transaction are dealt with in the statement of profit and loss except those relating to acquisition of fixed assets, which are adjusted to the cost of the asset.

2.5 Investments

Non-current Investments are stated at cost. No provision for diminution in value, if any, has been made as these are long-term investments and in the opinion of the management any decline is temporary. Current investments are stated at lower of cost and fair value.

2.6 Inventories

- i) Raw materials, stores & 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 & spares 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

- 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.

2.7 Retirement benefits

The Company has defined contribution plan for its employee's retirement benefits comprising of provident fund. The Company contributes to provident fund for its employees. The Company has defined benefit plan comprising of gratuity fund and leave encashment entitlement. The liability for the gratuity fund and leave encashment has been determined on the basis of an independent actuarial valuation done at the year-end. Actuarial gains and losses comprise adjustments and the effects of changes in the actuarial assumptions are recognised in the statement of profit and loss as income or expense. Contribution in respect of gratuity is paid to the Life Insurance Corporation of India (LIC).

2.8 Research and development

- i) Capital expenditure related to scientific research is shown separately under the respective head of fixed assets. In note 45 of the financial statement.
- ii) Revenue expenses including depreciation are charged to the statement of profit & loss and shown separately as research and development expenses in note 45 of the financial statement.

2.9 Revenue Recognition

- i) Sale of products are recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales are net of returns and discounts and exclude value added tax, excise duty and other charges.
- ii) Interest income is accounted on accrual basis/time proportionate basis at contractual rates
- iii) Divided income is recognized when the company's right to receive dividend is established.

2.10 Provision for current and deferred tax

- i) Provision for current tax is calculated after taking into consideration the deductions allowable under the provisions of the Income-tax Act, 1961.
- ii) Deferred tax resulting from 'timing difference' between book and taxable profit is accounted by using the tax rate that have been enacted or substantively enacted as on the balance sheet date. The deferred tax liability is provided in the statement of profit and loss. Deferred tax assets are recognised only if there is reasonable certainty that the assets can be realized in future.

2.11 Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of the asset. Other borrowing cost is recognized as an expense in the period in which they are incurred.

2.12 Export Incentives

Export incentives in respect of export made under duty drawback scheme as per the import export policy is recognised on accrual basis and to the extent of certainty of realization of ultimate collection.

2.13 Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognised 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 recognised are disclosed by way of notes. Contingent assets are neither recognised nor disclosed in the financial statements.

2.14 Sundry debtors

Sundry debtors are stated after writing off debts considered as bad. Provision is made for debts considered as doubtful, if any. Discounts due yet to be quantified at the customer level are included under the head "Current Liabilities and provisions".

2.15 Earning per share

The basic and diluted earning per Share (EPS) is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

2.16 Proposed dividend

Dividend recommended by the board of directors is provided for in the accounts, pending approval at annual general meeting.

2.17 Lease accounting

Lease rental income is accounted on accrual basis in accordance with the lease agreement.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
3. Shareholders' Funds

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Authorised Share capital		
1520 lacs Equity shares (P.Y. 1520 lacs) of ₹ 2 each	3,040.00	3,040.00
Issued, subscribed and fully paid up		
715.19 lacs Equity shares (P.Y. 715.19 lacs) of ₹ 2 each	1,430.37	1,430.37
Total issued, subscribed and fully paid up share capital	1,430.37	1,430.37

3.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	As at 31st March 2015 No. of Share in Lacs	As at 31st March 2014 No. of Share in Lacs
Balance at the beginning of the year	715.19	715.19
Addition during the year	-	-
Deletion during the year	-	-
Balance at the end of the year	715.19	715.19
	Share Capital ₹ In lacs	Share Capital ₹ In lacs
Balance at the beginning of the year	1,430.37	1,430.37
Addition during the year	-	-
Deletion during the year	-	-
Balance at the end of the year	1,430.37	1,430.37

3.2 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 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.

3.3 Shares held by holding, subsidiary and other associated companies.

	As at 31st March 2015 No. of shares	As at 31st March 2014 No. of shares
Share held by holding company or ultimate holding company	-	-
Share held by subsidiary company or ultimate subsidiary company	-	-
	Extent of holding	Extent of holding
Share held by holding company or ultimate holding company	-	-
Share held by subsidiary company or ultimate subsidiary company	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
3.4 Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

	As at 31st March 2015 No. in Lacs	As at 31st March 2014 No. in Lacs
Equity shares of ₹ 2 each allotted as fully paid up bonus shares by capitalizing general reserve	-	-
Equity shares of ₹ 2 each allotted as fully paid up in terms of amalgamation without payment being received in cash.	-	99.45

3.5 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 2015 No. in Lacs (Holding in %)	As at 31st March 2014 No. in Lacs (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%)

4. Reserves and surplus

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Capital reserve		
At the beginning of the year and at the end of the year	0.77	0.77
	0.77	0.77
Revaluation reserve		
At the beginning of the year	54.14	61.48
Less: Amount transferred to the statement of profit and loss as reduction from depreciation	-	(7.34)
At the end of the year	54.14	54.14
Security premium reserve		
At the beginning of the year and at the end of the year	1,200.31	1,200.31
	1,200.31	1,200.31
General reserve		
At the beginning of the year	10,860.81	10,160.81
Less:- Depreciation (net of deferred tax of ₹ 22.21 lacs) of those assets on which useful life is over.	(43.12)	-
Add: Amount transferred from the statement of profit and loss	700.00	700.00
At the end of the year	11,517.69	10,860.81

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Surplus in the statement of profit and loss		
At the beginning of the year	25,484.26	20,821.80
Add:- reversal of excess dividend distribution tax provision	36.37	189.26
Net profit after tax for the year	4,167.58	6,640.98
Less : Appropriations		
Interim dividend paid during the year	(357.59)	(1,215.82)
Tax on interim dividend	(0.09)	(0.94)
Proposed dividend	(1,787.97)	(214.56)
Tax on final dividend	(142.71)	(36.46)
Transfer to general reserve	(700.00)	(700.00)
At the end of the year	26,699.85	25,484.26
	39,472.75	37,600.29

5. Long term borrowings

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Foreign currency secured term loan from bank*	2,162.19	3,726.73
Less: current portion of long-term borrowing (refer note 11)	(1,729.75)	(1,656.32)
	432.44	2,070.41
Indian rupees secured term loan from bank #	97.50	604.00
Less: current portion of long-term borrowing (refer note 11)**	(97.50)	(506.50)
	-	97.50
	432.44	2,167.91

* Foreign currency term loan carries interest@ 3M LIBOR plus 2%. The loan is repayable within 4 years on quarterly installments. The loan is secured by hypothecation of specific movable assets of the company by way of first charge.

Indian rupees term loan outstanding of ₹ 97.50 lacs (31st March 2014, ₹ 104 lacs) from bank carries interest base rate plus 100 bps p.a. The Loan is repayable within 5 years including moratorium of 12 months from the date of 1st disbursement with repayment in 16 equal quarterly installments thereafter. The loan is secured by 1st Exclusive charge on specific Plant & Machinery of the company.

** The management has taken decision to repay the entire outstanding of ₹ 97.50 lacs during the financial year 2015-2016.

Indian rupees term loan outstanding of ₹ Nil (31st March 2014, ₹ 500 lacs) from bank carries interest base rate plus 105 bps p.a. The Loan is repayable within 2 years on quarterly installments from the date of loan, viz. 30th January, 2013 the loan is secured by hypothecation of specific movable assets of the Company by way of first charge.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

6. Deferred tax liability (net)

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Deferred tax liability		
Fixed assets : impact of difference between WDV as per Income Tax Act and the financial report.	(1,093.47)	(1,024.17)
	(1,093.47)	(1,024.17)
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis	104.65	75.53
Total deferred tax assets	104.65	75.53
Closing net deferred tax liability	(988.82)	(948.64)
Opening net deferred tax liability	(948.64)	(1,034.12)
Deferred tax adjustment against general reserve	(22.21)	-
Charged to statement of profit and loss	62.39	(85.48)

7. Long term provisions (non-current)

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Provision for gratuity (net of fund assets) (refer note 28)	99.03	49.52
Provision for leave encashment (refer note 28)	167.65	104.67
	266.68	154.19

8. Short term provisions

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Provision for gratuity (net of fund assets) (refer note 28)	26.60	54.41
Provision for leave encashment (refer note 28)	9.10	6.87
Proposed dividend	1,787.97	214.56
Tax on dividend	142.71	36.46
	1,966.38	312.30

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
9. Short term borrowings (current)

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
a) Loans repayable on demand from Banks		
Secured loans		
Cash credit from banks	42.44	368.29
Short-term loan from banks	-	2,000.00
Unsecured loans		
Foreign currency loan-packing credit	-	416.00
Short-term loan from banks	-	4,250.00
	42.44	7,034.29

- i) 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) Short term loans from bank carries interest rate @ 10 % to 12% p.a. during the year.
- iii) foreign currency buyer credit and packing credits are repayable within 90 to 180 days and carries interest @ LIBOR plus 2% to 3%.

10. Trade payables

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Due to micro small and medium enterprises (note 37)	289.86	543.80
Due to others	2,004.87	3,070.95
	2,294.73	3,614.75

11. Other current liabilities

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Current maturities of long-term debt	1,827.25	2,162.82
Statutory liabilities		
Payable to government authorities		
VAT payable	2.96	27.87
Provident fund payable	16.05	14.50
Professional tax payable	0.95	0.88
TDS payable	25.90	15.98
Interest accrued but not due on borrowings	12.87	65.53
Other payables	1,232.64	1,096.07
Unclaimed dividend	110.78	113.10
Advance received from customers	44.35	125.92
	3,273.75	3,622.67

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

12 Fixed Assets

(₹ in Lacs)

