

BANCO PRODUCTS (INDIA) LIMITED



57th ANNUAL REPORT
2017-2018



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

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



Board of Directors	:	Mehul K. Patel	Chairman
		Samir K. Patel	Director
		Ramkisan Devidayal	Independent Director
		Mukesh D. Patel	Independent Director
		Devesh A. Pathak	Independent Director
		Udayan P. Patel	Independent Director
		Rajendra J. Anandpara	Managing Director
		Himali Patel	Whole time Director & CFO
Company Secretary	:	Dinesh Kavthekar (w.e.f. 16.12.2017)	
		Sagar Pandya (upto 08.11.2017)	
Bankers	:	State Bank of India	
		Bank of Baroda	
		HDFC Bank Limited	
Auditors	:	Manubhai & Shah LLP,	
		Chartered Accountants,	
		Ahmedabad	
Registered Office	:	Bil, Near Bhaili Railway Station,	
		Padra Road, Dist. Vadodara-391 410	
Works	:	At Bil, Near Bhaili Railway Station,	
		Padra Road, Dist. Vadodara-391 410	
		At Jamshedpur	
		At Rudrapur	
		At Waghodia (SEZ Unit)	
		At Zaheerabad	
Listing	:	BSE Limited (500039)	
		National Stock Exchange of India Limited (BANCOINDIA)	
CIN	:	L51100GJ1961PLC001039	
Website	:	www.bancoindia.com	
RTA	:	Link Intime India Pvt. Ltd.	

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NOTICE

Notice is hereby given that the 57th Annual General Meeting of Banco Products (India) Limited will be held on Saturday, the 22nd day of September, 2018, at 10:00 a.m. at the Registered Office of the Company at Bil, Near Bhaili Railway Station, Padra Road, Dist Vadodara - 391 410, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31.03.2018 including Balance Sheet as at 31.03.2018, the Statement of Profit and Loss and Cash Flow Statement for the year ended on 31.03.2018 and the Reports of the Board of Directors and the Auditors thereon.
2. To declare final dividend on Equity Shares for the Financial Year ended 31.03.2018.
3. To appoint a Director in place of Mr. Samir K Patel (DIN : 00161448), who retires by rotation and being eligible, offers himself for reappointment.

Special Business

4. Re-appointment of and Remuneration payable to Mrs. Himali H. Patel as the Whole Time Director of the Company.

To consider and if thought fit, to pass, the following resolution as Special 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 or re-enactment thereof for the time being in force), Mrs. Himali H. Patel (DIN 07081636), be and is hereby re-appointed as the Whole time Director of the Company for a period of 3 years effective from 13.02.2018 to 12.02.2021, 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 ₹ 16.08 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.

Sr. No.	Particulars	Amount ₹ (Per Month)
1.	Basic	46,894.00
2.	House Rent Allowance	18,543.00
3.	Medical Reimbursement	2,333.00
4.	Education Allowance	1,500.00
5.	Magazine and Journal	1,467.00
6.	L T C	4,500.00
7.	Entertainment Allowance	1,500.00
8.	Telephone Reimbursement	3,500.00
9.	Driver Allowance	10,000.00
10.	Petrol Reimbursement	5,000.00
11.	Additional HRA	30,862.00
12.	Provident Fund	5,627.00
13.	Gratuity	2,256.00
	Total	133982.00

“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”.

“RESOLVED FURTHER THAT any one of the Directors of the Company viz. Shri Mehul K. Patel, Shri Samir K. Patel and Shri Rajendra J. Anandpara, be and are hereby severally authorised to do all the things and deeds as may be necessary and to file requisite forms with the MCA/ROC, Gujarat, for and on behalf of the Company.”

5. Re - Approval of Remuneration to Cost Auditor

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. Y.S. Thakar & Co., Cost Accountants, Baroda (FRN : 000318) appointed by the Board of Directors of the Company to conduct the audit of the Cost Records of the Company for the financial year 2018-2019, amounting to Rs. 45000 /- (Rupees Forty Five Thousand Only) plus government taxes, as applicable and out-of-pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

NOTES :

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

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

2. Corporate Members intending to send their authorised representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business enumerated under Item No. 4 & 5 of the accompanying Notice are annexed hereto.
4. The profile of the Directors seeking reappointment of the accompanying Notice, as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith
5. Members are requested to bring their attendance slip duly completed and signed mentioning the details of their DP ID and Client ID/Folio No. and also bring their valid ID proof at the time of the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 08.09.2018 to 22.09.2018 (both days inclusive).
7. The final dividend on Equity Shares, as recommended by the Board of Directors for the financial year ended 31.03.2018, if approved at the Annual General Meeting will be paid on or after 10.10.2018 :
 - 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 07.09.2018; 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 07.09.2018.
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 31.03.2018 will also be available on the Company's website www.bancoindia.com for their download.
11. Members are requested to bring their copies of the Annual Report to the meeting. Members desirous of obtaining any information with respect of the accounts of the Company are requested to send their queries in writing to the company at its Registered Office so as to reach at least seven days before the date of the meeting.
12. a. In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate to either the Company or Company's Registrar and Transfer Agent, M/s. Link Intime India Private Limited, B-102 & 103, Shangrila Complex, 1st Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020 under the signature of the Sole/First joint holder, the following information to be incorporated on dividend warrants.
 - I. Name of the Sole/First Joint holder and the Folio Number; and
 - II. Particulars of Bank Account, viz.
 - i. Name of Bank;
 - ii. Name of Branch;
 - iii. Complete address of the Bank with Pin Code Number;
 - iv. Account type, whether Savings Account or Current Account; and
 - v. Bank Account Number.
- b. Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change in such Bank Account details. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.
13. In terms of the applicable provisions of the Companies Act, Rules and Regulations in force, the unclaimed / unpaid dividend will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 23.09.2017 (date of the last Annual General Meeting) on the website of the Company (www.bancoindia.com).
14. Members are requested to send all communications relating to shares and unclaimed dividends, change of address etc. to the Registrar and Share Transfer Agents at the following address:
 LINK INTIME INDIA PVT. LTD
 (Unit : Banco Products (India) Limited)
 B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank,
 Near Radhakrishna Char Rasta, Akota, Vadodara 390020.
 Phone No. : 0265 – 2356573/2356794, Fax No. : 0265- 2356791
 Email : vadodara@linkintime.co.in
15. Voting through electronic means:
 Pursuant to Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the

Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 57th 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 her/his 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 57th 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 Jagdish J. Gandhi, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The instructions for members voting electronically are as under:

- (i) The voting period begins on 19.09.2018 (9:00 a.m.) and ends on 21.09.2018 (5:00 p.m.). During the period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off i.e. 15th day of September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 05:00 p.m. on 21.09.2018.
- (ii) Members holding shares in physical or in demat form as on 15.09.2018 shall only be eligible for 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 15.09.2018, 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 their 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 their Notice.
- (xii) Click on the EVSN of the Company i.e. Banco Products (India) Ltd. to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
 - a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - d) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

For Item No. 4

Re-appointment of and Remuneration payable Mrs. Himali H. Patel as the Whole Time Director

The Board of Directors, in its Meeting held on 14.11.2017, in terms of the recommendation of the Nomination and Remuneration Committee in Meeting held on 14.11.2017, have approved the re-appointment of Mrs. Himali H. Patel as Whole Time Director and remuneration was approved by Board of Directors of the Company w.e.f. 13.02.2018 for a further period 3 years, subject to the approval of the Members for a further period of 03 years.

The brief profile of Mrs. Himali H. Patel together with other details as required under Listing Rules and Regulations, applicable, is provided in the Annexure to this Notice.

Mrs. Himali H. Patel is a Chartered Accountant and has an experience of 12 years in the field of Strategic Financial Planning, Accounts, Insurance, Taxation. In past she was associated with Torrent Pharmaceuticals Limited, Ahmedabad. The Directors are of the view that her knowledge, experience guidance would be useful for the growth of the Company in the future as well. Her continued association with the Company as a Director would be a great advantage.

Your Directors therefore recommend and seek your approval to the resolution as set out in the item no. 4 accompanying notice by way of Special Resolution.

The Draft Agreement, will be available for inspection on all working days except Saturdays and Sundays during 11.00 a.m. to 01 p.m. up to the date of ensuing Annual General Meeting.

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

Except Mrs. Himali H. Patel, no other Director is interested or concerned financially or otherwise, in the proposed resolution.

Item No. 5

The Board of Directors of the Company, has on the recommendation of Audit Committee, approved the appointment and remuneration of M/s. Y.S. Thakar & Co., Cost Accountants, Baroda, to conduct the audit of the cost records of the Company for the financial year 2018-2019.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is to be ratified by the Members of the Company.

The Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year 2018-2019 as set out in the resolution.

None of the other Directors, Key Managerial Personnel(s) and their relatives, have any concern or interest, financial or otherwise, in the resolutions.

The Board recommends the resolution for adoption.

Registered Office:

BANCO PRODUCTS (INDIA) LIMITED

Bil, Near Bhaili Railway Station, Padra Road, Dist. Baroda – 391410

CIN : L51100GJ1961PLC001039

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

Website : www.bancoindia.com

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

Date : 06.08.2018

Place : Bil

By Order of the Board,

Mehul K. Patel - Chairman
(DIN : 01772099)

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

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

Name of the Director	Shri Samir K. Patel	Mrs. Himali Harnish Patel
Date of Birth	23.03.1960	15.09.1982
Date of Appointment	25.09.1983	13.02.2015
Specialised Expertise/Brief Profile	Shri Samir K. Patel is one of the promoter directors of the Company. He is in charge of administrative matters of the Company since more than 24 years. He has vast experience and expertise in metal industry in general and aluminium in particular.	Mrs. Himali H. Patel is a Chartered Accountant and has an experience of 12 years in the field of Strategic Financial Planning, Accounts, Insurance, Taxation. In past she was associated with Torrent Pharmaceuticals Limited, Ahmedabad. She is working with the Company since more than 3 years.
Qualification	B.Sc MBA	B.Com., M.Com., CA
Directorship in other Companies as on 31.03.2018	Banco Aluminium Limited Banco Gaskets (India) Limited Gatecraft International FZC Nederlandse Radiatoren Fabriek B.V K.K.Patel Foundation Banco Foundation	None
Chairman/Member of other Committee of Companies as on 31.03.2018	Banco Aluminium Limited -Member of Audit Committee Banco Products (India) Limited -Member of Stakeholder's Relationship Committee	None
Shareholding of Director as on 31.03.2018	44,20,667 Equity Shares of Rs. 2/- each.	None
Relationship between Director inter-se	Brother	None

BOARD'S REPORT

To,
The Members of
Banco Products (India) Limited

Your Directors have the pleasure in presenting the 57th Annual Report together with the Audited Financial Statements of Banco Products (India) Limited ("the Company") and its subsidiaries for the financial year ended on 31.03.2018.

1. OVERVIEW OF THE COMPANY'S PERFORMANCE :

Global economic situation improved in 2017 with all the major regions of the world experiencing an uptick in economic growth. The World Bank forecasts global economic growth to edge up to 3.1% in 2018 as the recovery in investment, manufacturing and trade continues and as commodity exporting developing economies benefit from firming of commodity prices.

For India, 2017-18 was a transformative year as the Government implemented GST from 01-July-2018 in order to achieve the long felt need for creating a single Indian market. The GST implementation was not without hiccups as there were challenges around clarity of rules and provisions which led to temporary disruption in the market, especially during the first half of the year. To its credit, the market did recover from these hiccups, adjusted itself to the new GST regime well and posted smart growth across all sectors in the second half of the year. The estimated GDP growth in India for the year 2017-18 was placed at 6.7% - lower than the last year, yet the highest in the world.

Besides GST implementation, Indian government took a slew of structural reforms such as steps towards resolution of NPA in banks and further liberalization of FDI. These reforms will certainly provide necessary impetus to long term economic growth of the country.

Automotive industry is the engine of economic growth in India. For the year 2017-18, all the segments of Indian automotive industry saw positive development. Two wheelers grew by 16%, Passenger cars by 5% and Commercial vehicles grew by 10% over last year reflecting strong economic environment and growing consumption in the country.

For your Company, the year 2017-18 was yet another good year. Sales grew by 22% (consolidated 12 %) while profit before tax expanded by 8 % (consolidated 20 %) over the previous year.

Our Company follows strategy to realize profitable growth and thus create sustainable value for the organization.

Government regulations, customer expectation and growing competition are pushing manufacturers to design and implement technological improvements in the products with ever reducing, "time to market". These are exactly the kind of challenges that our engineers thrive on. Customer is at the centre stage of all our initiatives. In close cooperation with our customers, we develop bespoke engineering solutions that are designed to deliver maximum efficiency under practical operating conditions. This innovation driven approach has helped us to establish and maintain leadership position as preferred engine cooling system provider to our customers in focus sectors such as Commercial Vehicles , Agricultural tractors, Off Highway equipments, Power generation and Railways .

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

During the year under review, cooling modules developed by your company for BSIV compliant engines demonstrated their technological superiority through excellent field performance. The Indian industry is preparing itself to leapfrog to the global level of emission norms by 2020 (BS VI for CV, BS IV for Construction machinery and BS VI for 2 Wheelers). Your Company is closely collaborating with its leading customers to develop new generation engine cooling modules suitable for the emerging emission standards.

On the manufacturing front, our Company follows a vertically integrated approach. All the critical components are manufactured at our modern manufacturing plants located at Bhaili and Waghodia. During the year under review, our plants increased production output substantially to support sales growth of over 20%.

Increase in global prices of metals and commodities together with continued depreciation of Indian Rupee put pressure on the raw material cost development during the year. Your company with its relentless focus on cost initiated a number of operational excellence initiatives to improve efficiency and productivity besides implementing prudent financial discipline.

These measures have helped your organization deliver satisfactory top line and bottom line performance during the year under review, despite the challenges mentioned above.