Particulars	GROSS BLOCK				DEPRECIATION/AMORTIZATION					NET BLOCK	
	As at 1st April 2014	Additions	Deduction Others	As at 31st March 2015	As at 1st April 2014	For the year	Deduction Others	Other Adjust- ment	As at 31st March 2015	As at 31st March 2015	As at 31st March 2014
I Tangible Assets											
a. Leasehold Land	869.96 (869.96)	- -	- -	869.96 (869.96)	28.92 (20.13)	8.79 (8.79)	- -	- -	37.70 (28.92)	832.26 (841.04)	841.04 (849.83)
b. Freehold Land	197.40 (197.40)	- -	- -	197.40 (197.40)	- -	- -	- -	- -	- -	197.40 (197.40)	197.40 (197.40)
c. Buildings	4,038.01 (3,546.05)	5.11 (493.70)	- (1.74)	4,043.12 (4,038.01)	1,157.38 (878.49)	271.23 (278.89)	- -	- -	1,428.61 (1,157.38)	2,614.51 (2,880.63)	2,880.63 (2,667.56)
d. Plant and Equipments	14,749.52 (13,917.02)	1559.19 (857.72)	122.31 (25.22)	16,186.40 (14,749.52)	6,995.61 (5,776.59)	1,116.51 (1,219.36)	78.93 (0.34)	29.81 -	8,063.00 (6,995.61)	8,123.40 (7,753.91)	7,753.91 (8,140.43)
e. Furniture & Fixtures	219.20 (212.71)	11.97 (6.49)	- -	231.17 (219.20)	123.55 (95.01)	30.06 (28.54)	- -	0.67 -	154.28 (123.55)	76.89 (95.65)	95.65 (117.70)
f. Vehicles	409.39 (349.44)	2.62 (69.10)	4.29 (9.15)	407.72 (409.39)	266.01 (231.49)	50.46 (42.55)	3.58 (8.03)	3.37 -	316.26 (266.01)	91.45 (143.38)	143.38 (117.70)
g. Office equipment	225.32 (221.14)	36.04 (4.18)	- -	261.36 (225.32)	132.44 (120.74)	51.34 (11.70)	- -	9.22 -	193.00 (132.44)	68.36 (92.88)	92.88 (100.40)
h. Scientific Research											
1 Building	85.25 (85.25)	- -	- -	85.25 (85.25)	51.07 (47.27)	3.14 (3.80)	- -	- -	54.21 (51.07)	31.04 (34.18)	34.18 (37.98)
2 Plant and Equipments	344.68 (270.31)	47.84 (74.37)	- -	392.52 (344.68)	170.34 (144.41)	37.78 (25.93)	- -	20.12 -	228.24 (170.34)	164.28 (174.34)	174.34 (125.90)
3 Software	60.72 (57.60)	11.18 (3.12)	- -	71.89 (60.72)	26.73 (16.07)	16.22 (10.66)	- -	- -	42.95 (26.73)	28.94 (33.99)	33.99 (41.53)
4 Office Equipment	4.29 (4.29)	- -	- -	4.29 (4.29)	2.85 (2.47)	0.43 (0.38)	- -	0.38 -	3.66 (2.85)	0.63 (1.44)	1.44 (1.82)
5 Furniture and Fixture	20.75 (20.75)	- -	- -	20.75 (20.75)	14.40 (13.00)	2.22 (1.40)	- -	- -	16.62 (14.40)	4.13 (6.35)	6.35 (7.75)
i. Others assets	39.23 (29.73)	2.59 (9.50)	- -	41.82 (39.23)	21.40 (19.86)	8.24 (1.54)	- -	0.41 -	30.05 (21.40)	11.77 (17.83)	17.83 (9.87)
II Intangible Assets											
a. Software	243.46 (242.17)	0.47 (1.29)	- -	243.93 (243.46)	91.77 (66.26)	49.96 (25.51)	- -	1.35 -	143.08 (91.77)	100.85 (151.69)	151.69 (175.91)
Total	21,507.17	1,677.01	126.60	23,057.58	9,082.47	1,646.38	82.51	65.33	10,711.66	12,345.92	12,424.71
Previous year	(20,023.82)	(1,519.47)	(36.11)	(21,507.17)	(7,431.79)	(1,659.05)	(8.37)	-	(9,082.47)	(12,424.71)	

- 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 lacs (Previous Year ₹ 8.79 lacs)
- Other adjustment refers to carrying value (net of residual value) of those fixed assets amounting to ₹ 43.12 (net of deferred tax ₹ 22.21 lacs) have been debited to general reserve.
- Other assets include Weighing machine, Air Conditioners and other equipments.
- Figures in bracket represent previous year figures.

13. Non current investments (Long term investments)

Unquoted fully paid shares in subsidiaries/indirect subsidiaries (refer note 32)

25,000 (P.Y. 25,000) Ordinary shares of 4.54 Euro each in Netherlands Radiateur Fabriek BV.

2,259 (P.Y. 2,259) Equity shares of TShs 1,00,000 each in Kilimanjaro Biochem Limited.

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
25,000 (P.Y. 25,000) Ordinary shares of 4.54 Euro each in Netherlands Radiateur 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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
14,000 (P.Y. 58,135) Preference shares of US\$ 100 each in Lake Mineral (Mauritius) Limited.	847.42	3,392.47
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 Gasket (India) Limited.	3,500.00	3,500.00
	17,098.46	19,643.51
Unquoted fully paid equity instrument in company where some of directors are common (refer note 32)		
6,20,080 (P.Y.6,20,080) Equity shares in Banco Aluminium Ltd.	25.35	25.35
	25.35	25.35
Other investments		
Nil (P.Y.3,721) Equity shares of TShs 1,00,000 fully paid each in Lake Cement Ltd.	-	114.12
1,000 (P.Y.1,000) Equity shares of ₹ 25 each fully paid in Co-Operative Bank of Baroda	0.25	0.25
	0.25	114.37
	17,124.06	19,783.24
Current investments (Short term investments)		
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 current investment in NHPC Limited	(0.08)	-
787 (P.Y.787) Oil India Limited of ₹ 10 each	3.31	3.31
400 (P.Y.400) Perfect Circle Victor Limited. of Re.1 each	0.01	0.01
17 (P.Y.17) Talbros Eng Limited of ₹ 10 each having total value of ₹ 426/-	0.004	0.004
	19.94	20.02
Investment in mutual fund-quoted, fully paid up		
200,000 (P.Y.200,000) Baroda Pioneer PSU Equity Fund of ₹ 10 each	20.00	20.00
Less :- Provision for diminution of current investment	(3.34)	(6.77)
	16.66	13.23
	36.60	33.25

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

13.1 Market value of quoted investments

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Equity Investments	169.16	83.77
Others	16.66	13.42
	185.82	97.19

14. Inventories (at lower of cost or net realisable value)

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Raw materials	4,283.33	4,530.26
Work-in-progress	1,284.13	1,341.33
Finished goods	1,516.17	899.31
Stores and spares	745.93	669.33
Loose tools	12.52	10.00
Packing materials	104.78	126.88
	7,946.86	7,577.11

15. Trade receivables

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	257.84	293.49
	257.84	293.49
Provision for doubtful receivables	-	-
(A)	257.84	293.49
Other receivables		
Unsecured, considered good	7,179.37	8,920.83
	7,179.37	8,920.83
Provision for doubtful receivables	-	-
(B) Others	7,179.37	8,920.83
(A + B)	7,437.21	9,214.32

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
16. Cash and bank balances

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Cash and cash equivalent		
Cash on hand	8.13	5.17
Balances with banks		
In current accounts	54.27	23.59
Other bank balances		
With maturity between 3 to 12 Months	2,446.98	425.00
Unpaid dividend	110.78	113.10
Margin money with banks	129.48	61.98
	2,749.64	628.84

17. Loans and advances (Long Terms and Short Terms)

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Capital advances		
Unsecured, considered good (refer note 31)	309.85	706.50
Loans and advances (refer note 32)		
Loan given to Kilimanjaro Biochem Limited	-	993.79
Other loans	-	2,288.74
Advance tax (net of provision for taxation)	332.58	322.25
	642.43	4,311.28
<u>Short term loans and advances</u>		
(Unsecured, considered good)		
Security deposit	30.56	23.80
Current maturities of loan given to Kilimanjaro Biochem Limited (refer note 32)	1,037.85	993.80
Current maturities of loan given to others	-	120.46
Others loans and advances		
Balance with statutory authorities	266.29	451.51
Advance to vendors (trade)	126.09	463.32
Other advances	12.26	36.77
	1,473.05	2,089.66

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

18. Other current assets

	As at 31st March 2015 ₹ In lacs	As at 31st March 2014 ₹ In lacs
Prepaid expenses	76.43	90.02
Interest receivable	29.30	43.51
Due from contractor	5.83	19.10
Other	0.67	0.67
	112.23	153.30

19. Revenue from operations

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
a) Sale of product		
Finished goods (net of returns and discounts)	44,651.42	47,252.84
	44,651.42	47,252.84
Less : Excise duty	3,614.25	3,536.86
	41,037.17	43,715.98
b) Other Operating Income		
Scrap sales	913.24	866.41
Export incentives	60.47	139.96
	973.71	1,006.37
	42,010.88	44,722.35

19.1 Details of product sold

Copper brass radiators	7,374.78	11,977.69
Aluminium radiators	36,386.43	34,852.93
Others	890.21	422.22
	44,651.42	47,252.84

20. Other income

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Interest income from others		
- bank deposits	39.68	48.90
- current investments	-	3.55
- others	158.44	367.10
Profit on sale of investment	118.95	-
Profit on sale of assets	28.23	11.48
Exchange gain	361.84	425.41
Dividend income on investments		
- From subsidiaries	564.26	2,380.30
- Other investment	13.71	15.71
Other non operating income	273.21	114.03
	1,558.32	3,366.48

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
21. Cost of materials consumed

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Inventory at the beginning of the year	4,657.14	5,825.01
Add : Purchases (net)	24,037.32	23,259.74
	28,694.46	29,084.75
Less : Inventory at the end of the year	4,388.11	4,657.14
Cost of materials consumed	24,306.35	24,427.61

21.1 Details of raw materials and components consumed

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Copper and copper alloys	2,759.39	6,807.83
Steel sheet/plates	102.00	180.40
Aluminium	10,429.69	10,472.42
Others	11,015.27	6,966.96
	24,306.35	24,427.61

21.2 Value of imported and indigenous raw materials and components consumed and percentage of each to total consumption

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Imported % to total (Including canalized items at landed cost)	11,997.39	10,822.82
	49.36%	44.31%
Indigenous % to total	12,308.96	13,604.79
	50.64%	55.69%
	24,306.35	24,427.61

22. Increase/(decrease) in inventories

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Inventories at the end of the year		
work-in-progress	1,284.13	1,341.33
Finished goods	1,516.17	899.31
	2,800.30	2,240.64
Inventories at the begining of the year		
work-in-progress	1,341.33	1,665.27
Finished goods	899.31	1,036.69
	2,240.64	2,701.96
Changes in inventories	(559.66)	461.32
Increase/(Decrease) in excise duty on finished Goods	35.51	(20.12)
	(524.15)	441.20

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015**23. Employee benefit expenses**

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Salaries wages and bonus	2,576.54	2,271.31
Company's contribution to gratuity	52.65	42.74
Company's contribution to leave encashment	94.15	45.39
Contribution to provident and other fund	96.44	91.88
Provident fund administration charges	8.06	8.28
Staff welfare expenses	105.22	110.71
	2,933.06	2,570.31

24. Finance cost

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Interest on loans	336.80	797.54
Interest-others	1.74	14.73
Loss on foreign currency traslation	153.12	485.00
Finance charges	76.44	124.50
	568.10	1,421.77