2. FINANCIAL PERFORMANCE:

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

(₹ in Crores)

PARTICULARS	STANDALONE		CONSOLIDATED	
	Year ended on 31.03.2018	Year ended on 31.03.2017	Year ended on 31.03.2018	Year ended on 31.03.2017
Total Turnover (net of excise)	602	495	1358	1217
Profit Before Taxation	147	137	169	141
Less: Tax Expenses	27	27	52	44
Profit After Tax	120	110	117	97
Add: Total Comprehensive Income Balance Brought forward from Previous Year	394	354	477	449
Profit available for Appropriation	514	464	594	546
Appropriations:				
- Transfer to General Reserve	-	-	-	-
- Interim Dividend Paid during the year	(30)	(36)	(30)	(36)
- Tax Paid on Interim Dividend	(00.15)	(5)	(2)	(4)
- Final Dividend	(29)	(29)	(29)	(29)
Balance Carried to Balance Sheet	455	394	533	477

3. DIVIDEND:

Your Directors had declared and paid Interim Dividend during the year at 210% i.e. ₹ 4.20 per equity share of ₹ 2.00 each absorbing ₹ 30 Crores as dividend and ₹ 15 Lakhs Tax on Dividend (as per applicable provision under Section 115BBD of Income Tax Act) and have recommended final dividend at 290% i.e. ₹ 5.80 per equity share of ₹ 2.00 each for the financial year ended on 31.03.2018 as compared to ₹ 9 per equity share of ₹ 2.00 each (450%) during previous year.

The total dividend for the financial year ended 31st March, 2018 would accordingly be ₹ 10/- per equity share of ₹ 2.00 each i.e. 500%.

4. RESERVE:

The Company has not transferred any amount to reserve.

5. OPERATIONS AND STATE OF AFFAIRS:

The Company continued its initiatives during the year, to upgrade technology and quality at its plants. As pioneers in the country, your company will invest in best in class technology and has lined up an accelerated investment plan to retain its technology leadership position.

Our Research and Development capabilities, including test equipments and design software are being improved in line with modern practices. Our R&D spend, during the year was placed at 00.9 % of turnover.

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

(₹In Crores)

Particulars	Year ended on 31.03.2018	Year ended on 31.03.2017
Sales (Net)	602	495
Profit after Tax (PAT)	120	110

DOMESTIC SALES:

During the period under review, the Company's Domestic sales stood at ₹ 451/- crores as against ₹ 375/- crores in the previous year representing a robust 20% growth. We expanded our business both in OEM and Replacement market.

EXPORT SALES:

During the period under review, the Company's Export sales recovered to reach ₹ 151/- crores as against Rs.120/- crores in the previous year, despite growing global competition.

Overall sales mix was placed at Domestic 75% (previous year 76%) and Export 25% (previous year 24%).

6. MANAGEMENT'S DISCUSSION AND ANALYSIS:

The Report on Management's Discussion and Analysis as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") is included in this report as per Annexure "A".

7. CORPORATE SOCIAL RESPONSIBILITY:

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

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

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

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

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

9. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) that in the preparation of the annual financial statements for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) that such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended 31st March, 2018 and of the profit and loss of the Company for that period;
- iii) that the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the annual financial statements have been prepared on a going concern basis;
- v) that the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- vi) that the proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year Sagar Pandya was Company Secretary and Compliance Officer of the Company up to 08.11.2017. Shri Dinesh D Kavthekar was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 16.12.2017.

Mrs. Himali Harnish Patel (DIN : 07081636) was re-appointed as Whole-time Director of the Company w.e.f 13.02.2018 for a further period of period of 3 years on the recommendation of the Nomination and Remuneration Committee subject to approval of members.

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

In accordance with the provisions of the Act and rules made there under, Shri Samir K. Patel (DIN : 00161448), retires by rotation at the forth coming Annual General Meeting and being eligible offers himself for reappointment.

10.1 PERFORMANCE EVALUATION:

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

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

10.2 POLICY ON DIRECTORS' NOMINATION, APPOINTMENT AND REMUNERATION:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy in relation to remuneration of Directors. The policy also 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.

10.3 DISCLOSURE OF REMUNERATION PAID TO DIRECTORS:

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

11. NUMBER OF BOARD MEETINGS:

The details of 6 Board Meetings held during the financial year 2017 – 2018 are provided in the Report on Corporate Governance and forms part of this report.

12. AUDIT COMMITTEE:

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

13. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

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

14. RISK MANAGEMENT POLICY:

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

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

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

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

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

15. CORPORATE GOVERNANCE:

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

16. EXTRACT OF ANNUAL RETURN:

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

17. AUDITORS:

17.1 STATUTORY AUDITORS:

M/s Manubhai & Shah LLP, Chartered Accountants, were appointed as Statutory Auditors by the Members of the Company at their Annual General Meeting to hold the Office upto conclusion of Annual General Meeting for the Financial Year ending on 31.03.2019. In line with the amended Section 139 91) of the Companies Act, , effective from May 2018, ratification of appointment of Auditors at every Annual General Meeting is not necessary.

17.2 INTERNAL AUDITORS:

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

17.3 SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Act, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. J.J. Gandhi & Co., Practicing Company Secretaries. Vadodara as Secretarial Auditors of the Company. The Secretarial Audit Report for the Financial Year ended on 31.03.2018 is annexed herewith as per Annexure "E" to this Report.

18. SUBSIDIARY COMPANIES:

18.1 NEDERLANDSE RADIATEUREN FABRIEK B.V - NETHERLANDS:

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

18.2 LAKE MINERAL (MAURITIUS) LIMITED – MAURITIUS:

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

18.3 BANCO GASKETS (INDIA) LIMITED – VADODARA:

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

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

The determination of Material Subsidiary is in compliance with LODR.

19. PARTICULARS OF EMPLOYEES:

The Statement pursuant to Section 197(12) of the Act, and Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015 is attached as per Annexure "G" to this Report.

The Statement of the details of employees covered under Rule 5(2) are provided in the Annual Report. The Annual Report is being sent excluding the aforesaid information. Such particulars shall be made available to any shareholder on a specific request made in writing by the shareholder.

20. RELATED PARTY TRANSACTIONS:

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year ended on 31.03.2018 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 have provided an omnibus approval for all Related Party Transactions which are within its purview.

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

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

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

22. SHARE CAPITAL:

As on 31st March, 2018, the paid up equity share capital of your Company was Rs.14.30 crores. During the year under review, the Company has not issued any shares.

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

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

The summary of sexual harassment complaints received and disposed off during the financial year 2017 – 2018 is as under:

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

24. DEPOSITS :

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

25. INSURANCE :

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

26. INDUSTRIAL RELATIONS :

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

27. INTERNAL FINANCIAL CONTROL

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

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

28. DETAILS OF FRAUD REPORTING, IF ANY.

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

29. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

30. HUMAN RESOURCES

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

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

31. MATERIAL CHANGES AND COMMITMENTS

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

32. SAFETY, HEALTH AND ENVIRONMENT SAFETY

The Company has continuously exercised effective safety, health and environment policies. Water and air pollution control measures are successfully operated and industrial trade effluents are used for gardening. The tree plantation at the factory site is maintained properly and the same shall be duly taken care.

33. WEB LINKS

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

34. CHANGE IN THE NATURE OF BUSINESS

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

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

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

36. DISCLOSURE IN RESPECT OF COST RECORDS :

The Company has maintained the accounts and records respectively, as required under provisions of the Companies Act, 2013.

37. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS :

Pursuant to Clause 9 of Secretarial Standards on Meetings of Board of Directors, it is stated that the Company is compliant of applicable Secretarial Standards during the year.

38. ACKNOWLEDGEMENT:

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

By the order of the Board,

Date : 06.08.2018
Place: Bil

Mehul K. Patel - Chairman
(DIN : 01772099)

ANNEXURE TO BOARD'S REPORT

ANNEXURE "A"

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION:

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

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

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

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

INDUSTRY STRUCTURE AND DEVELOPMENTS:

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

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

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

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

For the year under review, BSIV compliant cooling systems developed by your company demonstrated their technical superiority through excellent field performance. The Indian industry is preparing itself to leapfrog to the global level of emission norms by 2020 (BS VI for CV, BS IV for Construction machinery and BS VI for 2 Wheelers). Your company has developed the requisite technology to respond to these challenges and is already collaborating with its leading customers to develop new generation engine cooling modules suitable for the emerging emission standards.

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

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

OPERATIONS:

Banco has been regularly investing in advanced manufacturing technologies. Our plants are equipped to manufacture all critical components in-house. This gives us a unique competitive advantage in the market as

manufacturing setup can be adapted to market requirements. This also enables us to respond quickly to market dynamics and shorten delivery lead time to our customers. Controlled manufacturing processes and use of advance quality management systems ensure that every Banco product is made to the highest standards of quality.

As pioneers in the country, your company will continue to invest in best in class technology and has lined up an accelerated investment plan to retain its technology leadership position.

STRENGTHS:

Our strengths include:

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

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

WEAKNESS:

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

- Complexities resulting from large product range
- Higher dependence on automotive market
- Low OEM presence in some of the sectors e.g. Passenger Car segment

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

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

OPPORTUNITIES:

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

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

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

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

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

THREATS:

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

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

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

TECHNOLOGY:

Banco regularly invests to upgrade its technology and processes in order to stay abreast of emerging trends, With bespoke engineering approach, we run many innovation programs that are aimed at development of advanced products for the future.

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

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

INTERNAL CONTROL AND ITS ADEQUACY:

The system of internal control designed to provide reasonable maintenance of proper accounting records and the reliability of operational and financial information complying with statutes, safeguarding assets from unauthorized 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 audits are oriented towards the review of operational controls in the management risk strengths and opportunities.

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

SEGMENT-WISE PERFORMANCE

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

₹ in Lakhs

Sales	2017-2018	2016-2017
Within India	45027	37464
Outside India	15130	12014

INFORMATION TECHNOLOGY:

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

FINANCIALS:

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

Particulars	2017 - 2018	2016 - 2017
Net Profit to Sales (PBT) (%)	24	28
Earnings Per Share (EPS) (₹)	17	15
Cash earnings per Share (₹)	19	18
Return on Net worth (PAT) (%)	19	20
Dividend Payout Ratio (Including Dividend Tax) (%)	49	63
Retained Earnings (₹ in crores)	61	40
Retained Earnings (%)	51	37

HUMAN RESOURCES:

The industrial relations in all the units of the Company during the financial year 2017-18 were peaceful and harmonious. Experienced and motivated employees have been the backbone of the Company. There were 561 peoples employed in the Company as on 31.03.2018.

Your company puts special emphasis on team building and positive work culture. We train employees to understand and absorb the latest technological trends which in turn, prepare them to achieve higher efficiency levels in production, quality besides leading to higher customer satisfaction.

There is a systematic identification of training needs. Training and development inputs are provided to all employees – in the areas of skill development and behavioral improvement so that individual development keeps pace with organizational development.

FUTURE STRATEGY:
Your company will continue to follow technology led strategy to realize profitable growth and thus create sustainable value for the organization. Collaboration with our customers on the basis of our proven 'bespoke engineering' approach will remain cornerstone of our future strategy. Besides strengthening our core markets, we will expand and broad base our customer market portfolio in Indian and International markets. We will continue to invest in advanced manufacturing and supply chain processes to retain our leadership position. Relentless drive to improve quality and productivity while cutting waste and cost defines our approach towards manufacturing excellence.

Qualified, trained and motivated employees drive successful strategies and towards this objective we also plan to step up our employee development initiative in the coming days

CAUTIONARY STATEMENT:

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

By the order of the Board,

Date: 06.08.2018
Place: Bil

Mehul K. Patel – Chairman
(DIN: 01772099)

ANNEXURE “B”

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

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

The web link is http://www.bancoindia.com/pdf/Corporate_Social_Responsibility_Policy.pdf

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

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

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

The Company’s Average Net Profit for the last three financial years comes to ₹ 9557.63 Lakh

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

The Company is required to spend ₹ 191.15 Lakh for the financial year ended on 31.03.2018.

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

- (a) Total amount to be spent for the financial year: ₹ 191.15 Lakh
- (b) Amount unspent: 175.38 Lakh .
- (c) Manner in which the amount spent during the financial year is detailed below. – **(Separate details given in next page)**

(₹ in Lakh)							
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing Agency *
1	Preventive Health Care, Education, Environment Sustainability, etc.	**	**	₹ 191.15 Lakh	₹ 15.77 Lakh**	₹ 15.77 Lakh**	Through Implementing Agency

* Implementation Agency is Banco Product Trust Registration Number E/7946/VADODARA, Mahavir Foundation, Registration Number E/5923/VADODARA, Shram Mandir Trust, Registration Number F/152/VADODARA, Indian Red Cross Society, Registration Number E/1322/VADODARA, Charutal Arogya Mandal, Registration Number S/119/ANAND.

** 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.**

The Company is in process of identifying appropriate projects to meet its CSR obligations. The projects, being long-term in nature, would need more.

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

By the order of the Board,

Date : 06.08.2018

Place: Bil

Mehul K. Patel
Chairman
(DIN : 01772099)

Rajendra J. Anandpara
Managing Director
(DIN : 02461259)

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 conservation 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.