25. Depreciation and amortization expenses

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Depreciation on tangible assets	1,596.42	1,633.54
Deprecation on intangible assets	49.96	25.51
	1,646.38	1,659.05
Less : Recoupment from revaluation reserve	-	(7.34)
	1,646.38	1,651.71

26. Other expenses

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Manufacturing Expenses		
Consumption of stores and spares	711.16	805.21
Power and fuel	781.63	631.77
Labour charges	2,672.06	2,939.86
Repair and maintenance		
Plant and machinery	423.33	436.17
Electric installation	80.02	90.01
Buildings	193.17	232.77

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Sundry repairs	0.31	0.62
Factory general expenses	187.97	213.65
Insurance premium on assets	20.90	14.69
Administrative Expenses		
Payment to auditors (refer note 26.1)	16.85	19.50
Rent rates and taxes	60.25	34.74
Postage and courier	37.75	32.85
Telephone expenses	31.21	33.82
Travelling and conveyance	284.01	228.54
Miscellaneous expenses	263.76	211.44
Director sitting fees	7.98	2.95
CSR Expenses	150.00	-
Donation	8.03	12.93
Exchange gain loss	367.59	-
Commission and discount	846.46	1,033.23
Advertisement and sales promotion	10.02	17.14
Other selling expenses	232.79	289.77
Freight and transport (net)	1,904.05	2,004.80
	9,291.30	9,286.46

26.1 Payment to auditors

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
As auditor :		
Statutory audit fee	10.50	9.50
In other capacity:-		
Other services (certification fees)	2.90	7.72
Out of pocket expenses	3.45	2.28
	16.85	19.50

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
27. Earnings per share

The following reflects the profit and share data used in the basic and diluted EPS computations:

	2014-2015	2013-2014
Net profit/(loss) after tax before exceptional item - ₹ In lacs	4,167.58	6,640.98
Weighted numbers of equity shares outstanding - Nos. in lacs	715.19	715.19
Basic earnings per share in rupees (₹ 2/- per share)	5.83	9.29
Diluted earning per share in rupees (₹ / 2/- per share)	5.83	9.29
	2014-2015	2013-2014
Net profit/(loss) after tax after exceptional item- ₹ In lacs	4,167.58	6,640.98
Weighted numbers of equity shares outstanding -Nos. in lacs	715.19	715.19
Basic earnings per share in rupees (₹ 2/- per share)	5.83	9.29
Diluted earning per share in rupees (₹ 2/- per share)	5.83	9.29

28. The disclosure requirements as prescribed under the accounting standard 15(Revised) "Employee benefits are given below- Changes in present value of defined benefit obligation

	31 st March 2015 ₹ In lacs Gratuity	31 st March 2014 ₹ In lacs Gratuity	31 st March 2015 ₹ In lacs Leave encashment	31 st March 2014 ₹ In lacs Leave encashment
Opening defined benefit obligation	218.60	192.27	111.54	93.43
Current service cost	24.47	22.44	20.27	18.58
Interest cost	18.86	14.55	9.84	6.47
Benefits paid	(28.27)	(25.32)	(28.93)	(27.29)
Prior year changes	1.77	—	0.18	—
Actuarial (gains)/losses on obligation	18.31	14.66	63.85	20.35
Closing defined benefit obligation	253.74	218.60	176.75	111.54

Reconciliation of fair value of plan assets for Gratuity (Funded)

	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
Opening fair value of plan assets	114.67	105.26
Expected return	11.42	9.23
Contribution by employer	30.95	25.83
Benefits paid	(28.27)	(25.32)
Actuarial gains/(losses)	(0.66)	(0.33)
Closing fair value of plan assets	128.11	114.67

Experience adjustment for the current and previous four periods

Gratuity	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs	31 st March 2013 ₹ In lacs	31 st March 2012 ₹ In lacs	31 st March 2011 ₹ In lacs
Defined benefit obligation	253.74	218.60	192.27	168.92	234.97
Plan assets	128.11	114.67	105.26	156.76	146.25
Surplus/(Deficit)	(125.63)	(103.93)	(87.01)	(12.16)	(88.72)
Actuarial (gains)/losses on obligation	18.31	14.66	22.22	22.17	10.24
Actuarial gain/(losses) on plan assets	(0.66)	(0.33)	1.40	(0.23)	(0.61)
Leave encashment	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs	31 st March 2013 ₹ In lacs	31 st March 2012 ₹ In lacs	31 st March 2011 ₹ In lacs
Defined benefit obligation	176.56	111.53	93.43	73.29	84.64
Plan assets	—	—	—	—	—
Plan assets/(liability)	(176.56)	(111.53)	(93.43)	(73.29)	(84.64)
Actuarial (gains)/losses on obligation	63.85	20.35	22.17	25.27	14.58
Actuarial gain/(losses) on plan assets	—	—	—	—	—

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
Statement of profit and loss
Net employee benefit expenses recognized in the employee cost for Gratuity

	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
Current service cost	24.47	22.44
Interest cost on benefit obligation	18.86	14.55
Expected return on plan assets	(11.42)	(9.23)
Prior year changes	2.43	—
Net actuarial (gain)/loss recognized in the year	18.31	14.98
Net benefit expenses	52.65	42.74

Net employee benefit expenses recognized in the employee cost for Leave Encashment

	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
Current service cost	20.27	18.58
Interest cost on benefit obligation	9.84	6.46
Prior year changes	0.18	—
Net actuarial (gain)/loss recognized in the year	63.85	20.35
Net benefit expenses	94.14	45.39

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	31 st March 2015	31 st March 2014
Investment with Insurer	100%	100%

Actuarial assumptions

	31 st March 2015	31 st March 2014
Expected rate of return on plan assets	9.00%	8.75%
Discount Rate	8.00%	9.10%
Salary escalation rate	6.00%	6.00%
Withdrawal rates	5.00% *	5.00% *
Retirement age	58 Years	55 Years

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

* 5% at younger ages reducing to 1% at older age

29. Segment Information

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.

30. Contingent liabilities.

	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
- Service tax and excise duty demand	396.83	329.64
- Sales tax	219.64	119.72
- Letter of credit outstanding	178.16	234.90
- Counter guarantees given to the banks in respect of various Guarantees issued by the banks to third parties	550.08	1762.09

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
31. Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account not provided for ₹ 941.31 Lacs (31st March 2014, ₹ 1,127.12 Lacs).

32. Related party disclosures
Name of related parties and related party relationship
A. Related parties where control exists

- | | |
|---|--|
| I. Subsidiary companies
(read with clause 32 of the listing agreement) | Banco Gaskets (India) Limited – 100%
Lake Mineral (Mauritius) Limited- 100%
Nederlandse Radiateuren Fabriek Ltd-100% |
| II. Indirect subsidiary company
(read with clause 32 of the listing agreement) | Kilimanjaro Biochem Limited |

B. Key Management Personnel

Shri Mehul K.Patel- Chairman
Mrs. Himali H. Patel- Whole Time Director and CFO
(with effect from 13th Feb. 2015)
Shri Shailesh Thakker (Upto 23rd Sept. 2014)
Shri Kiran Shetty- Executive Director
Shri Dinesh Kavthekar- Company Secretary
(upto 30th Sep. 2014)
Shri Deep Vaghela- Company Secretary
(with effect from 13th Feb. 2015)

C. Company in which certain directors are common Banco Aluminium Limited

Details of related party transactions during the year ended 31st March 2015

Name of Related Party and Nature of Relationship	Nature of Transaction	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
Banco Aluminium Limited (under common control)	Purchase of goods	498.40	559.41
	Sale of goods (including scrap)	138.69	7.88
	Dividend received	9.29	12.40
	Payment of rent	–	4.20
	Receipt of rent (including service tax)	20.22	20.22
	Closing balance	Nil	Nil
Kilimanjaro Biochem Limited	Interest received	114.80	185.80
	Sale of goods	–	78.52
	Loan Instalment received during the year	1,019.10	1,005.32
	Closing balance	1,037.85	1,987.59
Nederlandse Radiateuren Fabriek B.V.	Sale of goods	4,099.28	3920.07
	Dividend received	295.51	2,380.30
	Purchase of goods	48.32	18.09
	Closing balance of (NRF Group)	714.39	862.78
Lake Mineral (Mauritius) Limited	Other reimbursement	1.30	18.39
	Purchase of shares	412.16	1,718.61
	Redemption of Preference Shares	3,125.63	–
	Dividend on Preference Shares	268.75	–

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

Mr. Kush V. Patel (relative of Director)	Salary and perquisites	Nil	2.06
Banco Gaskets (India) Ltd	Sale of goods	244.11	57.49
	Purchase of goods	264.95	239.68
	Purchase of assets	—	0.09
	Sale of assets	—	30.94
	Sale of services	32.92	31.67
	Closing Balance	18.24	4.76
Remuneration to Key Management Personnel (including perquisite)	Shri Vimal K. Patel	—	87.48
	Shri Mehul K. Patel	415.01	115.67
	Shri Shailesh A. Thakker (Upto 23 rd Sept 2014)	36.34	71.73
	Mrs. Himali H. Patel (w.e.f. 13 th Feb 2015)	1.40	—
	Shri. Dinesh Kavthekar Company Secretary (upto 30 th Sep. 2014)	6.47	7.58
	Shri Deep Vaghela Company Secretary (w.e.f 13 th Feb. 2015)	0.31	—
	Shri Kiran Shetty	58.76	55.96

33. As far as balances of trade payables and trade receivables are concerned, the company has done reconciliation with major parties, pending formal confirmation.
34. In compliance with the Accounting Standard (AS-2) as per accounting standard rules. The company has included excise duty on closing stock of finished goods amounting to ₹ 118.66 Lacs (31st March 2014, ₹ 83.15 Lacs) and the same has been claimed as expenditure. However this charge has no impact on the profit of the company for the year under review.
35. **Capitalization of expenditure**

During the year, the company has capitalized the following expenses of revenue nature to capital work-in-progress (CWIP). Consequently, expenses disclosed under respective notes are net of amount capitalized by the Company.