B. TECHNOLOGY ABSORPTION :

Research and Development :

- (i) The efforts made towards technology absorption during the period under review are :
- To enhance the engine life by developing radiators, oil coolers and intercoolers to give higher heat transfer efficiency.
 - To enhance fuel efficiency and conserve fossil fuels by developing lightweight radiators by switching over to lower mass materials.
 - To develop compact coolers to reducing space available under bonnet in future vehicles.
 - To develop new materials with suppliers to improve product life to address long term corrosion challenges.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution :
- Because of the Research and Development activities, the Company could 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 has been fully Absorbed / Implemented	If technology not fully absorbed, areas where absorption has not taken place, and the reasons thereof
None			

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

(₹ In Lakh)

Expenditure on R&D	2017-2018	2016-2017
1. Capital	51.55	20.07
2. Recurring	490.25	438.36
3. Total	541.80	458.43
4. Percentage of R&D Expenditure to Total Turnover	0.90 %	0.93%

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

(₹ In Lakh)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO : Not reqd in notes to accounts in IND AS

(₹ In Lakh)

	2017-2018	2016-2017
1. Foreign Exchange earned in terms of Actual Inflows	19,475.91	19,689.60
2. Foreign Exchange outgo in terms of Actual Outflows	20,433.42	16,418.36

By the order of the Board,

Date : 06.08.2018

Place: Bil

Mehul K. Patel – Chairman
(DIN : 01772099)

“Annexure - D”**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.**I REGISTRATION & OTHER DETAILS:**

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

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Aluminum Radiator	374.8	79%
2	Copper Brass Radiator	374.8	21%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

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

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

(i) Category-wise Shareholding

Category of Shareholders	No of share held at the beginning of the year				No of share held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Shareholding of Promoter and Promoter Group									
Indian									
Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)									
Bodies Corporate	0	0	0	0.00	1788990	0	1788990	2.50	2.50
Sub Total (A)(1)	0	0	0	0.00	1788990	0	1788990	2.50	2.50
Foreign									
Individuals (Non-Resident Individuals / Foreign Individuals)	18072763	0	18072763	25.27	16283773	0	16283773	22.77	-2.50
Government	0	0	0	0.00	0	0	0	0.00	0.00
Institutions	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)									
Bodies Corporate	0	26909960	26909960	37.63	26909960	0	26909960	37.63	0.00
Sub Total (A)(2)	21640032	26909960	48549992	67.88	46761002	0	46761002	65.38	-2.50
Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	21640032	26909960	48549992	67.88	48549992	0	48549992	67.88	0
Public Shareholding									
Institutions									
Mutual Funds / UTI	3030388	0	3030388	4.24	3070087	0	3070087	4.29	0.06
Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
Alternate Investment Funds	0	0	0	0.00	0	0	0	0	0.00
Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0	0.00
Foreign Portfolio Investor	283088	0	283088	0.40	534599	0	534599	0.75	0.35
Financial Institutions / Banks	60928	2000	62928	0.09	27714	2000	29714	0.04	-0.05
Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0	0.00
Any Other (Specify)									
Sub Total (B)(1)	3374404	2000	3376404	4.72	3632400	2000	3634400	5.08	0.36
Central Government/ State Government(s)/ President of India									
Central Government / State Government(s)	0	0	0	0.00	465709	0	465709	0.65	0.65
Sub Total (B)(2)	0	0	0	0.00	465709	0	465709	0.65	0.65
Non-Institutions									
Individuals									
Individual shareholders holding nominal share capital upto ₹ 1 lakh.	9628931	780006	10408937	14.55	9858065	684410	10542475	14.74	0.19
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1187226	63550	1250776	1.75	1004591	63550	1068141	1.49	-0.26
NBFCs registered with RBI	0	0	0	0.00	0	0	0	0	0.00
Employee Trusts	0	0	0	0.00	0	0	0	0	0.00
Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0	0.00

Category of Shareholders	No of share held at the beginning of the year				No of share held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Any Other (Specify)									
Trusts	800	0	800	0.00	140	0	140	0.00	0.00
Foreign Nationals	3600	0	3600	0.01	3600	0	3600	0.01	0.00
Hindu Undivided Family	683219	0	683219	0.96	531552	0	531552	0.74	-0.22
Foreign Companies	381361	900600	1281961	1.79	131361	900000	1031361	1.44	-0.35
Non Resident Indians (Non Repat)	910230	994480	1904710	2.66	924331	994480	1918811	2.68	0.02
Other Directors	586034	0	586034	0.82	586034	0	586034	0.82	0.00
Non Resident Indians (Repat)	902020	400750	1302770	1.82	1012912	369850	1382762	1.93	0.11
Clearing Member	340414	0	340414	0.48	249683	0	249683	0.35	-0.13
Bodies Corporate	1826333	2700	1829033	2.56	1552390	1600	1553990	2.17	-0.39
Sub Total (B)(3)	16450168	3142086	19592254	27.39	15854659	3013890	18868549	26.38	-1.01
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	19824572	3144086	22968658	32.12	19952768	3015890	22968658	32.12	0.00
Total (A)+(B)	41464604	30054046	71518650	100.00	68502760	3015890	71518650	100	0.00
Non Promoter - Non Public									
Custodian/DR Holder	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total (A)+(B)+(C)	41464604	30054046	71518650	100	68502760	3015890	71518650	100.00	

(ii) Sharholding of Promoters includes Promoter Group

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	OVERSEAS PEARL LTD	26909960	37.63	0.00	26909960	37.63	0.00	0.00
2	MEHUL KANUBHAI PATEL	5615382	7.85	0.00	5019052	7.02	0.00	-0.83
3	VIMAL KANUBHAI PATEL	5572836	7.79	0.00	4976506	6.96	0.00	-0.83
4	SAMIR KANUBHAI PATEL	5016997	7.01	0.00	4420667	6.18	0.00	-0.83
5	HASUMATI KANUBHAI PATEL	1867548	2.61	0.00	1867548	2.61	0.00	0.00
6	GAYATRI MEHUL PATEL	1202378	1.68	0.00	1202378	1.68	0.00	0.00
7	MONAL SAMIRBHAI PATEL	1182806	1.65	0.00	1182806	1.65	0.00	0.00
8	PRITTY VIMAL PATEL	1182085	1.65	0.00	1182085	1.65	0.00	0.00
9	BANCO ALUMINIUM LIMITED	0	0.00	0.00	1788990	2.50	0.00	2.50
	Total	48549992	67.88	0.00	48549992	67.88	0.00	0.00

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

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

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of total shares of the company
1	FRANKLIN INDIA SMALLER COMPANIES FUND	2171188	3.04			2171188	3.04
	Transfer			26 May 2017	66000	2237188	3.13
	Transfer			02 Jun 2017	1699	2238887	3.13
	Transfer			13 Oct 2017	3557	2242444	3.14
	Transfer			20 Oct 2017	28733	2271177	3.18
	Transfer			27 Oct 2017	17710	2288887	3.20
	Transfer			01 Dec 2017	(9468)	2279419	3.19
	Transfer			29 Dec 2017	(60532)	2218887	3.10
	AT THE END OF THE YEAR					2218887	3.10
2	BHARTIBALA RAMESH CHANDRA PATEL	990000	1.38			990000	1.38
	AT THE END OF THE YEAR	990000	1.38			990000	1.38
3	PALATE STAR INVESTMENTS LTD.	900000	1.25			900000	1.25
	AT THE END OF THE YEAR	900000	1.25			900000	1.25
4	HDFC SMALL CAP FUND	848000	1.19			848000	1.19
	Transfer			07 Apr 2017	(3000)	845000	1.18
	Transfer			19 May 2017	(5000)	840000	1.17
	AT THE END OF THE YEAR					840000	1.17
5	RAMKISAN DEVIDAYAL	586034	0.82			586034	0.82
	AT THE END OF THE YEAR					586034	0.82
6	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	0	0.00			0	0.00
	Transfer			08 Dec 2017	73196	73196	0.10
	Transfer			15 Dec 2017	61	73257	0.10
	Transfer			30 Dec 2017	392452	465709	0.65
	AT THE END OF THE YEAR					465709	0.65
7	ASHIT CHANDUBHAI PATEL	418740	0.59			418740	0.59
	AT THE END OF THE YEAR					418740	0.59
8	LALITABEN CHANDUBHAI PATEL	418740	0.59			418740	0.59
	AT THE END OF THE YEAR					418740	0.59
9	SANJIV VINUBHAI PATEL	291913	0.41			291913	0.41
	AT THE END OF THE YEAR					291913	0.41

Sr No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of total shares of the company
10	ANJANA PROJECTS PRIVATE LIMITED	0	0.00			0	0.00
	Transfer			24 Nov 2017	79960	79960	0.11
	Transfer			01 Dec 2017	70504	150464	0.21
	Transfer			08 Dec 2017	44536	195000	0.27
	AT THE END OF THE YEAR					195000	0.27
11	JAPAN METAL GASKET COMPANY LIMITED	381361	0.53			381361	0.53
	Transfer			12 May 2017	(150000)	231361	0.32
	Transfer			19 May 2017	(100000)	131361	0.18
	AT THE END OF THE YEAR					131361	0.18
12	BANCO PRODUCTS (INDIA) LTD- UNCLAIMED SUSPENSE ACCOUNT	537640	0.75			537640	0.75
	Transfer			19 May 2017	(16200)	521440	0.73
	Transfer			02 Jun 2017	(1800)	519640	0.73
	Transfer			09 Jun 2017	(7900)	511740	0.72
	Transfer			08 Dec 2017	(387790)	123950	0.17
	Transfer			09 Mar 2018	(900)	123050	0.17
	AT THE END OF THE YEAR					123050	0.17

Note:

1. Paid up Share Capital of the Company (Face Value ₹ 2.00) at the end of the year is 71518650 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

(v) Shareholding of Directors & Key Managerial Personnel:

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		No. of Shares Held	% of Total Shares of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of total shares of the company
1	MEHUL KANUBHAI PATEL	5615382	7.85			5615382	7.85
	Transfer			26 May 2017	(596330)	5019052	7.02
	AT THE END OF THE YEAR					5019052	7.02
2	SAMIR KANUBHAI PATEL	5016997	7.01			5016997	7.01
	Transfer			26 May 2017	(596330)	4420667	6.18
	AT THE END OF THE YEAR					4420667	6.18
3	RAJENDRA J. ANANDPARA	0	0			0	0
4	HIMALI H. PATEL	0	0			0	0
5	RAMKISAN A. DEVIDAYAL	586034	0.82			586034	0.82
6	MUKESH D. PATEL	0	0			0	0
7	DEVESH A. PATHAK	0	0			0	0
8	UDAYAN P. PATEL	0	0			0	0
9	SAGAR P. PANDYA (UP TO 08.11.2017)	0	0			0	0
10	DINESH D. KAVTHEKAR (W.E.F 16.12.2017)	0	0			0	0

Note:

1. Paid up Share Capital of the Company (Face Value ₹ 2.00) at the end of the year is 71518650 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

V. INDEBTEDNESS

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

(₹ In Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	234.66	Nil	Nil	234.66
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	–
Total (i+ii+iii)	234.66	Nil	Nil	234.66
Change in Indebtedness during the financial year				
Additions	Nil	Nil	Nil	Nil
Reduction	1.94	Nil	Nil	1.94
Net Change	1.94	Nil	Nil	1.94
Indebtedness at the end of the financial year				
i) Principal Amount	232.72	Nil	Nil	232.72
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	232.72	Nil	Nil	232.72

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lakh)

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Rs.
		Rajendra J. Anandpara (Managing Director)	Himali Patel – (Whole time Director and CFO)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	133.32	16.13	149.45
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.76	0.07	0.83
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission			
	as % of profit	Nil	Nil	Nil
	others (specify)	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	134.08	16.20	150.28
	Ceiling as per the Act	451.33		

B. Remuneration to other directors:

(₹ In Lakh)

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

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

(₹ In Lakh)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Pravin Rao Chief Executive Officer (upto 27.04.2017)	Dinesh Kavthekar Company Secretary (w.e.f. 16.12.2017)	Sagar Pandya Company Secretary (upto 08.11.2017)	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	7.36	2.40	3.82	13.58
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.02	0.03	0.03	0.08
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	-as % of profit	Nil	Nil	Nil	Nil
	-others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	7.38	2.43	3.85	13.66

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES : NIL

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

By the order of the Board,

Date : 06.08.2018
Place : Bil

Mehul K. Patel – Chairman
(DIN : 01772099)

ANNEXURE “E”
Secretarial Audit Report
(For the Financial year ended on 31st March, 2018)

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

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

Dear Sirs,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Banco Products (India) Ltd.** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2018**, 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, 2018**, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB). – As reported to us there were no FDI, ODI and ECB transactions in the Company during the financial year under review.
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 as the Company did not issue any security during the financial year under review.
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable as the Company has not granted any options to its employees during the financial year under review.
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable as the Company neither issue nor listed any debt securities during the financial year under review.
 - 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 as the Company has not delisted its equity shares from any stock exchange during the financial year under review.
 - H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable as the Company did not buy back any security during the financial year under review.
6. Considering representation of management and products, process and location of the Company, following laws are applicable specifically to the Company. Having regard to the compliance system prevailing in the Company and on examination of the relevant records on test check basis, we further report that the Company has complied with the following laws;
 1. The Environment (Protection) Act, 1986
 2. The Air (Prevention and Control of Pollution) Act, 1981
 3. The Water (Prevention and Control of Pollution) Act, 1974

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

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

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

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

We further report that as per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried at meetings without any dissent.

Based on the Compliance mechanism established by the Company and on the basis of certificates placed before the Board and taken on record by the Directors at their meetings, we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

**Place: Vadodara
Date: 18th July, 2018**

**(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 as **Annexure** and forms an integral part of this report.

Date: 18th July, 2018

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

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

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

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

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

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

PART : "A" - SUBSIDIARIES														(₹ In Lakh)
Sr. No.	Name of Subsidiary Company	Reporting Period ended on	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (except investments in the subsidiary)	Turnover/ income*	Profit/ (loss) before taxation *	Provision for Taxation *	Profit / (loss) after taxation *	Proposed Dividend	% of Share Holding	Date of acquisition
1	Nederlandse Radiatoren Fabriek BV (NRF)	31st March 2018	92	31,660	41,897	10,144	-	45,191	79	(8)	87	-	100%	23.02.2010
1.1	NRF Thermal Engineering BV (Skopimex BV)	31st March 2018	13	285	1,756	1,458	-	7,967	(3)	(1)	(2)	-	100%	
1.2	NRF France SARL	31st March 2018	151	1,280	4,548	3,117	-	10,824	303	(13)	316	-	100%	
1.3	NRF United Kingdom Ltd	31st March 2018	1,464	(484)	1,400	421	-	1,979	(269)	-	(269)	-	100%	
1.4	NRF Handels GMBH	31st March 2018	-	-	-	-	-	-	-	-	-	-	100%	
1.5	NRF Deutschland GMBH	31st March 2018	83	112	355	160	-	-	80	25	55	-	100%	
1.6	NRF Espana S.A.	31st March 2018	2,742	1,686	6,082	1,654	-	12,522	958	244	714	-	100%	
1.7	NRF Poland Sp z o.o.	31st March 2018	15	4,526	9,841	5,300	-	21,605	2,724	524	2,200	-	100%	
1.8	NRF Italia Srl	31st March 2018	8	1,060	3,039	1,971	-	5,664	282	77	205	-	100%	
1.9	NRF Switzerland AG	31st March 2018	49	122	259	87	-	1,180	99	20	78	-	100%	
1.10	NRF USA	31st March 2018	23	(433)	1,567	1,976	-	2,044	(246)	-	(246)	-	100%	
2.	Lake Mineral (Mauritius) Limited	31st March 2018	1,747	582	2,337	8	-	-	2,228	-	2,228	-	100%	11.04.2011
2.1	Kilimanjaro Biochem Limited	31st March 2018	1,306	1,622	4,488	1,560	-	4,674	428	136	291	-	95%	
3.	Banco Gaskets (India) Limited	31st March 2018	3,500	3,459	9,725	2,766	-	12,866	1,768	605	1,163	-	100%	26.08.2011

Note:

- 1 Sr. 1.1 to 1.10 are subsidiaries of NRF.
- 2 Exchange rate used for conversion of figures in Euro (1 to 1.10 of NRF group) ₹ 81.48 Per Euro (31st March 2017, ₹ 69.93 Per Euro)
- 3 Exchange rate used for conversion of figures in Tshs (Kilimanjaro Biochem limited) :- 0.02833 Rs Per Tshs (31st March 2017, ₹ 0.0283 Per Tshs)
- 4 Exchange rate used for conversion of figures in US\$ (Lake Mineral (Mauritius) Limited):- ₹ 65.30 per US\$ (31st March 2017, ₹ 65.19 Per US\$)
- 5 Kilimanjaro Biochem Limited is subsidiary of Lake Mineral (Mauritius) Limited
- 6 Banco Gaskets (India) Limited is an Indian Subsidiary using Indian Rupees as functional currency
- 7 Names of Subsidiaries which are yet to commence Operations- Not Applicable
- 8 Names of Subsidiaries which have been liquidated or sold during the year- NRF Handels GMBH
- * Indicating the highlights of Subsidiary Companies.