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Administrative & Others	20.01	6.74
Interest	12.06	1.26
Salary & Wages	5.98	—
	38.05	8.00

36. Maximum balance due during the year from Banco Aluminum Ltd, a company in which some of the directors are common, is ₹ 56.14 Lacs (31st March 2014, ₹ 98.14 Lacs)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015
37. Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
The principal amount and the interest due thereon remaining unpaid to any supplier as at end of each accounting year		
Principal amount due to micro and small enterprise	289.86	543.80
Interest due on above	-	-
	289.86	543.80
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further 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 for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

38. In compliance with Accounting Standard 22 (AS-22) "Accounting for Taxes on Income", the Company has recognized deferred tax liability (net of assets) 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).
39. Legal and professional charges include ₹ Nil Lacs (previous year ₹ 5.00 Lacs) paid to Shah and Associates, wherein some of the partners of the auditors are interested.
40. 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".
41. **Value of imports on CIF basis.**

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Raw materials	9,915.81	9,040.73
Components and spares parts	440.91	160.34
Capital goods	1,651.35	326.75
	12,008.07	9,527.82

42. Expenditure in foreign currency (accrual basis)

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Professional fees	1.67	2.79
Commission on exports	389.33	588.90
Travelling and conveyance	61.98	19.50
Others	87.17	76.73
	540.15	687.92

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015

43. Remittance in foreign currency on account of dividend to non-resident shareholders. The details of dividend paid in respect of shares held by non-residents on repatriation basis are as under:

	2014-2015	2014-2015	2013-2014	2013-2014
Number of non-resident Shareholders	405	392	348	356
Number of equity share held by them	3,61,72,193	3,29,81,150	33,488,422	33,508,582
Amount remitted net of tax (₹ In lacs)	143.46	88.50	509.98	539.98
Year to which dividend relates	Interim Div. of 2014-15	Final Div. of 2013-14	Interim Div. of FY 2013-2014	2012-2013

44. Particulars of foreign currency exposures that are not hedged by derivate instruments as on reporting date.

Currency	Payable (In"000) FC		Receivable (In"000) FC		Payable ₹ In lacs		Receivable ₹ In lacs	
	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
USD	2,844	6,659	3,452	9,714	1,789	4,011	2,171	5,851
EURO	(72)	1,139	1,550	2,101	(49)	948	1,057	1,748
GBP	—	—	12	12	—	—	11	12
					1,740	4,959	3,239	7,611

45. The details of revenue expenditure & capital expenditure incurred on research and development is as below:

Particulars	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
Capital Expenditure:		
Plant & Machinery	47.84	74.37
Software	11.18	3.12
Total Capital Expenditure	59.02	77.49
Revenue Expenditure:		
Salary and Wages	167.50	156.12
Raw Material Consumed	78.58	77.96
Administrative and Manufacturing Expenses	66.47	65.46
Selling Expenses	0.11	0.09
Finance Charges	0.05	0.12
Depreciation	59.79	42.17
Total Revenue Expenditure	372.50	341.92
Total Research & Development Expenditure	431.52	419.41

46. Earning in foreign currency

	2014-2015 ₹ In lacs	2013-2014 ₹ In lacs
FOB Value of Exports	12,626.33	14,607.39
Interest on loans	129.07	358.28
Others- Tooling	79.80	53.01

47. The company has revised the depreciation rates based on the useful life of its various fixed assets as prescribed in Part-C of Schedule II to the Companies Act, 2013. As a result, depreciation for the year ended 31st March, 2015 is higher by ₹ 220 lacs. Similarly, in case of fixed assets whose useful life has already been completed as on 1st April, 2014, the carrying value (net of residual value) of those fixed assets amounting to ₹ 43.12 (net of deferred tax ₹ 22.21 lacs) have been debited to the opening balance of General Reserve.

48. Pursuant to the accounting standard AS-19 Lease, the following information is given.

- a) The company has given on lease its Dabhaha properties to a company in which some of directors are common for a period of 5 Years. The lease rent is payable monthly in advance.
- b) Future lease rent receivable as at 31st March 2015 as per the lease agreement

	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
Not later than one year	18.00	18.00
Later than one year and not later than five years	33.96	51.96
Later than five years	—	—

49. 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. ₹ 149.75 lacs.

- b. Amount spent during the year on :

(₹ In lacs)

Sr. No.	Nature	In cash	Yet to be Paid in Cash	Total
i.	Construction / acquisition of Assets (Specify)	-	-	-
ii.	Other Purposes (Specify)	150	-	150

50. Previous year's figures have been regrouped and reclassified wherever necessary to be in conformity with the figures of the current year.

As per our report of even date attached For Manubhai & Shah Chartered Accountants FRN 106041W Gaurav Parmar Partner Membership No. 121462 Place : Ahmedabad Date : 26th May, 2015	For and behalf of the board Mehul K. Patel Chairman DIN 01772099 Udayan P. Patel Director DIN 00598313 Place : Vadodara Date : 25th May, 2015	Mukesh D. Patel Director DIN 00009605 Himali H. Patel Whole Time Director and Chief Financial Officer DIN 07081636	Devesh A. Pathak Director DIN 00017515 Deep Vaghela 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** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, 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.

Auditor's 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 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 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 but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 sub-paragraph (a) of 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 March 31, 2015, and their consolidated Profit and their consolidated cash flows for the year ended on that date.

Other Matters

- (a) We did not audit the financial statements of 3 subsidiaries whose financial statements reflect total assets of ₹ 17424.03 lacs as at 31st March, 2015, total revenues of ₹ 19,193.84 lacs and net cash flows amounting to ₹ 329.94 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited/Limited reviewed by 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 these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements of 11 subsidiaries whose financial statements reflect total assets of ₹ 35,585.44 lacs as at 31st March, 2015, total revenues of ₹ 61,124.48 lacs and net cash flows amounting to ₹ 1,444.31 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited/Limited reviewed by 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 these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries 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 qualified in respect of the above matters 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 the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary company incorporated in India, we give in the "Annexure" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, 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 the 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 the 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, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the other 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, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 27 to the consolidated financial statements.
 - (ii) The Group 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 Holding Company. In case of Subsidiary Company incorporated in India there were no amounts which were required to be transferred to the Investor Education and Protection Fund.

For Manubhai & Shah
Chartered Accountants
FRN: 106041W

Gaurav Parmar
Partner
Membership No. 121462

Place : Ahmedabad
Date : 26th May, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Para 1 under the heading "Report on the other – Legal and Regulatory Requirements" of our Report of even date in respect of Holding Company and its Subsidiary incorporated in India)

1. (a) The Group have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Group has a regular program of physical verification of fixed assets which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. According to the information and explanations give to us, no material discrepancies were noticed on such verification.
2. (a) The Inventory has been physically verified by the Management at the reasonable intervals during the year except stock lying with third parties in respect of which confirmations have been obtained in majority of the cases by the company.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Group is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
3. The company had granted unsecured loan to its one of the subsidiary covered in the register maintained under section 189 of the Companies Act, 2013.
The subsidiary is regular in repayment of the principal amount and in payment of interest. There is no overdue amount for more than ₹ 1 Lac.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have any information of any instances of major weaknesses in the aforesaid internal control systems.
5. In our opinion and according to the information and explanations given to us, the group has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under.
6. In case of holding company, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for the goods manufactured by company, However in the case of Indian subsidiary, the subsidiary company is required to maintain cost record pursuant to the companies (cost accounting records) Rule, 2011 prescribed by the Central Government under Section 148 (1) of the Act and as per auditor report of subsidiary company we are of the opinion that prima facie the prescribed cost records have been maintained by the subsidiary.
7. The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
 - (a) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31st March 2015 for a period of more than six months from the date they became payable.

- (b) Following disputed demands aggregating to ₹ 557.62 lacs have not been deposited since the matters are pending with the relevant concerned authorities.

Name of the Statute	Nature of Dues	Amount in Lacs	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty and Service Tax	396.83	Financial Year 1998-1999 till financial year 2014-2015	- ₹ 384.62 lacs pending with CEGAT, WZB, Ahmedabad - ₹ 9.10 lacs pending with Commissioner Central Excise and Custom (Appeal) - ₹ 3.11 lacs pending with Commissioner (Appeal) Customer, Mumbai
For Subsidiary:- Central Excise Act, 1944	Excise Duty and Service Tax	37.61	Financial Year 2004-05 to Financial Year 2008-09	CESTAT, Ahmedabad
Finance Act, 1994		13.50	From July 2008 to March 2014	Commissioner (Appeals), CE & C and ST, Surat.
Sales Tax Act	VAT/CST	109.68	Financial Year 2008-2009 till 2010-2011	₹ 41.38 lacs pending with Appellate Tribunal, Ahmedabad. ₹ 7.35 lacs pending with JC-Appeal, Vadodara and ₹ 60.95 lacs pending with DC-Assistant Commissioner, Ranchi.

- (c) The amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
8. The Holding company does not have any accumulated loss as at 31st March, 2015. It has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- In case of Indian subsidiary, the Company was incorporated on 26/08/2011. Since a period of five years has not elapsed from the date of incorporation as at the balance sheet date, we are of the opinion that no comment is required under the provisions of clause (viii) of the order regarding the erosion of 50% or more of net worth and cash losses in the current and in the immediately preceding financial years.
9. According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution or banks.
10. According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from a bank or financial institution.
11. According to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
12. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For Manubhai & Shah
Chartered Accountants
FRN: 106041W

Gaurav Parmar
Partner
Membership No. 121462

Place : Ahmedabad
Date : 26th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(₹ in Lacs)

PARTICULARS	Note No.	As at 31st March 2015	As at 31st March 2014
I Equity and liabilities			
1 Shareholders' funds:			
Share capital	3	1,430.37	1,430.37
Reserves and surplus	4	60,545.07	57,440.94
		61,975.44	58,871.31
2 Non current liabilities:			
Long term borrowings	5	778.49	2,833.10
Deferred tax liabilities	6	2,295.08	2,421.51
Long term provisions	7	387.09	240.28
		3,460.66	5,494.89
3 Current liabilities:			
Short term provisions	8	1,976.44	328.18
Short term borrowings	9	955.87	10,980.32
Trade payables	10	6,513.98	9,152.61
Other current liabilities	11	7,310.95	9,793.65
		16,757.24	30,254.76
		82,193.34	94,620.96
II Assets			
1 Non-current assets:			
Fixed assets			
Tangible assets	12	22,362.41	23,911.77
Intangible assets		299.85	425.58
Capital work-in-progress		1,060.22	1,246.29
		23,722.48	25,583.64
Non-current investments	13	25.60	7,047.75
Long-term loans and advances	17	3,201.29	7,090.10
Deferred tax assets	6	294.65	193.48
		27,244.02	39,914.97
2 Current assets:			
Current investments	13	36.60	33.25
Inventories	14	25,586.62	27,467.56
Trade receivables	15	17,557.83	21,352.09
Cash and bank balances	16	6,300.48	2,655.96
Short-term loans and advances	17	5,467.79	3,197.13
		54,949.32	54,705.99
		82,193.34	94,620.96
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			
<div> As per our report of even date attached For Manubhai & Shah Chartered Accountants FRN 106041W Gaurav Parmar Partner Membership No. 121462 Place : Ahmedabad Date : 26th May, 2015 </div> <div> For and behalf of the board <div> Mehul K. Patel Chairman DIN 01772099 Udayan P. Patel Director DIN 00598313 </div> <div> Mukesh D. Patel Director DIN 00009605 Himali H. Patel Whole Time Director and Chief Financial Officer DIN 07081636 </div> <div> Devesh A. Pathak Director DIN 00017515 Deep Vaghela Company Secretary </div> </div> <div> Place : Vadodara Date : 25th May, 2015 </div>			