PART "B" : ASSOCIATES AND JOINT VENTURES

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

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

For and on behalf of the Board,

Date : 06.08.2018
Place : Bil

Mehul K. Patel – Chairman
(DIN : 01772099)

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

- (1) The Percentage Increase in remuneration of each Directors, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial year 2017-18. The ratio of the remuneration of each Director to the median remuneration of the employee of the company for the Financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

(₹ in Lakhs)

Sr. No.	Name of the Director / KMP	Designation	Remuneration for the Financial Year 2017-18	% increase in Remuneration in the Financial Year 2017-18	Ratio of Remuneration of each Directors/ KMP to median remuneration of Employees
01	Rajendra J. Anandpara*	Managing Director	134.08	*	*
02	Himali Patel	Whole-time Director & CFO	16.20	20.08	*
03	Dinesh Kavthekar* (w.e.f. 16.12.2017)	Company Secretary	2.43	*	*
04	Sagar Pandya* (upto 08.11.2017)	Company Secretary	3.85	*	*

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

** Details not given as he was Company Secretary for part of the previous financial year ended on 31.03.2018.

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

- (2) # The median remuneration of employees of the company during the Financial year was ₹ 2.79 Lakh PA.
- (3) In the Financial year, there was an increase of 2.57 % in the median remuneration of the employees.
- (4) There was 548 nos of Employees was on roll of the company as on 31.03.2018.
- (5) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 16.53 % whereas the decrease in the managerial remuneration for the same financial year was 22.18%.
- (6) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and Behalf of the Board,

Date : 06.08.2018
Place: Bil

Mehul K. Patel – Chairman
(DIN : 01772099)

ANNEXURE - H

Particulars of Investment made by the Company

Nature of Transaction	Date	Name of the person whose securities have been acquired	Address of the person whose securities have been acquired	Amount ₹ In Lakhs	Purpose of Investment
Investment in Mutual Fund	11.05.2017	Kotak Select Focus Fund Direct Plan Dividend	27 BKC, C-27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	737.50	For temporary deployment of surplus funds
	11.05.2017	Kotak Opportunities Direct plan Dividend		737.50	
	11.05.2017	Kotak Select Focus Fund Regular plan Dividend		20.00	
	11.05.2017	Kotak Opportunities Regular plan Dividend		20.00	
	31.07.2017	Kotak Floater Short Term-Direct Daily Dividend		300.21	
	02.08.2017	Kotak Income Opport Fund – Direct – Weekly – Div		485.00	
	02.08.2017	Kotak Income Opport Fund – Regular – Monthly - Div		15.00	
	14.09.2017	Kotak Floater Short Term-Direct Plan-Growth		1000.00	
	14.09.2017	Kotak Floater Short Term-Direct Daily Dividend		300.35	
	21.02.2018	Kotak Floater Short Term-Direct Daily Dividend		501.22	
	08.03.2018	Kotak Floater Short Term-Direct Plan-Growth		500.00	
	15.03.2018	Kotak Select Focus Fund Regular plan Dividend		152.00	
	15.01.2018	Reliance Growth Fund Dividend Plan	H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Koparkhairne, Navi Mumbai - 400 710	39.00	
	31.03.2018	Reliance TOP 200 Fund Dividend Plan		141.00	
	31.12.2017	Reliance Mid & Small Cap Fund Dividend Pay Out Plan		44.00	
	26.07.2017	Birla Sun Life Cash Plus – Daily Div Direct Plan – Reinvestment	One India Bulls Centre, Tower 1, 17th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.	300.11	
	31.07.2017	Birla Sun Life Cash Plus – Daily Div Direct Plan – Reinvestment		200.29	
	02.08.2017	Birla Sun Life Med Term Fund – Direct – Quar – Div		1068.00	
	02.08.2017	Birla Sun Life Med Term Fund – Regular – Quar – Div		32.00	
	14.09.2017	Birla Sun Life Cash Plus – Daily Div Direct Plan – Reinvestment		400.37	
	25.09.2017	Birla Sun Life Cash Plus – Daily Div Direct Plan – Reinvestment		600.42	
	08.01.2018	Birla Sun Life Cash Plus – Daily Div Direct Plan – Reinvestment		200.25	
	08.03.2018	Birla Sun Life Floating rate Fund Short Term -G Direct		500.00	
	15.03.2018	Birla Sunlife Equity Fund Dividend Plan		102.00	
	15.01.2018	DSP BlackRock Small and Mid Cap Fund Dividend Plan	Mafatlal Centre, 10th Floor, Nariman Point Mumbai, Maharashtra - 400021	39.00	
	15.01.2018	DSP BlackRock Opportunities Fund Dividend Plan		78.00	
	02.08.2017	DSP BlackRock Income Opp.Fund-Direct Plan-Monthly Div		485.00	
	02.08.2017	DSP BlackRock Income Opp.Fund- Regular Plan-Monthly Div	"HUL House", 2nd Floor, H. T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020.	15.00	
	16.05.2017	HDFC Core & Satellite fund Direct Plan-Dividend Plan		300.00	
	16.05.2017	HDFC Core & Satellite fund Regular Plan-Dividend Plan		9.00	
	02.08.2017	HDFC Corporate Debt Opport Fund – Direct – Half Yrly -Div		1085.00	
	02.08.2017	HDFC Corporate Debt Opport Fund – Regular – Half Yrly - Div		33.00	
	16.03.2018	HDFC Equity Fund-Regular Dividend Plan		50.00	
	16.03.2018	HDFC TOP 200 Fund Regular Dividend Plan		50.00	
	16.05.2017	IDFC Classic Equity Fund Dividend Regular Plan	One India Bulls Centre, 6th Floor, Jupiter Mills Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.	9.00	
	16.05.2017	IDFC Classic Equity Fund Dividend Direct Plan		300.00	
	27.07.2017	Edelweiss Arbitrage Fund - Monthly Div-Direct Plan	801, 802 & 803, 8th Floor, Windsor, Off C.S.T. Road, Kalina, Santacruz (E), Mumbai 400 098.	500.00	
	08.03.2018	ICICI Prudential Liquid Fund - Direct Plan -Growth	1201-1212, Narian Manzil, 23, Barakamba Road, Connaught Place, New Delhi, Delhi NCR – 110001.	500.00	

REPORT ON CORPORATE GOVERNANCE

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR") the Company presents the report on Corporate Governance as mentioned in the applicable Regulations for the financial year ended on 31.03.2018.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

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

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

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

2. GOVERNANCE STRUCTURE :

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

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

3. BOARD OF DIRECTORS :

As at 31st March, 2018, the Board of Directors comprises of 8 (Eight) Directors. There are 4 (Four) Non-Executive Independent Directors, 2 (Two) Executive Non-Independent Directors and 2 (Two) Non-Executive Promoter Non-Independent Directors. A brief resume of the directors being appointed / re-appointed at the Annual General Meeting, the nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership of the committees of the Board is annexed to the Notice.

Further, Shri Rajendra Jayantilal Anandpara was appointed as Additional Director and Managing Director of the Company w.e.f. 27.04.2017 for a period of 3 years on the recommendation of the Nomination and Remuneration Committee. Shri Dinesh D Kavthekar was appointed as Company Secretary (Key Managerial Personnel) w.e.f. 16.12.2017 in place of Shri Sagar Pandya.

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

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Regulation 26 of LODR, across all the Companies in which he / she is a Director. Necessary disclosure regarding the Committee position in other Public Companies as at 31.03.2018 have been made by the Directors.

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

Board Training and Induction

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

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

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

Board Procedures

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

Details of Board Meeting

During the year under review, the Board met 6 (Six) times on 27.04.2017, 22.05.2017, 31.07.2017, 14.11.2017, 14.02.2018 and 16.03.2018. The gap between any two Board Meetings did not exceed 120 days.

Composition of Board

Name of Director	Category	No of Board Meeting held / attended during 2017-2018	Whether attended last AGM	No of Directorship held in other Indian public companies	@ Committee position	
					Chairman	Member
Shri Mehul K. Patel	Non Executive Chairman & Promoter (Relative of Shri Samir K. Patel)	6 / 6	Yes	2	1	2
Shri Samir K. Patel	Non-Executive & Promoter (Relative of Shri Mehul K. Patel)	6 / 5	No	2	-	2
Shri Ramkisan Devidayal	Non-Executive Independent	6 / 4	Yes	3	3	4
Shri Mukesh D. Patel	Non-Executive Independent	6 / 6	Yes	3	5	3
Shri Devesh Pathak	Non-Executive Independent	6 / 5	Yes	1	1	2
Shri Udayan Patel	Non-Executive Independent	6 / 5	Yes	-	-	2
Ms. Himali Patel	Whole time Director and CFO	6 / 6	Yes	-	-	-
Mr. Rajendra J. Anandpara	Managing Director	6 / 6	Yes	-	-	-

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

Shareholding of Directors	No. of Shares held as on 31.03.2018
Shri Mehul K. Patel	50,19,052 (7.02%)
Shri Samir K. Patel	44,20,667 (6.18%)
Shri Ramkisan Devidayal	5,86,034 (0.82%)

4. AUDIT COMMITTEE :

The Board of Directors has constituted an Audit Committee, comprising of four Non-Executive Independent Directors and one Non-Executive Promoter 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 Act, and LODR. Some of the terms of reference stipulated by the Board of Directors for the Audit Committee include:

Powers of the Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.

- c. To obtain outside legal or other professional advice.
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee:

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

During the financial year 2017-2018, 4 (Four) Audit Committee meetings were held on 22.05.2017, 31.07.2017, 14.11.2017 and 14.02.2018. 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	2
Shri Mukesh D. Patel	4	4
Shri Devesh A. Pathak	4	4
Shri Udayan P. Patel	4	3
Shri Mehul K. Patel	4	4

5. NOMINATION AND REMUNERATION COMMITTEE :

The Board of Directors has constituted a Nomination and Remuneration Committee, comprising of four Non-Executive Independent Directors and one Non Executive Promoter 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 Act and LODR. Some of the terms of reference stipulated by the Board of Directors for the Nomination and Remuneration Committee include:

Role of the Nomination and Remuneration Committee:

- 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.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and 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 such as knowledge, skills, conduct, integrity, contribution in setting up and achieving goals etc.

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

i. Fixed pay:

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

ii. Variable pay:

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

iii. Minimum Remuneration:

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

iv. Provisions for excess remuneration:

If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, or without the prior sanction of the Central Government, wherever 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 may waive recovery of such sum refundable in accordance with the Act.

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 Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 1 lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

iii. Commission:

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

iv. Stock Options:

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

During the financial year 2017-2018, 3 (Three) Nomination and Remuneration Committee meetings were held on 27.04.2017, 31.07.2017 and 14.11.2017. The details of Members' attendance at the meetings of Nomination and Remuneration Committee are as under:

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

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

The details of remuneration paid to Executive Directors during the financial year 2017-2018 are as under:

Sr. No.	Name of the Directors	Designation	Total Remuneration paid by way of Salary & Perquisites (Rs in Lakh)
1	Shri Mehul K. Patel	Chairman	NIL
2	Shri Rajendra A. Anandpara (w.e.f.27.04.2017)	Managing Director	134.08
3	Ms. Himali H. Patel	Whole time Director & CFO	16.20

The details of sitting fees and commission paid to Non-Executive Directors during the financial year 2017-2018 are as under:

Sr. No.	Name of the Directors	Designation	Sitting fees paid (Rs. in lakh)	Commission paid (Rs. In lakh)	Total (Rs. In lakh)
1	Shri Ramkisan Devidayal	Non-Executive Independent Director	1.40	3.00	4.40
2	Shri Mukesh D. Patel	Non-Executive Independent Director	2.60	3.00	5.60
3	Shri Devesh A. Pathak	Non-Executive Independent Director	2.30	1.00	3.30
4	Shri Udayan P. Patel	Non-Executive Independent Director	2.00	1.00	3.00

6. STAKEHOLDERS RELATIONSHIP COMMITTEE :

The Board of Directors has constituted a Stakeholders Relationship Committee, comprising of four Non-Executive Independent Directors and one Non-Executive Promoter 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, dematerialization of shares, etc. The Committee in turns looks after the performance of the Secretarial Department and the working of the Registrar and Transfer Agents and recommends the measure to improve the quality services to the Investors.

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

During the financial year 2017-2018, 2 (two) Stakeholders Relationship Committee meetings were held on 22.05.2017 and 14.11.2017. The details of Members' attendance at the meetings of Stakeholders Relationship Committee are as under:

Name of the Member	Number of Meetings held in Member's tenure	Meeting Attended
Shri Ramkisan Devidayal	2	0
Shri Mukesh D. Patel	2	2
Shri Devesh A. Pathak	2	2
Shri Udayan P. Patel	2	1
Shri Samir K. Patel	2	1

The Company has appointed Shri Dineesh D Kavthekar the Company Secretary as Compliance Officer.

During the period under review, no investor grievances were received and resolved. No grievances / complaints are outstanding and no requests for share transfers and / or requests for dematerialization were pending for approval as on 31.03.2018.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

The Board of Directors has constituted a Corporate Social Responsibility Committee, comprising four Non-Executive Independent Directors, two Non Executive Promoter Non-Independent Directors 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 Act. Some of the terms of reference stipulated by the Board of Directors for the Corporate Social Responsibility Committee include:

Role of the Corporate Social Responsibility Committee:

- a. 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.
- B. To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities.
- c. To monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the financial year 2017-2018, 1(one) Corporate Social Responsibility Policy meeting was held on 22.05.2017. The details of Members' attendance at the meeting of Corporate Social Responsibility Policy is as under:

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

8. SEPARATE INDEPENDENT DIRECTORS' MEETING :

During the Financial year ended on 31.03.2018, one Separate Meeting of Independent Directors' was held on 22.05.2017.

The meeting interalia discussed :

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

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

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

9. GENERAL BODY MEETINGS :

The details of the Last three Annual General Meetings are as under:

Financial Year	Location	Date	Time	No. of Special Resolutions passed
2014-15	Bil, Near Bhaili Railway Station, Padra Road, Dist Vadodara - 391 410	08.08.2015	10.00 a m	Nil
2015-16	Bil, Near Bhaili Railway Station, Padra Road, Dist Vadodara - 391 410	17.07.2016	10.00 a m	4
2016-17	Bil, Near Bhaili Railway Station, Padra Road, Dist Vadodara - 391 410	23.07.2017	10.00 a m	1

- whether any special resolution passed last year through postal ballot - No.
- whether any special resolution is proposed to be conducted through postal ballot - No

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 189 of the Act. None of the transactions with any of the related parties were in conflict with the interest of the Company as per requirements of Indian Accounting Standard (Ind AS 24). These have 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 Act, and LODR.
- 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 a Policy on Whistle Blower / Vigil Mechanism which is also posted on the website of the Company and no personnel has been denied access to the Audit Committee.
- g. There are no amounts pending for transfer to the Investor Education and Protection Fund under Section 125 of the Act.
- h. Web link
 - Terms and conditions of appointment of independent directors : http://www.bancoindia.com/pdf/Terms_and_Conditions_of_Appointment_of_Independent_Director.pdf
 - Composition of various committees of Board of directors : <http://www.bancoindia.com/pdf/CompositionDirectors.pdf>
 - Code of conduct of Board of directors and senior management personnel : http://www.bancoindia.com/pdf/Code_of_Conduct.pdf
 - Vigil mechanism/ Whistle Blower policy : http://www.bancoindia.com/pdf/Vigil_Mechanism.pdf
 - Policy on dealing with related party transactions : http://www.bancoindia.com/pdf/Policy_on_Related_Party_Transactions.pdf
 - Policy for determining material subsidiaries : <http://www.bancoindia.com/pdf/PolicyForDeterminingMaterialSubsidiaries-ListingRegulation.pdf>
 - Familiarization programmes of Independent Directors : <http://www.bancoindia.com/pdf/FamiliarizationProgrammsforIndependentDirectors.pdf>
 - Contact details of KMP for determining materiality of an event : <http://www.bancoindia.com/pdf/ContactDetailsKMPMaterialEvents.pdf>

Mandatory Requirements:

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

Non-Mandatory Requirements:

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

11. MEANS OF COMMUNICATION :

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

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

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

12. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting:

Date and time : Saturday, the 22nd day of September, 2018 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 30.06.2018	By end of July, 2018 or within statutory time limit
Quarter ending 30.09.2018	By end of October, 2018 or within statutory time limit
Quarter ending 31.12.2018	By end of January, 2019 or within statutory time limit
Audited Results for the year ending on 31.03.2019	By end of May, 2019 or within statutory time limit

Dividend Payment Date : On or after 10.10.2018

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 31.03.2018, the Register of Members and Share Transfer Books of the Company will remain closed from 08.09.2018 to 22.09.2018 (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 31.03.2018, if approved at Annual General Meeting will be paid on or after 10.10.2018:

- To all the beneficial owners in respect of shares held in electronic form, as per the data made available by the National Security Depository Limited and Central Depository Services (India) Limited as of the close of business hours on 07.09.2018; 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 07.09.2018.

Listing of Equity Shares on Stock Exchanges:

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

Stock Code:

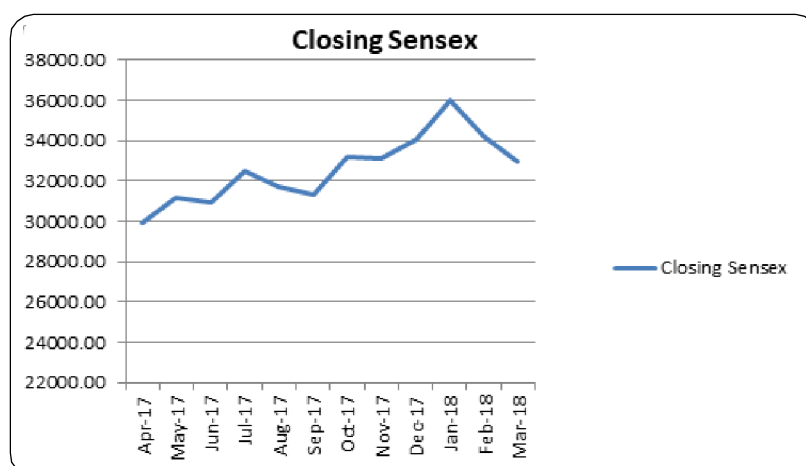
Stock Code (BSE) : 500039
 Trading Symbol (NSE) : BANCOINDIA
 DEMAT ISIN Number : INE213C01025

Stock Market Data:

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

Month	BSE			NSE		
	High	Low	No. of Shares Traded	High	Low	No. of Shares Traded
April, 2017	238.70	215.25	940780	239.05	216.20	2477590
May, 2017	255.60	207.60	3370675	255.90	203.10	4132412
June, 2017	234.90	213.90	433818	231.70	214.00	1154225
July, 2017	249.00	215.00	605504	247.00	214.55	1938001
August, 2017	229.75	198.40	594070	230.05	198.20	2131189
September, 2017	227.00	205.00	432463	227.30	205.00	1552968
October, 2017	228.50	208.00	407725	228.65	207.50	1460313
November, 2017	264.00	213.95	1103057	264.00	212.20	4885199
December, 2017	268.00	230.20	798350	268.40	216.00	2664665
January, 2018	276.25	230.00	697627	277.00	237.60	2476275
February, 2018	246.35	200.00	341650	246.50	200.00	1246167
March, 2018	226.00	209.00	216816	227.70	209.35	1139953

Share Performance of the Company in comparison to BSE Sensex



Suspension of Securities from trading

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

Commodity price risk or foreign exchange risk and hedging activities

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

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

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

Share Transfer System:

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

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

Distribution of Shareholding as on 31.03.2018:

No of Share Holding	No of Shareholders	No of Shares	% to Total Paid-up Capital
1 – 500	19,295	23,97,290	3.35
501 – 1000	1,880	15,80,340	2.20
1001 – 2000	1,008	16,20,455	2.27
2001 – 3000	486	13,27,106	1.86
3001 – 4000	205	7,48,236	1.05
4001 – 5000	162	7,64,438	1.07
5001 – 10000	231	16,66,357	2.33
10001 and above	184	6,14,14,428	85.87
Total	23,451	7,15,18,650	100.00

Distribution of Shareholding Pattern as 31.03.2018:

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	5,64,313	0.79
Bodies Corporate	16,85,351	2.36
Non-Residents Indians	33,01,573	4.62
Mutual Funds	30,70,087	4.29
Public	1,43,47,334	20.06
Total	7,15,18,650	100.00

Dematerialization of Shares as on 31.03.2018:

About (95.78%) of equity shares of the Company, have been dematerialized.

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

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

Equity Shares in the Suspense Account:

The details are as under:

Particulars	Number of Shareholders	Number of Equity Shares of Face Value of Rs. 2/- per Share
Aggregate Number of Shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year	291	5,37,640
Number of Shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the year.	18	26800
Number of Shares transferred to IEPF Authority of Government of India	223	387790
Total Shares lying in Unclaimed Suspense Account at the end of the year	50	123050

As per LODR 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 31.03.2018 shall remain frozen till the rightful owner of such shares claim the shares.

Plant Locations:

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

**Address for Correspondence:**

For transfer/dematerialisation of shares, transmission, etc For payment of dividend and other queries of the Company

For transfer/dematerialisation of shares, transmission, etc	For payment of dividend and other queries of the Company
Registrar to an issue and share transfer agent: Link Intime India Pvt. Ltd. B – 102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020 Phone : (0265) 2356573, Fax : (0265) 2356791 Email : vadodara@linkintime.co.in	Secretarial Department: Banco Products (India) Limited Bil, Near Bhaili Railway Station, Padra Road, Dist. Baroda - 391 410 Phone : (0265) 2318226 Email : sec@bancoindia.com, investor@bancoindia.com

For and on behalf of the Board,

Date : 06.08.2018
Place : Bil

Mehul K. Patel - Chairman
(DIN : 01772099)

DECLARATION

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

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

I hereby confirm that the Company has, in respect of the financial year ended on 31.03.2018 received from the Board Members and Senior Management Personnel, a declaration of Compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management means the Chief Financial Officer, Chief Executive Officer, Company Secretary, Managing Director and other employees in the Assistant General Manager cadre as on 31.03.2018.

For Banco Products (India) Limited

Date : 06.08.2018
Place: Bil

Mehul K. Patel
Chairman
DIN : 01772099

COMPLIANCE CERTIFICATE

To
The Board of Directors
Banco Products (India) Limited

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

- a. We had reviewed the financial statements and the cash flow statement for the financial year ended on 31.03.2018 and that to the best of my knowledge and belief, We state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that We had evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and had disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify these deficiencies.
- d. We had indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

For Banco Products (India) Limited

Date : 06.08.2018
Place : Bil

Mehul K. Patel
Chairman
(DIN : 01772099)

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

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

We have examined the compliance of conditions of corporate governance by **BANCO PRODUCTS (INDIA) LIMITED** ("the Company"), for the year ended on March 31, 2018, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and paragraph C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations".)

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

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

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

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

LAXMINARAYAN P. YEKKALI
PARTNER
M.No.114753

Mumbai, Dated: August 06, 2018

INDEPENDENT AUDITORS' REPORT

To the Members of
BANCO PRODUCTS (INDIA) LIMITED

Report on the Standalone Ind-AS Financial Statements

We have audited the accompanying standalone Ind-AS financial statements of **Banco Products (India) Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

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 standalone Ind-AS 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 Ind-AS financial statements based on our audit.

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

We conducted our audit of the Ind-AS financial statements 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 standalone Ind-AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind-AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS 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 standalone Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind-AS 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 Ind-AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind-AS 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 2018 and its Profit, total comprehensive income, its Cash flows and the Changes in Equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date

opening Balance Sheet as at 1st April 2016 included in these standalone Ind-AS financial statements are based on the statutory financial statements prepared in accordance with the companies (Accounting Standards) Rule 2006 audited by us whose report for the year ended 31st March 2017 and 31st March 2016 dated 22nd May 2017 and 26th May 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind-AS.

Our opinion on the standalone Ind-AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting with respect to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**";
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 standalone Ind-AS financial statements – Refer Note 29 to the standalone Ind-AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS
 FRN: 106041W/W100136

LAXMINARAYAN P. YEKKALI
PARTNER
 M. No: 114753

Place : Mumbai,
 Date : 30th May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

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

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- II. The inventory, except goods-in-transit and stock lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stock lying with the third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stock and book records were not material and have been properly dealt with in books of account.
- III. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firm, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security as applicable.
- V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any other relevant provision of the act and the rules framed there under. Accordingly, Paragraph 3(v) of the order is not applicable to the company.
- VI. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules prescribe by the central government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prime facie, the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate or complete.
- VII. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax/value added tax, Goods and Service tax, duty of customs, duty of Excise, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, Goods and Service tax, duty of customs, duty of excise, service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, dues that have not been deposited by the company on account of disputes are as follows—

Name of the Statute	Nature of Dues	Amount ₹ in Lakhs	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty, Service Tax and Custom Duty	1,237.59	Financial Year 2005-2006 till financial year 2017-2018 (upto June 2017)	₹ 505.54 lakhs pending with CESTAT, Ahmedabad. ₹ 643.21 lakhs pending with Commissioner, Central Excise and Custom (Appeal). ₹ 77.66 lakhs pending with Superintendent Central Excise and Custom (Appeal). ₹ 11.18 lakhs pending with Commissioner (Appeal) Customs, Mumbai
Sales Tax Act	VAT/CST	96.76	Financial Year 2008-2009 till 2013-2014	₹ 35.48 lakhs pending with Appellate Tribunal, Ahmedabad. ₹ 24.89 lakhs pending with JC-Appeal, Vadodara. and ₹ 36.39 lakhs pending with DC-Assistant Commissioner, Ranchi.
Income Tax Act, 1961	Income Tax	19.65	Assessment Year 2012-2013	ITAT.

- VIII. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to the financial institution, banks and government. The Company did not have any outstanding Debentures during the year.
- IX. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- X. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- XI. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- XII. According to the information and explanations given to us, the Company is not a Nidhi company as prescribed under section 406 of the Act. Accordingly, Paragraph 3(xii) of the Order is not applicable.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- XIV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- XVI. According to the information and explanations given to us The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Paragraph 3(xvi) of the order is not applicable to the company.