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2015

(₹ in Lacs)

PARTICULARS	Note No.	2014-15	2013-14
I Revenue from operations (gross)	18	115,920.57	119,053.69
Less :- Excise duty		4,764.98	4,658.44
		111,155.59	114,395.25
Other operating income		1,720.25	1,781.79
		112,875.84	116,177.04
II Other income	19	5,713.64	860.17
III Total revenue (I+II)		118,589.48	117,037.21
IV Expenses			
Cost of materials consumed	20	60,921.93	60,280.78
Changes in value of finished goods, work-in-progress and stock-in-trade.	21	337.51	(1,934.75)
Employee benefit expenses	22	16,200.21	15,753.32
Finance cost	23	837.67	1,934.03
Depreciation and amortisation expenses	24	3,382.87	3,236.73
Other expenses	25	25,625.14	25,597.45
Total (IV)		107,305.33	104,867.56
V Profit before tax (III-IV)		11,284.15	12,169.65
Tax expenses			
Current tax		2,746.53	2,990.31
Deferred tax		(227.60)	197.70
		2,518.93	3,188.01
Profit for the year		8,765.22	8,981.64
Earning per equity share (face value of ₹ 2 each)		12.26	12.56
Basic and diluted earning per shares			
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For Manubhai & Shah
Chartered Accountants
FRN 106041W

Gaurav Parmar
Partner
Membership No. 121462

Place : Ahmedabad
Date : 26th May, 2015

For and behalf of the board

Mehul K. Patel
Chairman
DIN 01772099

Udayan P. Patel
Director
DIN 00598313

Place : Vadodara
Date : 25th May, 2015

Mukesh D. Patel
Director
DIN 00009605

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

Devesh A. Pathak
Director
DIN 00017515

Deep Vaghela
Company Secretary


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2015

(₹ in Lacs)

	31st March 2015	31st March 2014
Cash flow from operating activities		
Net profit/(loss) before tax	11,284.15	12,169.65
Adjustments for non cash items/items required to be disclosed separately:		
Depreciation and amortisation expenses	3,382.87	3,236.73
Interest and finance charges paid	837.67	1,934.03
Unrealised (gain)/loss (net of loss)	19.26	84.93
(Profit)/loss on sale of fixed assets	2.17	(11.48)
(Profit)/loss on sale of investment	(3,702.63)	-
Interest received	(379.49)	(423.70)
Provision for diminution of investment-write back	(3.35)	-
Effect of exchange rate difference in translation	(2,221.40)	2,842.08
Dividend income received from investment	(13.71)	(15.71)
Operating profit before working capital changes	9,205.54	19,816.53
Movement in working capital:		
(Increase)/decrease in trade receivables	3,826.08	(2,164.50)
(Increase)/decrease in inventories	1,880.94	(1,295.38)
(Increase)/decrease in loans and advances	1,276.08	(682.53)
Increase/(decrease) in provisions	115.30	(1,381.88)
Increase/(decrease) in other current liabilities	(2,418.31)	689.30
Increase/(decrease) in trade payables	(2,641.67)	1,456.53
Cash generated from operations	11,243.96	16,438.07
Direct tax paid (net of refunds)	(2,759.68)	(3,373.24)
Net cash flow from operating activities (A)	8,484.28	13,064.83
Cash flow from investing activities		
Purchase of fixed assets (net of currency translation)	(2,433.74)	(4,728.92)
Sale of fixed assets	77.41	31.72
Sale of non-current investment	10,724.78	-
Sale of current investment	-	52.12
Dividend income received from investment	13.71	15.71
Interest received	423.54	419.82
Net cash flow from investing activities (B)	8,805.70	(4,209.55)
Cash flow from financing activities		
Dividend paid	(572.15)	(2,503.17)
Income tax (dividend distribution tax) paid on dividend	(0.09)	(30.47)
Interest and finance charges paid	(902.06)	(1,940.58)
Proceed /(repayment) in long-term borrowings	(2,146.71)	(2,348.32)
Proceed /(repayment) in short-term borrowings	(10,024.45)	(1,361.72)
Net cash used in financing activities (C)	(13,645.46)	(8,184.26)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	3,644.52	671.02
Cash and cash equivalents at the beginning of the year	2,655.96	1,984.94
Cash and cash equivalents at the end of the year	6,300.48	2,655.96

As per our report of even date attached

For Manubhai & Shah
Chartered Accountants
FRN 106041W
Gaurav Parmar
Partner
Membership No. 121462
Place : Ahmedabad
Date : 26th May, 2015

For and behalf of the board

Mehul K. Patel
Chairman
DIN 01772099

Udayan P. Patel
Director
DIN 00598313

Mukesh D. Patel
Director
DIN 00009605

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

Devesh A. Pathak
Director
DIN 00017515

Deep Vaghela
Company Secretary

Place : Vadodra
Date : 25th May, 2015

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
1. 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:

The financial statements of the company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, and intra-group balances and intra-group transactions are fully eliminated in accordance with Accounting Standard (AS) 21 – Consolidated Financial Statements.

- 1.1 Foreign subsidiary companies are categorized as 'non-integral foreign operation. Accordingly, all income and expense items are translated at the average rate prevailing during the period and all assets and liabilities, both monetary and non-monetary, are translated at the closing rate. Any exchange difference arising on consolidation is recognized in the foreign currency translation reserve account in accordance with Accounting Standard (AS) 11 – Effect of Changes in Foreign Exchange Rates.
- 1.2 The difference between the costs of investment in the subsidiary companies over the net assets at the time of acquisition of shares in the subsidiary companies is recognised in the financial statements as goodwill or capital reserve as the case may be.
- 1.3 As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's standalone financial statements.
- 1.4 The audited/ unaudited financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company viz. 31st March, 2015.
- 1.5 The audited/un-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.
- 1.6 The subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of the subsidiary companies	Country of incorporation	Proportion of ownership Interest	Reporting date (date till accounts have been audited)
1	Nederlandse Radiateuren Fabriek BV	Netherlands	100%	30 th November, 2014
1.1	Skopimex BV	Netherlands	100%	30 th November, 2014
1.2	NRF France SARL	France	100%	30 th November, 2014
1.3	NRF BVBA	Belgium	100%	30 th November, 2014
1.4	NRF United Kingdom Ltd	England	100%	30 th November, 2014
1.5	NRF Handels GmbH	Austria	100%	30 th November, 2014
1.6	NRF Deutschland GmbH	Germany	100%	30 th November, 2014
1.7	NRF Espana S.A.	Spain	100%	30 th November, 2014
1.8	NRF Poland Sp.z.o.o.	Poland	100%	30 th November, 2014
1.9	NRF Italia Srl	Italy	100%	30 th November, 2014
1.10	NRF Switzerland AG	Switzerland	100%	30 th November, 2014
1.11	NRF USA	USA	100%	30 th November, 2014
	Note : Sr. No.1.1 to 1.11 are subsidiaries of Nederlandse Radiateuren Fabriek BV (Subsidiary at Sr. No. 1.3 was Liquidated in October 2014 and at Sr. No. 1.11 was founded in March 2015)			
2	Lake Mineral (Mauritius) Ltd.	Mauritius	100%	31 st March, 2015
2.1	Kilimanjaro Biochem Ltd.	Tanzania	95%	31 st March, 2015
	Note : Sr. No. 2.1 is Subsidiary of Lake Mineral (Mauritius) Ltd.			
3	Banco Gaskets(India) Ltd.	India	100%	31 st March, 2015

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

2. Significant accounting policies

2.1 Basis of accounting

- i) The financial statements have been prepared under the historical cost convention (except for certain fixed assets, which have been revalued) in accordance with the generally accepted accounting principles to comply with the applicable Accounting Standards as per Companies Accounting Standard Rules, 2006 (as amended) read with rule 7 of the Companies (Accounts) Rules, 2014.
- ii) The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.
- iii) Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the balance sheet date of the financial statements and reported amounts of income and expenditure during the period.

2.2 Fixed assets and depreciation

- i) In respect of Banco Products (India) Limited
 Fixed assets are stated at cost (net of cenvat /service tax credit wherever claimed) less accumulated depreciation less impairment, if any, other than land and building at Bhaili division which are shown at revalued cost. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to its working condition for its intended use including borrowing cost and incidental expenditure incurred up to the date the assets are ready for its intended use.
 Depreciation on plant & machinery (except electrical installations), computers, laboratory equipments, 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 specified in schedule II of the Companies Act, 2013. Individual items of fixed assets costing upto ₹ 5,000 are fully depreciated in the year of purchase.
 Leasehold land is amortized over the period of lease.
 Intangible assets are amortized over a period of five years.
 Technical know-how recognized as intangible asset was stated at the consideration paid for acquisition and amortised on straight-line basis at plant & machinery rates.
 Purchase cost and user license fees on software are amortized on straight line basis over the useful lives of assets as specified in schedule II of the Companies Act, 2013.
- 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 Radiatoren 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%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

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%

2.3 Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date 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.

2.4 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies at the year-end are translated at the year-end rates. Any exchange differences arising on settlement/transaction are dealt with in the Statement of Profit and Loss except those relating to acquisition of fixed assets, which are adjusted to the cost of the asset.

2.5 Investments

Non-current investments are stated at cost. No provision for diminution in value, if any, has been made as these are long-term investments and in the opinion of the management any decline is temporary. Current investments are stated at lower of cost and fair value.

2.6 Inventories

- i) Raw materials, stores & spares, packing materials, work in progress and finished goods are valued at lower of cost or net realizable value. Damaged, unserviceable and inert stocks are suitably depreciated.
- ii) In determining cost of raw materials, stores & spares 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.
- 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.

2.7 Retirement benefits

The company has defined contribution plan for its employee's retirement benefits comprising of provident fund. The Company contributes to provident fund for its employees. The Company has defined benefit plan comprising of gratuity fund and leave encashment entitlement. The liability for the gratuity fund and leave encashment has been determined on the basis of an independent actuarial valuation done at the year-end. Actuarial gains and losses comprise adjustments and the effect of changes in the actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expense. Contribution in respect of gratuity is paid to the Life Insurance Corporation of India (LIC).

2.8 Research and development

Capital expenditure related to scientific research is shown separately under the respective head of fixed assets.

Revenue expenses including depreciation are charged to the Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

2.9 Revenue Recognition

- i) Sale of products are recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales are net of returns and discounts and exclude sales tax, excise duty and other charges.
- ii) Interest income is accounted on accrual basis/time proportionate basis at contractual rates
- iii) Divided income is recognized when the company's right to receive dividend is established.
- iv) In respect of Nederlandse Radiateuren Fabriek B.V, Income from the supply of goods is recognised as soon as all substantial rights and risks relating to the title of the goods are transferred to the customer.