For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS
 FRN: 106041W/W100136

LAXMINARAYAN P. YEKKALI
PARTNER
 M. No: 114753

Place : Mumbai,
 Date : 30th May, 2018

ANNEXURE – "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date)

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

We have audited the internal financial controls over financial reporting of **Banco Products (India) Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS
FRN: 106041W/W100136

LAXMINARAYAN P. YEKKALI
PARTNER
M. No: 114753

Place : Mumbai,
Date : 30th May, 2018

STANDALONE FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31st MARCH, 2018

(₹ in Lakhs)

PARTICULARS	Note No.	AS AT 31 st March, 2018	AS AT 31 st March, 2017	AS AT 1 st April, 2016
ASSETS				
Non-current assets				
Property, plant and equipments	3	11,196.36	11,138.00	11,799.54
Capital work-in-progress		746.17	142.51	139.24
Investment property		-	-	144.05
Other intangible assets	3	26.44	43.22	84.05
Financial assets				
Investments	4	17,603.24	17,616.31	17,392.06
Other financial assets	5	26.51	23.76	25.82
Deferred tax asset (net)	6	631.09	541.17	381.27
Current tax assets (net)		2,039.36	397.67	310.23
Other non-current assets	7	1,082.88	741.18	353.55
		33,352.05	30,643.82	30,629.81
Current assets				
Inventories	8	13,561.58	9,436.91	8,413.30
Financial assets				
Investments	9	982.07	7,682.84	13.36
Trade receivables	10	11,416.28	9,558.30	9,798.38
Cash and cash equivalents	11A	8.35	14.13	4,169.92
Other balances with bank	11B	13,951.33	3,637.12	3,215.29
Other financial assets	12	187.15	175.02	343.90
Other current assets	13	638.46	603.39	513.76
		40,745.22	31,107.71	26,467.91
Total assets		74,097.27	61,751.53	57,097.72
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14A	1,430.37	1,430.37	1,430.37
Other equity	14B	60,108.98	54,039.18	49,802.87
Liabilities				
Non current liabilities				
Provisions	15	386.83	321.46	258.12
		61,926.18	55,791.01	51,491.36
Current liabilities				
Financial liabilities				
Borrowings	16	232.72	234.66	193.95
Trade payables	17	6,810.11	3,917.80	4,032.25
Other financial liabilities	18	3,496.98	455.75	400.40
Other current liabilities	19	1,564.88	1,291.00	926.07
Provisions	20	66.40	61.31	53.69
		12,171.09	5,960.52	5,606.36
Total equity & liabilities		74,097.27	61,751.53	57,097.72
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 LLP
Chartered Accountants
FRN 106041W/W100136

Laxminarayan P.Yekkali
Partner
Membership No. 114753

Place : Mumbai
Date : 30.05.2018

For and on behalf of the board

Samir K. Patel
Director
DIN 00161448

Udayan P. Patel
Director
DIN 00598313

Ramkisan Devidayal
Director
DIN 00238853

Rajendra J. Anandpara
Managing Director
DIN 02461259

Mukesh D. Patel
Director
DIN 00009605

Himali H. Patel
Whole Time Director
and CFO
DIN 07081636

Devesh A. Pathak
Director
DIN 00017515

Dinesh Kavthekar
Company Secretary

Place : Vadodara
Date : 30.05.2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

PARTICULARS	Note No.	2017-18	2016-17
Revenue from operations	21	63,067.16	55,736.84
Other income	22	7,068.28	6,120.63
Total income		70,135.44	61,857.47
Expenses			
Cost of materials consumed	23	37,340.70	29,255.33
Changes in inventories of finished goods and work-in-progress.	24	225.58	(864.16)
Excise duty		1,254.64	4,725.86
Employee benefit expenses	25	3,384.99	3,023.81
Finance costs	26	37.56	40.33
Depreciation/amortisation expenses	3	1,670.93	1,734.81
Other expenses	27	11,504.30	10,286.05
Total expenses		55,418.70	48,202.03
Profit before tax		14,716.74	13,655.44
Tax expense:			
Current tax		2,845.00	2,869.95
Deferred tax		(100.50)	(175.79)
Total tax expenses	6	2,744.50	2,694.16
Profit for the year		11,972.24	10,961.28
Other comprehensive income			
A Items that will not be reclassified to profit or loss			
(i) (a) Remeasurement of defined employee benefit plans		0.32	(21.94)
(b) Income tax expenses on remeasurement of defined employee benefits plans		(0.11)	7.59
(ii) (a) Remeasurement of financial instruments		(13.05)	224.50
(b) Income tax expenses on remeasurement of financial instruments		(10.46)	(23.44)
Total other comprehensive income		(23.30)	186.71
Total comprehensive income for the year		11,948.94	11,147.99
Earning per equity share of face value of ₹ 2 each			
Basic in ₹	28	16.74	15.33
Diluted in ₹		16.74	15.33
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 LLP
Chartered Accountants
FRN 106041W/W100136

Laxminarayan P. Yekkali
Partner
Membership No. 114753

Place : Mumbai
Date : 30.05.2018

For and on behalf of the board

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DIN 07081636

Devesh A. Pathak
Director
DIN 00017515

Dinesh Kavthekar
Company Secretary

Place : Vadodara
Date : 30.05.2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

PARTICULARS	2017-18		2016-17	
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		14,716.74		13,655.44
Adjustments for non cash items / items required to be disclosed separately:				
Depreciation	1,670.93		1,734.81	
Interest and finance charges paid	37.56		40.33	
(Profit)/loss on sale of fixed assets	(0.84)		(1,079.31)	
Interest income	(284.33)		(616.83)	
Unrealised foreign exchange (gain)/loss	(67.90)		73.32	
Net (gain)/loss arising on sale of financial assets measured at FVTPL	(197.67)		-	
Net (gain) / loss arising on fair value measured at FVTPL	17.01		(89.87)	
Sundry creditor write back	(7.51)		(2.51)	
Dividend received	(6,219.73)		(4,210.70)	
		(5,052.48)		(4,150.76)
Operating profit before working capital changes		9,664.26		9,504.68
Adjustments for change in working capital & provisions				
(Increase)/decrease in trade receivable	(1,825.62)		164.81	
(Increase)/decrease in inventories	(4,124.67)		(1,023.61)	
(Increase)/decrease in current assets	(146.78)		(198.45)	
(Increase)/decrease in financial assets	(5.25)		4.07	
Increase/(decrease) in current liabilities	273.88		362.87	
Increase/(decrease) in financial liabilities	21.07		(3.51)	
Increase/(decrease) in trade payables	2,935.36		(109.99)	
Increase/(decrease) in provisions	70.46		70.96	
		(2,801.55)		(732.85)
Cash generated from operations		6,862.71		8,771.83
Income tax paid (net of refunds)	(4,486.71)		(2,957.34)	
		(4,486.71)		(2,957.34)
Net cash flow from operating activities		2,376.00		5,814.49
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets & capital advances	(2,552.23)		(1,310.54)	
Sale of fixed assets	6.92		9.37	
Sales of investment property	-		1,210.00	
Sale of financial assets measured at FVTOCI	-		0.75	
Sale of financial assets measured at FVTPL	18,040.52		-	
Purchase of investment measured at FVTPL	(11,155.51)		(7,599.49)	
(Increase)/decrease in bank balance term deposit	(7,294.05)		(362.97)	
Dividend received from subsidiaries	5,785.86		4,091.08	
Dividend received from other	430.64		119.62	
Interest received	274.70		783.70	
		3,536.85		(3,058.48)
Net cash flow from investing activities		5,912.85		2,756.01

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lakhs)

PARTICULARS	2017-18		2016-17	
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid	(5,864.52)		(6,436.67)	
Tax paid on dividend	(14.61)		(475.51)	
Interest and finance charges paid	(37.56)		(40.33)	
Net cash flow from financing activities		(5,916.69)		(6,952.51)
Net cash outflow during the year		(3.84)		(4,196.50)
Cash and cash equivalents at the beginning of the year		(220.53)		3,975.97
Cash and cash equivalents at the end of the year		(224.37)		(220.53)

Note:-

- (a) Cash flow statement has been prepared under the 'indirect method' as set out in Ind AS-7
(b) Cash and cash equivalents comprises of

PARTICULARS	₹ in Lakhs		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
i) Balances with banks in current accounts	5.66	9.13	17.34
ii) Cash on hand	2.69	5.00	7.58
iii) Term deposit with original maturity less than 3 months	-	-	4,145.00
	8.35	14.13	4,169.92
Less:- cash credit refer note no-16	(232.72)	(234.66)	(193.95)
Cash and cash equivalents as per cash flow statement	(224.37)	(220.53)	3,975.97

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

Laxminarayan P.Yekkali
Partner
Membership No. 114753

Place : Mumbai
Date : 30.05.2018

For and on behalf of the board

Samir K. Patel
Director
DIN 00161448

Udayan P. Patel
Director
DIN 00598313

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Whole Time Director
and CFO
DIN 07081636

Devesh A. Pathak
Director
DIN 00017515

Dinesh Kavthekar
Company Secretary

Place : Vadodara
Date : 30.05.2018

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

₹ in Lakhs

Balance at the beginning of the reporting period i.e. 1st April 2016	Changes in equity share capital during the year 2016-2017	Balance at the end of the reporting Period i.e. 31st March 2017	Changes in equity share capital during the year 2017-2018	Balance at the end of the reporting Period i.e. 31st March-2018
1430.37	-	1430.37	-	1430.37

B. Other Equity

As on 31st March 2018

₹ in Lakhs

	Reserve and Surplus					Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	Revaluation Reserve	General Reserve	Retained Earnings		
Balance as at 1st April 2017	1,200.31	0.77	54.14	12,217.69	39,462.72	1,103.55	54,039.18
Profit for the year	-	-	-	-	11,972.24	-	11,972.24
Addition during the year	-	-	-	-	-	-	-
Total comprehensive income	1,200.31	0.77	54.14	12,217.69	51,434.96	1,103.55	66,011.42
Remeasurement of defined employee benefit plans (net)	-	-	-	-	0.21	-	0.21
Fair value impact for quoted investment to be routed through OCI (net)	-	-	-	-	-	(52.51)	(52.51)
Fair value impact for unquoted investment to be routed through OCI (net)	-	-	-	-	-	28.99	28.99
Final dividend of FY 16-17	-	-	-	-	(2,860.74)	-	(2,860.74)
Interim dividend of FY 17-18	-	-	-	-	(3,003.78)	-	(3,003.78)
Dividend distribution tax- interim FY 17-18	-	-	-	-	(14.61)	-	(14.61)
Balance as at 31st March 2018	1,200.31	0.77	54.14	12,217.69	45,556.04	1,080.03	60,108.98

As on 31st March 2017

₹ in Lakhs

	Reserve and Surplus					Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	Revaluation Reserve	General Reserve	Retained Earnings		
Balance as at 1st April 2016	1,200.31	0.77	54.14	12,217.69	35,427.47	902.49	49,802.87
Profit for the year	-	-	-	-	10,961.28	-	10,961.28
Addition during the year	-	-	-	-	-	-	-
Total comprehensive income	1,200.31	0.77	54.14	12,217.69	46,388.75	902.49	60,764.15
Remeasurement of defined employee benefit plans (net)	-	-	-	-	(14.35)	-	(14.35)
Fair value impact for quoted investment to be routed through OCI (net)	-	-	-	-	-	123.41	123.41
Realisation gain on equity shares carried at FVTOCI	-	-	-	-	0.50	(0.50)	-
Fair value impact for unquoted investment to be routed through OCI (net)	-	-	-	-	-	78.15	78.15
Interim dividend of FY 16-17	-	-	-	-	(3,575.93)	-	(3,575.93)
Final dividend of FY 15-16	-	-	-	-	(2,860.74)	-	(2,860.74)
Dividend distribution tax- interim FY 16-17	-	-	-	-	(475.51)	-	(475.51)
Balance as at 31st March 2017	1,200.31	0.77	54.14	12,217.69	39,462.72	1,103.55	54,039.18

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

Laxminarayan P.Yekkali
Partner
Membership No. 114753

Place : Mumbai
Date : 30.05.2018

For and on behalf of the board

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Director
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Himali H. Patel
Whole Time Director
and CFO
DIN 07081636

Dinesh Kavthekar
Company Secretary

Place : Vadodara
Date : 30.05.2018

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1. CORPORATE INFORMATION

Banco Products (India) Limited is a Public limited company domiciled in India and incorporated under the Indian Companies Act, 1956. Equity shares of the company are listed on two stock exchanges in India. The Company is engaged in manufacturing and selling of Heat Exchangers / Cooling Systems. The company caters to both domestic and international market. The Registered Office of the Company is located at Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara , 391410.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's Financial Statements for the year ended 31st March, 2018 comprises of the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity and the Notes to Financial Statements.

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Indian IGAAP, including accounting standards specified under section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014. The financial statements for the year ended 31st March 2018 are the first Financial Statements of the Company prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 "First time adoption of Indian Accounting Standards" in Note No. 38

Reconciliations and descriptions of the effect of the transition have been summarized in Note No. 38

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on a historical cost convention on the accrual basis except for certain financial Assets and liabilities that are measured at fair value at the end of each reporting period set out below. The Accounting Policy has been applied consistently over all the periods reported in these Financial Statements..

2.2 Significant accounting judgments, estimates and assumptions

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

2.3 Classification of current/non current assets and liabilities

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

2.4 Property, plant and equipment

Property, Plant and Equipment were carried on historical cost /value transferred as per the scheme of arrangement in the balance sheet as on 31 March 2016 prepared in accordance with Indian IGAAP. The Company has elected to regard those values as deemed cost at the date of the transition i.e 1st April, 2016 as permitted under Ind AS 101.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price net of Cenvat, Service Tax, Value Added Tax, Goods and Service Tax and any attributable cost of bringing the assets to its working condition for its intended use, including the cost of replacing parts, borrowing costs for long-term construction projects if the recognition criteria are met. Items such as Spare Parts, Standby Equipments and Service Equipments that meet definition of PPE are capitalized at cost.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Capital work-in-progress

Projects under construction wherein assets are not ready for use in the manner as intended by the management are shown as Capital Work-In-Progress.

2.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

2.6 Depreciation / amortisation

Depreciation is calculated on a straight-line basis or Written Down Value as per the specified life of the assets as provided in schedule II to the Companies Act, 2013. The useful life of Item of PPE are mentioned below.

Class of Assets	Range of Useful Life (In Years)
Factory Buildings	30
Plant and Equipments	10-15
Furniture & Fixtures	10
Vehicles	8-10
Office equipment	5
Computer Hardware	3-6
Software	3-6

The management, based on internal technical evaluation, believes that the useful lives as given above best represent the period over which the assets are expected to be used.

Leasehold Land is amortized over the period of lease.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

2.7 Impairment of assets

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

2.8 Revenue recognition

- (i) The Company recognises revenue in accordance with Ind AS 18. Revenue from the sale of goods is recognised when,
 - (a) It is probable that the economic benefits associated with the transaction will flow to the entity and the amount revenue can be measured reliably.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- (b) The significant risks and rewards of ownership of the goods have been passed to the buyer; and
- (c) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Revenue represents net invoice value after the deduction of discounts and allowances given and accruals for estimated future rebates and returns. The methodology and assumptions used to estimate the allowances and accruals are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience. Revenue is disclosed inclusive of excise duty but net of sales return, service tax, VAT, CST and GST.

Income from operations includes revenue earned, as per the terms agreed with the customers, from development of products and assignment of patent rights.

Export benefits available under prevalent schemes are accounted to the extent considered receivable.

- (ii) Interest income is accounted on time proportionate basis at contractual rates.
- (iii) Dividend income is recognized when the right to receive payment is established.
- (iv) Export incentives in respect of export made under duty drawback and other schemes as per the foreign trade policy are recognized on accrual basis and to the extent of certainty of realization of ultimate collection.

2.9 Inventories

- (i) Raw materials, stores and spares, packing materials, work-in-process and finished goods are valued at lower of cost and net realizable value. Damaged, unserviceable and inert stocks are suitably depreciated.
- (ii) In determining cost of raw materials, stores and spares (except machinery spares which meet the definition of PPE) and packing materials, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- (iii) Cost of finished products and work-in-process include the cost of raw materials, packing materials, and an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition.