2.10 Provision for current and deferred tax

Provision for current tax is made after taking into consideration the deduction allowable under the provisions of the Income Tax Act, 1961. In case of foreign subsidiaries as per the law applicable in the country of incorporation.

Deferred tax resulting from 'timing difference' between book and taxable profit is accounted by using the tax rate that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax liability is provided in the statement of profit and loss. Deferred tax assets are recognised only if there is reasonable certainty that the assets can be realized in future.

2.11 Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset is capitalised as part of the cost of the asset. Other borrowing cost is recognised as an expense in the period in which they are incurred.

2.12 Export Incentives

Export incentives in respect of export made under duty drawback scheme as per the import export policy is recognised on accrual basis and to the extent of certainty of realization of ultimate collection.

2.13 Provisions, contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognised 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 recognised are disclosed by way of notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

2.14 Trade receivables

Trade receivables are stated after writing off debts considered as bad. Provision is made for debts considered as doubtful, if any. Discounts due yet to be quantified at the customer level are included under the head "Current Liabilities and provisions".

2.15 Earning per share

The basic and diluted earning per share (EPS) is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

2.16 Proposed dividend

Dividend recommended by Board of Directors is provided for in the accounts, pending approval at Annual General Meeting.

2.17 Lease accounting

Lease rental income is accounted on accrual basis in accordance with the lease agreement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
3. Shareholders' funds

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Authorised share capital		
1520 lacs of Equity shares (P.Y. 1520 lacs of equity shares) of ₹ 2 each	3,040.00	3,040.00
Issued, subscribed and fully paid up		
715.19 lacs Equity shares (P.Y. 715.19 lacs) of ₹ 2 each	1,430.37	1,430.37
Total issued, subscribed and fully paid up share capital	1,430.37	1,430.37

3.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	No. of Share in Lacs	Share Capital ₹ In Lacs
Balance as of 1st April 2014	715.19	1,430.37
Addition during the year	-	-
Deletion during the year	-	-
Balance as of 31st March 2015	715.19	1,430.37

3.2 Terms/rights attached to each equity share

The company has one class of equity shares having a par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

3.3 Shares held by holding, subsidiary and other associated companies as of 31st March 2015 are as under

	No. of shares	Extent of Holding
Share held by holding company or ultimate holding company	Nil	Nil
Share held by subsidiary company or ultimate subsidiary company	Nil	Nil

3.4 Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Equity shares of ₹ 2 each allotted as fully paid up bonus shares by capitalizing general reserve	-	-
Equity shares of ₹ 2 each allotted as fully paid up in terms of amalgamation without payment being received in cash.	-	99.45

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
3.5 Share in the company held by each shareholder holding more than 5% shares specifying the no. of shares

Name of Shareholder	As at 31st March 2015 No. in Lacs (Holding in %)	As at 31st March 2014 No. in Lacs (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%)

4. Reserves and surplus

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Capital reserve		
At the beginning of the year and at the end of the year	0.77	0.77
	0.77	0.77
Revaluation reserve		
At the beginning of the year	54.14	61.48
Add:- Addition during the year	-	-
Less: Amount transferred to the statement of profit and loss as reduction from depreciation	-	(7.34)
At the end of the year	54.14	54.14
Security premium reserve		
At the beginning of the year and at the end of the year	1,200.31	1,200.31
	1,200.31	1,200.31
General reserve		
At the beginning of the year	10,860.81	10,160.81
Less:- Depreciation (net of deferred tax of ₹ 22.21 lacs) of those assets on which useful life is over.	(43.12)	-
Add: Amount transferred from the statement of profit and loss	700.00	700.00
At the end of the year	11,517.69	10,860.81
Capital reserve on acquisition	9,617.24	9,617.24
At the beginning of the year and at the end of the year	9,617.24	9,617.24
Translation adjustment reserve		
At the beginning of the year	4,129.18	207.86
Adjustment during the year	(3,365.96)	3,921.32
At the end of the year	763.22	4,129.18
Surplus in statement of profit and loss		
At the beginning of the year	31,578.49	24,575.37
Add: reversal of excess dividend distribution tax provision	36.37	189.26
Net profit after tax for the year	8,765.22	8,981.64
Less : Appropriations & Other Adjustments		
Interim dividend paid during the year	(357.59)	(1,215.82)
Tax on interim dividend (net)	(0.09)	(0.94)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Proposed dividend	(1,787.97)	(214.56)
Tax on final dividend	(142.71)	(36.46)
Transferred to general reserve	(700.00)	(700.00)
At the end of the year	37,391.70	31,578.49
	60,545.07	57,440.94

5. Long term borrowings

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Bank loans		
Foreign currency secured term loan from bank (refer 5.1)	2,162.19	3,726.73
Less: current portion of long-term borrowing	(1,729.75)	(1,656.32)
Loans from bank	346.05	1,293.07
Less: current portion of long-term borrowing	-	(752.88)
Indian rupees secured term loan from bank # (refer 5.2)	97.50	1,229.00
Less: current portion of long-term borrowing	(97.50)	(1,006.50)
	778.49	2,833.10

- 5.1** Foreign currency term loan carries interest @ 3M LIBOR plus 2%. The loan is repayable within 4 years on quarterly installments. The loan is secured by hypothecation of specific movable assets of the company by way of first charge.
- 5.2** Indian rupees term loan outstanding of ₹ 97.50 lacs (31st March 2014 ₹ 104.00 Lacs) from bank carries interest base plus 100 bps p.a. The Loan is repayable in 5 years including moratorium of 12 months from the date of 1st disbursement with repayment in 16 equal quarterly installments thereafter. The loan is secured by 1st Exclusive charge on specific Plant & Machinery of the company.
- 5.3** Indian rupees term loan outstanding of ₹ Nil lacs (31st March 2014, ₹ 500 lacs) from bank carries interest base plus 105 bps p.a. The loan is repayable within 2 years on quarterly installments, from the date of loan, viz. 30th January 2013. The loan is secured by hypothecation of specific movable assets of the company by way of first charge.
- 5.4** Bank loan of US\$ 50 lacs (Outstanding as of 31st March 2015 ₹ Nil Lacs) carries interest @ 3M LIBOR Plus 2%. The loan is repayable within 3 years on quarterly installments.

6. Deferred tax liability (net)

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Deferred tax liability		
Fixed assets : impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	(2,295.08)	(2,421.51)
	(2,295.08)	(2,421.51)
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis	294.65	193.48
	294.65	193.48
Closing net deferred tax liability	(2,000.43)	(2,228.03)
Opening net deferred tax liability	(2,228.03)	(2,030.33)
Deferred tax adjusted against general reserve	22.21	-
Charged to statement of profit and loss	227.61	(197.70)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
7. Long term provisions

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Provision for gratuity (net of fund investment)	186.57	110.46
Provision for leave encashment	200.52	129.82
	387.09	240.28

8. Short term provisions

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Provision for gratuity (net of fund investment)	34.90	68.86
Provision for leave encashment	10.86	8.30
Provision for proposed equity dividend	1,787.97	214.56
Tax on proposed equity dividend	142.71	36.46
	1,976.44	328.18

9. Short term borrowings

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Secured		
Cash credit from banks	261.11	571.98
Short-term loan from banks	194.76	2,311.53
Unsecured		
Foreign currency loan-packing credit	-	416.00
Short-term loan from banks	500.00	7,680.81
	955.87	10,980.32

- i) 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) Short term loans from bank carries interest rate @ 9 % to 12% p.a. during the year.
- iii) foreign currency buyer credit and packing credits are repayable within 90 to 180 days and carries interest @ LIBOR plus 2% to 3%.

10. Trade payables

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Due to micro small and medium enterprises	361.54	664.45
Due to others	6,152.44	8,488.16
	6,513.98	9,152.61

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

11. Other current liabilities

	As at 31st March 2014 ₹ In Lacs	As at 31st March 2013 ₹ In Lacs
Current maturities of long-term debt	1,827.25	3,415.70
Statutory liabilities		
- VAT/CST payable	128.74	168.96
- TDS payable	25.90	17.28
- Provident fund payable	16.05	4.72
- Professional tax payable	0.95	16.33
Interest accrued but not due on borrowings	17.12	81.51
Other payables	5,025.64	5,735.91
Unpaid dividend	110.78	113.10
Advance received from customers	158.52	240.14
	7,310.95	9,793.65

12 Fixed Assets

(₹ in Lacs)