2.10 Financial instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

a. Financial assets
(i) Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way trade of financial assets are accounted for at trade date.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the effective interest rate method, less impairment, if any.

- Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

- Investment in Subsidiaries

Investment in subsidiaries is carried at cost in the financial statements.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

b. Financial liabilities

(i) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts. Financial liabilities are classified, at initial recognition, at fair value through profit and loss or as those measured at amortised cost.

(ii) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
c. Fair value

The company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability or
- In the absence of principal market, in the most advantageous market for the assets or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

2.11 Foreign exchange transactions

Transactions in foreign currencies are initially recorded by the Company at the rate of exchange prevailing on the date of the transaction. Monetary assets and monetary liabilities denominated in foreign currencies remaining unsettled at the end of the year are converted at the exchange rate prevailing on the reporting date.

Differences arising on settlement or conversion of monetary items are recognised in statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

2.12 Trade receivable

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

2.13 Borrowing costs

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

2.14 Provisions, contingent liabilities and contingent assets
a. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**b. Contingent liabilities**

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c. Contingent assets

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

2.15 Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current and deferred tax income/ expense are recognized in other comprehensive income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**2.16 Research and development**

- (i) All revenue expenses related to research and development including expenses in relation to development of product/processes which does not meet the criteria for recognition as an intangible Assets, are charged to the statement of profit and loss in the year in which it is incurred.
- (ii) Items of property, plant and equipment and acquired Intangible assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

2.17 Employees benefits

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

2.18 Cash and cash equivalents

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

2.19 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.20 Lease accounting**Assets given on operating lease**

The Company has given certain properties to a company on an operating lease basis. Lease rental income is accounted on accrual basis in accordance with the lease agreement. Assets given on operating leases are included in Property, Plant and Equipment.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The Chief Operating Decision Maker (CODM) is responsible for allocating resources and assessing performance of the operating segments of the Company.

3. PROPERTY PLANT & EQUIPMENT

₹ in Lakhs

	GROSS BLOCK			DEPRECIATION/AMORTIZATION			NET BLOCK	
	As at 1st April 2017	Additions during the year	Deletion during the year	As at 31st March 2018	As at 1st April 2017	For the year	Deduction Others	As at 31st March 2018
I Tangible Assets								
a Leasehold Land	869.96	-	-	869.96	55.28	8.79	-	805.89
b Freehold Land	215.46	-	-	215.46	-	-	-	215.46
c Buildings	4,302.40	125.83	-	4,428.23	1,885.73	228.54	-	2,313.96
d Plant and equipments	17,975.13	1,489.13	-	19,464.26	10,765.19	1,275.96	-	7,423.11
e Furniture & Fixtures	234.74	13.83	-	248.57	187.86	16.85	-	43.86
f Vehicles	405.25	7.81	8.00	405.06	350.11	23.16	1.92	33.71
g Office equipment	277.49	10.97	-	288.46	239.03	19.49	-	29.94
h Scientific Research								
1 Building	109.01	4.57	-	113.58	63.63	4.42	-	45.53
2 Plant and equipments	601.63	26.20	-	627.83	321.50	40.70	-	265.63
3 Software	71.89	19.70	-	91.59	58.59	10.21	-	22.79
4 Office Equipment	4.46	0.48	-	4.94	4.05	0.19	-	0.70
5 Furniture and Fixture	21.31	0.60	-	21.91	18.69	0.97	-	2.25
i Others assets	51.15	9.33	-	60.48	38.92	5.24	-	16.32
II Intangible Assets								
a. Software	255.61	10.14	-	265.75	225.69	36.41	-	3.65
	25,395.49	1,718.59	8.00	27,106.08	14,214.27	1,670.93	1.92	11,222.80
								11,181.22
	GROSS BLOCK			DEPRECIATION/AMORTIZATION			NET BLOCK	
	As at 1st April 2016	Additions during the year	Deletion during the year	As at 31st March 2017	As at 1st April 2016	For the year	Deduction Others	As at 31st March 2017
I Tangible Assets								
a Leasehold Land	869.96	-	-	869.96	46.49	8.79	-	814.68
b Freehold Land	215.06	0.40	-	215.46	-	-	-	215.46
c Investment Property-Land	14.89	-	14.89	-	-	-	-	-
d Buildings	4,171.81	130.59	-	4,302.40	1,644.77	240.96	-	2,416.67
e Investment Property-Building	180.93	-	180.93	-	51.77	9.15	60.92	-
f Plant and equipments	17,144.44	838.95	8.26	17,975.13	9,452.90	1,316.21	3.92	10,765.19
g Furniture & Fixtures	231.17	3.57	-	234.74	172.97	14.89	-	187.86
h Vehicles	413.51	19.63	27.89	405.25	352.37	24.81	27.07	350.11
i Office equipment	272.50	4.99	-	277.49	217.41	21.62	-	239.03
j Scientific Research								
1 Building	109.01	-	-	109.01	58.86	4.77	-	63.63
2 Plant and equipments	582.12	19.51	-	601.63	275.62	45.88	-	321.50
3 Software	71.89	-	-	71.89	52.02	6.57	-	58.59
4 Office Equipment	4.46	-	-	4.46	3.88	0.17	-	4.05
5 Furniture and Fixture	20.75	0.56	-	21.31	17.72	0.97	-	18.69
k Others assets	41.82	9.33	-	51.15	34.08	4.84	-	38.92
II Intangible Assets								
a. Software	254.69	0.92	-	255.61	190.51	35.18	-	225.69
	24,599.01	1,028.45	231.97	25,395.49	12,571.37	1,734.81	91.91	14,214.27
								11,181.22
								12,027.64

Note:-

- The company has acquired leasehold Land on 16th December 2010 on lease for 99 years. The amortization per year on the same is ₹ 8.79 Lakhs (P.Y. ₹ 8.79 Lakhs)
- Other assets include weighing machine, air conditioners and other equipments.
- The company has elected to measure all of its property, plant and equipment at their Previous IGAAP carrying value i.e. deemed cost.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

4. NON CURRENT INVESTMENTS

₹ in Lakhs

Unquoted fully paid equity shares in subsidiaries/indirect subsidiaries measured at Cost

25,000 (Mar'17 - 25,000, Apr'16 - 25,000) equity shares of 4.54 Euro each in Netherlands Radiator Fabriek BV.

11,194.54 11,194.54 11,194.54

2,259 (Mar'17 - 2,259, Apr'16 - 2,259) Equity shares of TShs 100000 each in Kilimanjaro Biochem Limited.

80.79 80.79 80.79

26,750 (Mar'17 - 26,750, Apr'16 - 26,750) Equity Shares of US\$ 100 each in Lake Mineral (Mauritius) Limited.

1,475.71 1,475.71 1,475.71

35,000,000 (Mar'17 - 35,000,000, Apr'16 - 35,000,000) Equity shares of ₹ 10 each in Banco Gasket (India) Limited.

3,500.00 3,500.00 3,500.00

16,251.04 16,251.04 16,251.04**Unquoted equity shares, fully paid measured at fair value through other comprehensive income**

620,080 (Mar'17 - 620,080, Apr'16 - 620,080) equity shares of ₹ 10 each in Banco Aluminium Limited

1,078.44 1,039.00 937.41

Nil (Mar'17 - Nil, Apr'16 - 1,000) Equity shares of ₹ 25 each fully paid in Co- Operative Bank of Baroda

- - 0.75

1,078.44 1,039.00 938.16**Quoted equity shares, fully paid measured at fair value through other comprehensive income**

6,588 (Mar'17 - 6,588, Apr'16 - 6,588) India Motor Parts and Accessories Limited. of ₹ 10 each

67.51 55.09 44.30

132,700 (Mar'17 - 132,700, Apr'16 - 132,700) Swiss Glasscoat Equipment Limited. of ₹ 10 each

202.30 267.16 155.63

511 (Mar'17 - 511, Apr'16 - 511) NHPC Limited of ₹ 10 each

0.14 0.16 0.12

1,573 (Mar'17 - 1,049, Apr'16 - 787) Oil India Limited of ₹ 10 each
524* (Mar'17 - 262) bonus share received during the year

3.40 3.50 2.46

400 (Mar'17 - 400, Apr'16 - 400) Anand I-Power Limited of ₹ 1 each

0.004 0.14 0.14

112 (Mar'17 - 112, Apr'16 - 112) Talbros Automotive Component Limited of ₹ 10 each.

0.31 0.18 0.18

34 (Mar'17 - 17, Apr'16 - 17) Talbros Engineers Limited of ₹ 10 each
(17 bonus share received during the year 2017-18)

0.10 0.04 0.03

273.76 326.27 202.86**17,603.24 17,616.31 17,392.06**

*524 Bonus shares actually credited in demate account on 05.04.2018

Aggregate amount of unquoted investment at cost

25.38 25.38 25.38

Aggregate amount of quoted investment at cost

20.02 20.02 20.02

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

5. OTHER FINANCIAL ASSETS (Non Current)

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Security deposit	26.51	23.76	25.82
	26.51	23.76	25.82

6. INCOME TAX

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017
(A) Income Taxes		
(a) Major component of tax expenses for the year are as under :		
(i) Income tax recognised in the statement of profit and loss		
Current Tax	2,845.00	2,869.95
Deferred Tax	(100.50)	(175.79)
	2,744.50	2,694.16
(ii) Income tax recognised in OCI		
Income tax expenses on remeasurement of defined employee benefits plans	(0.11)	7.59
Income tax expenses on remeasurement of financial instruments	(10.46)	(23.44)
	(10.57)	(15.85)
(B) Reconciliation of Tax expenses and the accounting profit for the year is as under :		
Profit before tax	14,716.74	13,655.44
Income tax exp @ 34.608%	5,093.17	4,725.87
Tax effect on non deductible exp	32.00	87.72
Effect of income which is tax at special rate	(1,256.60)	(875.77)
Effect of income exempted from tax	(392.41)	(41.40)
Tax effect for deduction u/s 80IC	(21.42)	(19.49)
Tax effect for deduction u/s 80G	(0.09)	(0.09)
Tax effect for exemption u/s 10AA	(585.45)	(1,021.72)
Tax effect of R & D expenses	(94.44)	(131.87)
MAT credit entitlement	(36.10)	(142.14)
Other	5.84	113.05
	2,744.50	2,694.16

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(C) Major components of deferred tax liabilities /(assets) arriving on account of timing difference are as follow:

As at 31st March 2017

₹ in Lakhs

	As at 1st April 2016	Recognised in profit and loss	Recognised in OCI	As at 31st March, 2017
Fixed assets :- Impact of difference between WDV as per income tax Act and as per books of accounts	1,037.13	(28.44)	-	1,008.69
Fair value on unquoted investment	192.99	-	23.44	216.43
Investment property	(9.47)	9.47	-	-
MAT credit entitlement	(1,491.68)	(142.14)	-	(1,633.82)
Expense allowable for tax on payment	(110.24)	(14.68)	(7.55)	(132.47)
	(381.27)	(175.79)	15.89	(541.17)

As at 31st March 2018

₹ in Lakhs

	As at 1st April 2017	Recognised in profit and loss	Recognised in OCI	As at 31st March, 2018
Fixed assets :- Impact of difference between WDV as per income tax Act and as per books of accounts	1,008.69	(38.38)	-	970.31
Fair value on unquoted investment	216.43	-	10.47	226.90
MAT credit entitlement	(1,633.82)	(36.11)	-	(1,669.93)
Expense allowable for tax on payment	(132.47)	(26.01)	0.11	(158.37)
	(541.17)	(100.50)	10.58	(631.09)

7. OTHER NON-CURRENT ASSETS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital advances	778.07	548.09	269.27
Balance with statutory authorities	304.81	193.09	84.28
	1,082.88	741.18	353.55

8. INVENTORIES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(At lower of cost and net realisable value)			
(a) Raw materials	9,014.46	4,769.22	4,746.80
(b) Packing materials	272.79	177.55	133.20
(c) Work-in-progress	1,937.57	1,789.43	1,521.43
(d) Finished goods	1,567.16	1,940.88	1,344.72
(e) Stores and spares	754.28	747.27	657.59
(f) Loose tools	15.32	12.56	9.56
	13,561.58	9,436.91	8,413.30

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

9. CURRENT INVESTMENT

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Investment in mutual fund, fully paid measured at fair value through profit and loss			
Nil (Mar'17-13,909,539,Apr'16-Nil) IIFL Cash Opportunity Fund of ₹ 10 each.	-	1,577.32	-
Nil (Mar'17-7,067,415,Apr'16-Nil) Kotak Equity Arbitrage Fund – Monthly Dividend plan of ₹ 10 each.	-	759.54	-
21,861 (Mar'17-195,646,Apr'16-Nil) Kotak Select Focus Fund – Dividend plan of ₹ 10 each.	4.96	42.81	-
1,551,903 (Mar'17-1,551,903,Apr'16-Nil) Invesco India Arbitrage Fund – Dividend plan of ₹ 10 each.	199.63	199.34	-
Nil (Mar'17-2,220,481,Apr'16-Nil) Reliance Gilt Securities Fund – Growth plan of ₹ 10 each.	-	485.67	-
79,651 (Mar'17-24,751,Apr'16-Nil) Reliance Growth Fund – Dividend plan of ₹ 10 each.	50.00	15.88	-
Nil (Mar'17-9,361,406,Apr'16-Nil) Reliance Gilt Securities Fund – Monthly Dividend plan of ₹ 10 each.	-	966.61	-
286,132 (Mar'17-91,306,Apr'16-Nil) Reliance Mid and Small Cap Fund Dividend Pay out plan of ₹ 10 each.	60.65	19.49	-
Nil (Mar'17-9,685,894,Apr'16-Nil) Reliance Medium Term Fund - Monthly Dividend plan of ₹ 10 each.	-	1,076.56	-
1,042,780 (Mar'17-191,829,Apr'16-Nil) Reliance Top 200 Fund - Dividend Plan of ₹ 10 each.	162.79	29.86	-
Nil (Mar'17-94,705,Apr'16-Nil) DSP Black Rock Strategic Bond Fund Dividend plan of ₹ 1000 each.	-	969.21	-
Nil (Mar'17-28,969,Apr'16-Nil) DSP Black Rock Small and Mid Cap Fund Dividend plan of ₹ 10 each.	-	6.70	-
Nil (Mar'17-61,165,Apr'16-Nil) DSP BlackRock Opportunities Fund Dividend plan of ₹ 10 each.	-	16.61	-
Nil (Mar'17-9,022,522,Apr'16-Nil) HDFC Arbitrage Fund of ₹ 10 each.	-	982.56	-
1,769 (Mar'17-16,883,Apr'16-Nil) HDFC Equity Fund-Regular Dividend plan of ₹ 10 each.	0.88	8.62	-
2,081 (Mar'17-17,619,Apr'16-Nil) HDFC TOP 200 Fund-Regular Dividend Plan of ₹ 10 each.	0.99	8.81	-
Nil (Mar'17-4,539,963,Apr'16-Nil) Birla Sun Life Enhanced Arbitrage Fund – Dividend plan of ₹ 10 each.	-	492.33	-
3,920 (Mar'17-8,040,Apr'16-Nil) Birla Sun Life Equity Fund – Dividend plan of ₹ 10 each.	3.97	8.14	-
3,984,572 (Mar'17-Nil,Apr'16-Nil) Edelweiss Arbitrage Fund Monthly Dividend (Direct Plan) of ₹ 10 each.	498.20	-	-
Nil (Mar'17-200,000,Apr'16-200,000) Baroda Pioneer PSU Equity Fund of ₹ 10 each.	-	16.78	13.36
	982.07	7,682.84	13.36
Aggregate amount of Investment in Mutual fund at Cost	1,001.00	7,619.49	20.00