	GROSS BLOCK					DEPRECIATION/AMORTIZATION						NET BLOCK		
	As at 1 April 2014	Additions	Revalu- ation Reserve	Transl- ation Difference	Deduction Others	As at 31 March 2015	As at 1 April 2014	Additions	Transl- ation Difference	Deduction Others	Other Adjust- ment	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
I Tangible Assets														
a. Leasehold Land	869.96 (869.96)	-	-	-	-	869.96 (869.96)	27.72 (18.94)	8.79 (8.79)	-	-	-	36.50 (27.73)	833.46 (842.23)	842.23 (849.83)
b. Freehold Land	1,139.85 (910.55)	29.79 (148.24)	-	(94.75) (81.07)	134.96 (1,139.85)	939.93 (1,139.85)	0.09 (0.09)	-	-	(0.09)	-	939.93 (0.09)	1,139.76 (1,139.76)	1,139.76 (438.54)
c. Buildings	14,537.68 (12,418.31)	465.45 (683.64)	-	(1,709.72) (1,494.02)	13,293.40 (14,537.68)	7,973.79 (6,509.40)	592.22 (419.70)	(1,230.28) (1,044.69)	-	-	-	7,335.73 (7,973.79)	5,957.67 (6,563.89)	6,563.89 (2,976.62)
d. Plant and Equipments	40,761.83 (36,998.06)	2,075.35 (1,150.20)	-	(3,885.33) (3,624.31)	203.66 (1,012.34)	38,748.20 (40,761.83)	26,864.76 (22,954.61)	2,122.24 (2,502.91)	(3,481.49) (3,109.92)	(259.65) (1,702.69)	29.81 (26,864.76)	25,275.66 (26,864.76)	13,472.53 (13,897.07)	13,897.07 (9,718.90)
e. Furniture & Fixtures	276.84 (248.30)	20.60 (24.85)	-	(2.90) (3.26)	294.54 (276.84)	148.01 (106.91)	43.98 (39.84)	(2.62) (1.21)	-	-	0.67	190.05 (148.01)	104.49 (128.83)	128.83 (121.40)
f. Vehicles	1,002.81 (806.03)	83.72 (152.85)	-	(66.41) (54.31)	4.29 (10.37)	1,015.83 (1,002.81)	428.25 (297.70)	170.65 (137.84)	(38.66) (22.05)	(3.58) (29.34)	3.37	560.03 (428.25)	455.80 (574.56)	574.56 (143.08)
g. Office equipment	3,494.78 (3,004.16)	198.53 (9.10)	-	(601.37) (518.16)	3,091.94 (3,494.78)	3,012.86 (2,708.03)	239.29 (19.92)	(521.20) (458.99)	-	-	9.22	2,740.17 (3,012.86)	351.77 (481.92)	481.92 (367.46)
h. Scientific Research														
1 Building	85.25 (85.25)	-	-	-	-	85.25 (85.25)	51.07 (47.27)	3.14 (3.80)	-	-	-	54.21 (51.07)	31.04 (34.18)	34.18 (37.98)
2 Plant and Equipments	344.68 (270.31)	47.84 (74.37)	-	-	-	392.52 (344.68)	170.34 (142.32)	37.78 (28.02)	-	-	20.12	228.24 (170.34)	164.28 (174.34)	174.34 (125.90)
3 Software	60.72 (57.60)	11.18 (3.12)	-	-	-	71.90 (60.72)	26.73 (18.16)	16.22 (8.57)	-	-	-	42.95 (26.73)	28.95 (33.99)	33.99 (41.53)
4 Office equipment	4.29 (4.29)	-	-	-	-	4.29 (4.29)	2.85 (2.47)	0.43 (0.38)	-	-	0.38	3.66 (2.85)	0.63 (1.44)	1.44 (1.82)
5 Furniture and Fixture	20.75 (20.75)	-	-	-	-	20.75 (20.75)	14.40 (13.00)	2.22 (1.40)	-	-	-	16.62 (14.40)	4.13 (6.35)	6.35 (7.75)
i. Others assets	58.17 (43.70)	2.59 (14.90)	-	-	-	60.76 (58.17)	24.96 (21.58)	17.66 (3.44)	-	-	0.41	43.03 (24.96)	17.73 (33.21)	33.21 (22.13)
II Intangible Assets														
a. Technical Knowhow	150.59 (39.36)	0.47 (106.86)	-	(20.04) (4.37)	-	131.02 (150.59)	15.74 (7.89)	35.74 (7.85)	(3.54)	-	-	47.94 (15.74)	83.08 (134.85)	134.85 (31.48)
b. Software	449.53 (395.30)	39.53 (32.90)	-	(33.09) (21.34)	-	455.97 (449.54)	158.80 (92.29)	92.52 (61.60)	(13.47) (4.91)	-	1.35	239.20 (158.80)	216.77 (290.74)	290.74 (212.50)
Total	63,257.72	2,975.05	-	-	342.91	59,476.25	38,920.36	3,382.88	(5,291.26)	(263.32)	65.33	36,813.99	22,662.26	24,337.35
Previous year	(56,171.92)	(2,401.01)	-	-	(5,800.84)	(1,117.64)	(63,257.72)	(32,940.65)	(3,244.07)	(4,641.77)	(1,906.11)	(38,920.37)	(24,337.35)	

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 Lacs
- Other adjustment refers to carrying value (net of residual value) of those fixed assets amounting to ₹ 43.12 (net of deferred tax ₹ 22.21 lacs) have been debited to general reserve.
- Other Assets include Weighing Machine , Air Conditioner and other Equipments
- Figure in bracket represent previous year figures.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
13. Non current investments(long term investments)

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Unquoted fully paid equity instrument in which certain directors are common		
620,080 (P.Y.620,080) equity shares in Banco Aluminium Ltd.	25.35	25.35
	25.35	25.35
Other investments		
Nil (P.Y.178,596) Equity shares of TShs 100,000 fully paid each in Lake Cement Ltd	-	7,022.15
1,000 (P.Y.1,000) Equity shares of ₹ 25 each fully paid in Co- Operative Bank of Baroda	0.25	0.25
	0.25	7,022.40
	25.60	7,047.75
Current investments (short term investments)		
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)	-
787 (P.Y.787) Oil India Limited of ₹ 10 each	3.31	3.31
400 (P.Y.400) Perfect Circle Victor Limited of Re. 1 each	0.01	0.01
17 (P.Y.17) Talbros Eng Limited of ₹ 10 each having total value of ₹ 426/-	0.004	0.004
	19.94	20.02
Investment in mutual fund-quoted, fully paid up		
200,000 (P.Y.200,000) Baroda Pioneer PSU Equity Fund of ₹ 10 each	20.00	20.00
Less :- Provision for diminution of Investment	(3.34)	(6.77)
	16.66	13.23
	36.60	33.25
Market value of quoted investments		
Equity investments	169.16	83.77
Others	16.66	13.42
	185.82	97.19

14. Inventories (at lower of cost or net realisable value)

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Raw materials	9,518.36	11,245.47
Work-in-progress	2,281.58	2,845.29
Finished goods	12,624.27	12,363.76
Stores and spares	865.47	771.71
Loose tools	102.52	11.97
Packing materials	194.42	229.36
	25,586.62	27,467.56

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
15. Trade receivables

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured ,considered good	337.63	366.41
	337.63	366.41
Provision for doubtful receivables	-	-
(A)	337.63	366.41
Other receivables		
Unsecured ,considered good	17,220.20	20,985.68
	17,220.20	20,985.68
Provision for doubtful receivables	-	-
(B)	17,220.20	20,985.68
(A+B)	17,557.83	21,352.09

16. Cash and bank balances

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Cash and cash equivalents		
Cash on hand	44.73	41.04
Balances with banks		
In current accounts	3,560.09	2,008.14
Other bank balances		
Deposits with maturity for more than 12 months	2,446.98	425.00
Margin money with banks	137.90	68.68
Unpaid dividend	110.78	113.10
	6,300.48	2,655.96

17. Loans and advances (Long Terms and Short Terms)

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
Capital advances		
Unsecured, considered good	377.23	732.46
Loans and advances		
Other loans	2,398.51	5,945.24
Advance tax (net of provision for taxation)	425.55	412.40
	3,201.29	7,090.10

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
17. Loans and advances (Long Terms and Short Terms) (Contd...)

	As at 31st March 2015 ₹ In Lacs	As at 31st March 2014 ₹ In Lacs
<u>Short term loans and advances</u>		
(Unsecured, considered good)		
Security deposit	32.46	39.18
Current maturities of loan	1,257.44	707.70
Others loans and advances		
Balance with statutory authorities	769.16	370.45
Prepaid expenses	686.67	1,039.88
Interest receivable on deposits	0.42	44.46
Advance to vendors (trade)	315.63	730.61
Other advances	2,406.01	264.85
	5,467.79	3,197.13

18. Revenue from operations

	2014-2015 ₹ In Lacs	2013-2014 ₹ In Lacs
Sale of products		
Finished goods	115,920.57	119,053.69
Less : Excise duty	4,764.98	4,658.44
	111,155.59	114,395.25
Scrap sales	1,573.92	1,559.31
Export incentives	146.33	222.48
	1,720.25	1,781.79
	112,875.84	116,177.04

19. Other income

	2014-2015 ₹ In Lacs	2013-2014 ₹ In Lacs
Interest income		
-bank deposits	40.64	51.42
-current investments	-	3.55
-others	338.85	368.73
Profit on sale of investment	3,702.63	-
Profit on sale of assets (net)	2.07	2.95
Exchange gain	1,261.92	193.58
Dividend income on		
-Other investments	13.71	15.71
Other non operating income	353.82	224.23
	5,713.64	860.17

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
20. Cost of materials consumed

	2014-2015 ₹ In Lacs	2013-2014 ₹ In Lacs
Inventory at the beginning of the year	11,474.84	11,304.42
Add : Purchases (net) during the year	59,159.87	60,440.67
	70,634.71	71,745.09
Less : Inventory at the end of the year	9,712.78	11,464.31
Cost of materials consumed	60,921.93	60,280.78

21. Increase/(decrease) in inventories

	2014-2015 ₹ In Lacs	2013-2014 ₹ In Lacs
Inventories at the end of the year		
Semi-finished inventories	2,281.58	2,845.29
Finished goods	12,624.27	12,363.76
	14,905.85	15,209.05
Inventories at the beginning of the year		
Semi-finished inventories	2,845.29	3,224.13
Finished goods	12,363.76	10,060.70
	15,209.05	13,284.83
Changes in inventories	303.20	(1,924.22)
Increase/(Decrease) in excise duty on finished goods	34.31	(10.53)
	337.51	(1,934.75)

22. Employee benefit expenses

	2014-2015 ₹ In Lacs	2013-2014 ₹ In Lacs
Salaries wages and bonus	14,663.99	14,172.15
Company's contribution to gratuity	81.95	57.22
Company's contribution to leave encashment	118.39	55.77
Contribution to provident and other fund	974.63	1,075.38
Staff welfare expenses	361.25	392.80
	16,200.21	15,753.32

23. Finance cost

	2014-2015 ₹ In Lacs	2013-2014 ₹ In Lacs
Interest on loans	503.92	1,150.13
Interest-others	1.74	14.80
Loss on foreign currency traslation	153.43	485.00
Finance charges	178.58	284.10
	837.67	1,934.03

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
24. Depreciation and amortization expenses

	2014-2015 ₹ In Lacs	2013-2014 ₹ In Lacs
Depreciation on tangible assets	3,270.94	3,174.62
Depreciation on intangible assets	111.93	69.45
	3,382.87	3,244.07
Less : Recoupment from revaluation reserve	-	(7.34)
	3,382.87	3,236.73

25. Other expenses

	2014-2015 ₹ In Lacs	2013-2014 ₹ In Lacs
Consumption of stores and spares	924.06	1,092.58
Power and fuel	2,376.13	2,150.86
Labour charges	6,229.59	6,688.98
Repair and maintenance		
Plant and machinery	1,361.13	1,328.32
Electric installation	80.02	91.67
Buildings	320.28	600.10
Sundry repairs	1.08	0.62
Factory general expenses	514.49	586.79
Insurance premium on assets	64.23	66.02
Payment to auditors (refer detail below)	195.78	80.77
Rent rates and taxes	735.86	767.03
Postage and courier	57.48	54.55
Telephone expenses	203.04	210.49
Travelling and conveyance	1,358.25	1,076.72
Director sitting fees	7.98	2.95
Miscellaneous expenses	754.92	816.02
Donation	10.14	13.20
CSR Expenses	161.00	-
Loss on sale of assets	4.24	0.63
Insurance	71.43	130.30
Commission and discount	4,558.36	4,594.73
Advertisement and sales promotion	521.55	498.62
Other selling expenses	437.11	433.93
Provision for doubtful debts	64.16	9.84
Exchange loss	420.58	-
Freight and transport (net)	4,192.25	4,301.73
	25,625.14	25,597.45

25.1 Payment to auditor
As auditor :

Statutory audit fee	93.64	61.24
In other capacity:-		
Other services (certification fees)	98.61	17.25
Out of Pocket expenses	3.53	2.28
	195.78	80.77


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

26. Estimated amount of contracts remaining to be executed on capital account not provided for ₹ 1169.78 Lacs (31st March 2014, ₹1235.24 Lacs).

27. Contingent liabilities.

	31st March 2015	31st March 2014
	₹ In Lacs	₹ In Lacs
- Service tax and excise duty demand	458.65	329.64
- Sales tax	219.64	119.72
- Letter of credit outstanding	352.03	318.81
- Counter guarantees given to the banks in respect of various Guarantees issued by the banks to third parties	550.07	1856.59

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.

28. In compliance with the Accounting Standard (AS-2), the company has included excise duty on closing stock of finished goods amounting to ₹ 199.77 Lacs (31st March 2014, ₹ 148.23 Lacs) and the same has been claimed as expenditure. However this charge has no impact on the profit of the company for the year under review.

29. Maximum balance due during the year from Banco Aluminum Ltd, a company in which certain directors are common, is ₹ 56.14 Lacs (31st March 2014, ₹98.14 Lacs)

30. Related Party Disclosures

Name of related parties and related party relationship

Related parties where control exists

i.	Subsidiary Company <i>(read with clause 32 of the listing agreement)</i>	Banco Gaskets (India) limited – 100% Lake Mineral (Mauritius) Limited- 100% Nederlandse Radiateuren Fabriek B.V. -100%
ii.	Indirect Subsidiary Company <i>(read with clause 32 of the listing agreement)</i>	Kilimanjaro Biochem Limited
B.	Key Management Personnel	Shri Mehul K.Patel- Chairman Mrs. Himali H. Patel- Whole Time Director and CFO- (with effect from 13th Feb. 2015) Shri Shailesh Thakker (Upto 23rd Sept. 2014) Shri Kiran Shetty- Executive Director Shri.Dinesh Kavthekar- Company Secretary (upto 30 th Sep. 2014) Shri.Deep Vaghela- Company Secretary (with effect from 13th Feb. 2015)
C.	Company in which certain directors are Common	Banco Aluminium Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year

Name of Related Party and Nature of Relationship	Nature of Transaction	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
Banco Aluminium Limited	Purchase of goods	498.40	559.41
	Sales of goods (including scrap)	138.69	7.88
	Dividend received	9.29	12.40
	Payment of rent	—	4.20
	Receipt of rent (Including service tax)	20.22	20.22
	Closing balance	—	—
	Salary and perquisites	—	2.06
Mr. Kush Patel (Relative of Director)			
Remuneration to Key Management Personnel (including perquisite)	Shri Vimal K. Patel	—	87.48
	Shri Mehul K. Patel	128.10	115.67
	Shri Kiran Shetty	58.76	55.96
	Shri Shailesh Thakker (Upto 23 rd Sept. 2014)	36.34	71.73
	Mrs. Himali H. Patel (w.e.f 13 th Feb. 2015)	1.40	—
	Shri Dinesh Kavthekar (upto 30 th Sep. 2014)	6.47	7.58
	Shri Deep Vaghela (w.e.f 13 th Feb. 2015)	0.31	—

31. Earning per Shares

	2014-2015	2013-2014
Profit available for Equity Shareholders (₹ in Lacs)	8,765.22	8,981.64
Weighted average Paid up Equity Shares – Nos.in Lacs	715.19	715.19
Earning Per Equity Share (Basic and diluted) (₹)	12.26	12.56

32. The disclosure requirements as prescribed under the Accounting Standard 15 (Revised) "Employee Benefits" are given below:
Change in present value of defined benefit obligation of Gratuity

	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
Opening defined benefit obligation	328.08	307.58
Current service cost	32.02	29.36
Interest cost	28.56	22.93
Benefits paid	(54.23)	17.27
Actuarial (gains)/losses on obligation	32.01	(49.06)
Closing defined benefit obligation	366.44	328.08

Reconciliation of fair value of plan assets (Funded)

	31 st March 2015 ₹ in lacs	31 st March 2014 ₹ in lacs
Opening fair value of plan assets	148.75	150.99
Expected return	14.88	12.66
Contribution by employer	39.81	34.49
Benefits paid	(54.23)	(49.06)
Actuarial gains/(losses)	(4.22)	(0.33)
Closing fair value of plan assets	144.98	148.75

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
Experience Adjustment for the current and previous four periods

	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs	31 st March 2013 ₹ In lacs	31 st March 2012 ₹ In lacs	31 st March 2011 ₹ In lacs
Gratuity					
Defined benefit obligation	366.44	328.08	307.57	168.92	234.97
Plan assets	144.98	148.75	150.99	156.76	146.25
Surplus/(Deficit)	(221.46)	(179.33)	(156.58)	(12.16)	(88.72)
Actuarial (gains)/losses on obligation	30.26	17.27	37.58	22.17	10.24
Actuarial gain/(losses) on plan assets	(4.22)	(0.33)	1.40	(0.23)	(0.61)
Leave Encashment					
Defined benefit obligation	211.38	138.11	122.83	99.43	84.64
Plan assets	—	—	—	—	—
Plan assets/(liability)	(211.38)	(138.11)	(122.83)	(93.43)	(84.64)
Actuarial (gains)/losses on obligation	73.12	23.05	25.40	25.27	14.58
Actuarial gain/(losses) on plan assets	—	—	—	—	—

Net employee benefit expenses recognized in the employee cost

	31 st March 2015 ₹ In lacs	31 st March 2014 ₹ In lacs
Current service cost	32.02	29.36
Interest cost on benefit obligation	28.56	22.93
Expected return on plan assets	(14.88)	(12.66)
Net actuarial (gain)/loss recognized in the year	78.67	17.59
Net benefit expenses	124.37	57.22

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	31 st March 2015	31 st March 2014
Investment with Insurer	100%	100%

Actuarial assumptions

	31 st March 2015	31 st March 2014
Expected rate of return on plan assets	9.00%	9.25%
Discount Rate	8.00%	9.10%
Salary escalation rate	6.00%	6.00%
Withdrawal rates	5.00% *	5.00% *
Retirement age	58 Years	55 Years

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

* 5% at younger ages reducing to 1% at older age

33. 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.
34. 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".
35. The company has revised the depreciation rates based on the useful life of its various fixed assets as prescribed in Part-C of Schedule II to the Companies Act, 2013. As a result, depreciation for the year ended 31st March, 2015 is higher by ₹ 299.53 lacs. Similarly, in case of fixed assets whose useful life has already been completed as on 1st April, 2014, the carrying value (net of residual value) of those fixed assets amounting to ₹ 43.12 lacs (net of deferred tax ₹ 22.21 lacs) have been debited to the opening balance of General Reserve.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

36. Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII there of :

- Gross amount required to be spent by the Company during the year. ₹ 160.75 lacs.
- Amount spent during the year on :

(₹ In Lacs)

Sr. No.	Nature	In cash	Yet to be Paid in Cash	Total
i.	Construction / acquisition of Assets (Specify)	-	-	-
ii.	Other Purposes (Specify)	161	-	161

36a. Additional information, as required under Schedule III to the Companies Act, 2013, of enterprise consolidated as Subsidiary/Associates/Joint Ventures.

Name of the Enterprises	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ In Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)
1	2	3	4	5
Parent :-				
Banco Products (India) Limited	50.72%	40,903.11	43.62%	4,167.58
Subsidiaries				
Indian				
Banco Gaskets India Limited	6.20%	4,995.75	5.00%	477.23
Foreign				
Lake Mineral (Mauritius) Limited	9.38%	7,566.08	25.88%	2,472.28
NederlandseRadiateurenFabriek B.V.	33.70%	27,171.02	25.50%	2,435.63
Total	100.00%	80,635.96	100.00%	9,552.72
Adjustment arising out of consolidation		(18,660.53)		(787.50)
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		61,975.43		8,765.22

37. Previous years figures have been regrouped and reclassified wherever necessary to be in conformity with the figures of the current year.

As per our report of even date attached For Manubhai & Shah Chartered Accountants FRN 106041W	For and behalf of the board		
Gaurav Parmar Partner Membership No. 121462	Mehul K. Patel Chairman DIN 01772099	Mukesh D. Patel Director DIN 00009605	Devesh A. Pathak Director DIN 00017515
Place : Ahmedabad Date : 26th May, 2015	Udayan P. Patel Director DIN 00598313	Himali H. Patel Whole Time Director and Chief Financial Officer DIN 07081636	Deep Vaghela Company Secretary
	Place : Vadodara Date : 25th May, 2015		

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.

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 54th Annual General Meeting of Banco Products (India) Limited to be held on 08.08.2015 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 Standalone and Consolidated Financial Statements for the financial year ended 31.03.2015.
2.	To declare final dividend on Equity Shares for the Financial Year ended on 31.03.2015.
3.	To appoint a Director in place of Shri Samir K. Patel (DIN 00161448), who retires by rotation and being eligible, offers himself for reappointment.
4.	To consider the ratification of Statutory Auditor.
	Special Business
5.	To appoint Shri Devesh A. Pathak (DIN 00017515) as a Non-Executive Independent Director of the Company.
6.	To appoint Shri Udayan P. Patel (DIN 00598313) as a Non-Executive Independent Director of the Company.
7.	To appoint and consider payment of remuneration to Mrs. Himali H. Patel (DIN 07081636) as the Whole time Director and Chief Financial Officer of the Company.

Signed this.....day of2015

Signature of the Shareholder(s)

Please affix
Re. 1/-
Revenue
Stamp

Signature of Proxy holder(s)

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 blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

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 54th Annual General Meeting of the Company at Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara - 391 410 on 08.08.2015.

Signature of the Member(s)/Proxy

Note:

1. Members are requested to bring their copies of Annual Report at the AGM
2. Please strike off whichever is not applicable.

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 - 391 410.
(Gujarat) India.

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FORM A

Format of covering letter of the Annual Audit Report to be filed with the stock exchanges

1.	Name of the Company	Banco Products (India) Limited
2.	Annual Financial Statements for the year ended	31 st March, 2015
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	Not Applicable
5.	To be signed by-	
	<p>For Banco Products (India) Limited</p> <div style="display: flex; align-items: center; justify-content: center;"> </div> <p>Chairman</p>	<p>For Banco Products (India) Limited</p> <div style="display: flex; align-items: center; justify-content: center;"> </div> <p>Wholetime Director & CFO</p>
	<p>For Banco Products (India) Limited</p> <div style="display: flex; align-items: center; justify-content: center;"> </div> <p>Chairman of Audit Committee</p>	<p>For Manubhai & Shah Chartered Accountants (Registration No. 106041W)</p> <div style="display: flex; align-items: center; justify-content: center;"> </div> <p>For, MANUBHAI & SHAH Chartered Accountants Firm Registration No. 106041W Statutory Auditor Membership No. 121462</p>