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

10. TRADE RECEIVABLES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade receivables - unsecured			
(i) Considered good	11,416.28	9,558.30	9,798.38
(ii) Considered doubtful	-	-	-
	11,416.28	9,558.30	9,798.38
Less: Allowance for doubtful debts	-	-	-
	11,416.28	9,558.30	9,798.38

11(A) CASH AND CASH EQUIVALENTS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
i) Balances with banks in current account	5.66	9.13	17.34
ii) Cash on hand	2.69	5.00	7.58
iii) Term deposit with original maturity less than 3 months	-	-	4,145.00
	8.35	14.13	4,169.92

11(B) OTHER BALANCES WITH BANK

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Term deposit with original maturity for more than 3 months but less than 12 months	10,601.56	3,330.00	2,981.78
Term deposit held as margin money against bank guarantee	108.83	86.34	71.59
Unpaid dividend (earmarked balances)	3,240.94	220.78	161.92
	13,951.33	3,637.12	3,215.29

12. OTHER CURRENT FINANCIAL ASSETS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest accrued on deposit with banks	175.41	165.78	332.65
Security deposit	11.74	9.24	11.25
	187.15	175.02	343.90

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

13. OTHER CURRENT ASSETS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Prepaid expenses	67.80	81.77	80.27
Balance with statutory authorities	192.77	121.01	236.88
Advance to vendors	199.10	340.76	69.07
Advances to employees	11.71	10.97	15.97
Others	167.08	48.88	111.57
	638.46	603.39	513.76

14(A) EQUITY SHARE CAPITAL

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorised			
15,20,00,000 (P.Y. 15,20,00,000) equity shares of ₹ 2 each	3,040.00	3,040.00	3,040.00
Issued, subscribed and paid up			
7,15,18,650 (P.Y. 7,15,18,650) equity shares of ₹ 2 each fully paid	1,430.37	1,430.37	1,430.37
	1,430.37	1,430.37	1,430.37

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

No. of Shares in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Equity shares at the beginning of the year	715.19	715.19	715.19
Add:- share issued during the year	-	-	-
Equity shares at the end of the year	715.19	715.19	715.19

₹ In lakhs

	Share Capital	Share Capital	Share Capital
Balance at the beginning of the year	1,430.37	1,430.37	1,430.37
Issued during the year	-	-	-
Balance at the end of the year	1,430.37	1,430.37	1,430.37

(b) Terms/rights attached to each equity share

The company has only one class of share referred to as equity share having a par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. Payment of dividend is also made in foreign currency to shareholders outside India. 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

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

Name of share holder	Nos. in Lakhs (Holding in %)		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Vimal K.Patel	49.77 (6.96%)	55.73 (7.79%)	55.73 (7.79%)
Samir K.Patel	44.21 (6.18%)	50.17 (7.01%)	50.17 (7.01%)
Mehul K.Patel	50.19 (7.02%)	56.15 (7.85%)	56.15 (7.85%)
Overseas Pearl Limited	269.10 (37.63%)	269.10 (37.63%)	269.10 (37.63%)

14(B) OTHER EQUITY

AS ON 31ST MARCH 2018

₹ in Lakhs

	Reserve and Surplus					Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	Revaluation Reserve	General Reserve	Retained Earnings		
Balance as at 1st April 2017	1,200.31	0.77	54.14	12,217.69	39,462.72	1,103.55	54,039.18
Profit for the year	-	-	-	-	11,972.24	-	11,972.24
Addition during the year	-	-	-	-	-	-	-
Total comprehensive income	1,200.31	0.77	54.14	12,217.69	51,434.96	1,103.55	66,011.42
Remeasurement of defined employee benefit plans (net)	-	-	-	-	0.21	-	0.21
Fair value impact for quoted investment to be routed through OCI (net)	-	-	-	-	-	(52.51)	(52.51)
Fair value impact for unquoted investment to be routed through OCI (net)	-	-	-	-	-	28.99	28.99
Final dividend of FY 16-17	-	-	-	-	(2,860.74)	-	(2,860.74)
Interim dividend of FY 17-18	-	-	-	-	(3,003.78)	-	(3,003.78)
Dividend distribution tax- interim FY 17-18	-	-	-	-	(14.61)	-	(14.61)
Balance as at 31st March 2018	1,200.31	0.77	54.14	12,217.69	45,556.04	1,080.03	60,108.98

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

AS ON 31ST MARCH 2017

₹ in Lakhs

	Reserve and Surplus					Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	Revaluation Reserve	General Reserve	Retained Earnings		
Balance as at 1st April 2016	1,200.31	0.77	54.14	12,217.69	35,427.47	902.49	49,802.87
Profit for the year	-	-	-	-	10,961.28	-	10,961.28
Addition during the year	-	-	-	-	-	-	-
Total comprehensive income	1,200.31	0.77	54.14	12,217.69	46,388.75	902.49	60,764.15
Remeasurement of defined employee benefit plans (net)	-	-	-	-	(14.35)	-	(14.35)
Fair value impact for quoted investment to be routed through OCI (net)	-	-	-	-	-	123.41	123.41
Realisation gain on equity shares carried at FVTOCI	-	-	-	-	0.50	(0.50)	-
Fair value impact for unquoted investment to be routed through OCI (net)	-	-	-	-	-	78.15	78.15
Interim dividend of FY 16-17	-	-	-	-	(3,575.93)	-	(3,575.93)
Final dividend of FY 15-16	-	-	-	-	(2,860.74)	-	(2,860.74)
Dividend distribution tax- interim FY 16-17	-	-	-	-	(475.51)	-	(475.51)
Balance as at 31st March 2017	1,200.31	0.77	54.14	12,217.69	39,462.72	1,103.55	54,039.18

1 Securities premium

Securities premium reserve represents premium received on equity share issued, which can be utilised only in accordance with the provisions of the companies Act, 2013 (the Act) for specified purposes.

2 Capital reserve

Capital reserve represent reserve created pursuant to the business combinations upto year end.

3 Revaluation reserve

Revaluation reserve represents reserve created on revaluation of some of property, plant and equipment (PPE) of the company which can be transfer to general reserve only on disposal of those assets

4 General reserve

General reserve is created from time to time by transferring profits from retain earning and can be utilised for purposes such as dividend pay out, bonus issued etc. and it is not an item of other comprehensive income.

5 Other comprehensive income (OCI)

OCI presents the cumulative gain and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income (FVTOCI), under an irrevocable options, net of amount reclassified to retained earnings when such assets are disposed off.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

15. NON-CURRENT PROVISIONS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for employee benefits			
Provision for gratuity	178.03	147.44	118.50
Provision for leave encashment	208.80	174.02	139.62
	386.83	321.46	258.12

16. SHORT TERM BORROWINGS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Loans repayable on demand-secured at amortised cost			
Cash credit from banks *	232.72	234.66	193.95
	232.72	234.66	193.95

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

* Cash credit carrying interest @ 8.55% to 8.65%

17. TRADE PAYABLES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Due to micro, small and medium enterprises	910.57	592.85	571.60
Due to others	5,899.54	3,324.95	3,460.65
	6,810.11	3,917.80	4,032.25

18. OTHER FINANCIAL LIABILITIES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unclaimed/unpaid dividend	3,240.94	220.78	161.92
Payable to employees	256.04	234.97	238.48
	3,496.98	455.75	400.40

19. OTHER CURRENT LIABILITIES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Advance received from customers	113.55	113.12	31.02
(b) Other payables			
(i) Statutory liabilities	111.17	55.75	49.70
(ii) Others	1,340.16	1,122.13	845.35
	1,564.88	1,291.00	926.07

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

20. CURRENT PROVISIONS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Provision for employee benefits			
i. Provision for leave encashment	28.55	27.88	24.03
ii. Provision for gratuity	37.85	33.43	29.66
	66.40	61.31	53.69

21. REVENUE FROM OPERATIONS

₹ in Lakhs

	2017-18	2016-17
(a) Sale of product		
Finished goods (net of returns and discounts)	61,411.92	54,204.34
	61,411.92	54,204.34
(b) Other operating revenue		
Scrap sales	1,276.17	1,072.68
Export incentives	379.07	459.82
	1,655.24	1,532.50
	63,067.16	55,736.84

22. OTHER INCOME

₹ in Lakhs

	2017-18	2016-17
(a) Interest income		
i. On deposit with banks	284.33	616.83
(b) Dividend income from		
i. Equity investment in subsidiaries companies	5,785.86	4,091.08
ii. Equity investment in others	3.87	55.81
iii. Mutual funds Investments	430.00	63.81
(c) Other non-operating income		
i. Profit on sale of property, plant and equipment - net	0.84	1,079.29
ii. Insurance claim received	23.34	27.20
iii. Others	110.53	96.74
(d) Other gain and losses		
i. Net gain on foreign currency transaction and translation	231.84	-
ii. Net gain arising on sales of financial assets measured at FVTPL	197.67	-
iii. Net gain arising on fair value measured at FVTPL	-	89.87
	7,068.28	6,120.63

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

23. COST OF MATERIALS CONSUMED		₹ in Lakhs	
	2017-18	2016-17	
Opening stock	4,946.77	4,880.00	
Add : Purchases during the year	41,681.18	29,322.10	
	46,627.95	34,202.10	
Less : Closing stock	9,287.25	4,946.77	
	37,340.70	29,255.33	
24. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		₹ in Lakhs	
	2017-18	2016-17	
Inventories at the end of the year			
Work-in-progress	1,937.57	1,789.43	
Finished goods (Including goods in transit)	1,567.16	1,940.88	
	3,504.73	3,730.31	
Inventories at the beginning of the year			
Work-in-progress	1,789.43	1,521.43	
Finished goods (Including goods in transit)	1,940.88	1,344.72	
	3,730.31	2,866.15	
Changes in inventories of finished goods and work in progress	225.58	(864.16)	
25. EMPLOYEE BENEFIT EXPENSES		₹ in Lakhs	
	2017-18	2016-17	
(a) Salaries and wages	3,030.82	2,670.24	
(b) Contribution to providend and other funds	204.39	212.61	
(c) Staff welfare expenses	149.78	140.96	
	3,384.99	3,023.81	
26. FINANCE COST		₹ in Lakhs	
	2017-18	2016-17	
(i) Interest on financial liabilities carried at amortised cost	5.45	20.94	
(ii) Interest others	9.25	1.26	
(iii) Bank charges	22.86	18.13	
	37.56	40.33	

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**27. OTHER EXPENSES**

₹ in Lakhs

	2017-18	2016-17
Consumption of stores, spares and loose tools	691.72	576.74
Power and fuel	1,041.10	902.04
Labour charges	4,443.16	4,054.97
Repair and maintenance		
- Plant and machinery	479.20	497.68
- Electric installation	73.26	79.67
- Buildings	263.82	253.36
Sundry repairs	1.60	0.03
Factory general expenses	139.43	178.03
Insurance premium on assets	23.45	20.71
Audit fees (note- 35)	13.92	14.04
Rent rates and taxes	66.37	63.94
Postage and courier	47.11	44.20
Telephone expenses	23.37	21.44
Travelling and conveyance	253.20	220.29
Net loss arising on fair value measured at FVTPL	17.01	-
Legal & professional exp	378.36	341.17
Miscellaneous expenses	178.85	169.54
Director's sitting fees & commission	8.30	27.10
Net loss on foreign currency transaction and translation	-	65.00
Expenditure towards corporate social responsibility activities (note- 37)	15.77	254.21
Donation	1.25	1.87
Commission and discount	40.46	40.60
Other selling expenses	301.06	289.16
Freight and transport (net)	3,002.53	2,170.26
	11,504.30	10,286.05

28. EARNING PER SHARE (EPS)

	2017-18	2016-17
Profit after tax available for equity shareholders (₹ in Lakhs)	11,972.24	10,961.28
Weighted average number of equity shares	7,15,18,650	7,15,18,650
Basic and diluted earnings per share (Face value per share ₹ 2/- each)	16.74	15.33

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

29. CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Estimated amount of contracts net of advances remaining to be executed on capital accounts	1,297.18	1,231.22	568.26
Letter of credit	83.26	77.03	84.96
Guarantees issued by bank to third party	433.46	337.77	300.42
Excise duty	1,237.59	1,100.77	446.98
Sales tax	364.47	340.16	340.16
Income tax	19.65	2.37	2.37

30. EMPLOYEE BENEFITS

(a) Defined contribution plan

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

The company has recognized an amount of ₹ 135.47 Lakhs (31st March, 2017 - ₹ 102.45 Lakhs) as expense under the defined contribution plan in the statement of profit and loss for the year.

(b) Defined benefit plan

The company makes annual contributions to employees group gratuity with lic, a funded defined benefit plan for employees of the company.

Actuarial value of plan assets and the present value of the defined benefit obligations for gratuity were carried out as on 31st March every year. the present value of the defined benefit obligations and the related current service cost and past service cost were measured using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to built up the final obligation.

The principle assumptions used for the purpose of the actuarial valuation were as follows

Financial assumptions

	31st March 2018	31st March 2017	1st April 2016
Discount rate	7.55% p.a	7.00% p.a	7.90% p.a
Salary growth rate	6.00% p.a	6.00% p.a	6.00% p.a

Demographic assumptions

Withdrawal rates (p.a.)	31st March 2018	31st March 2017	1st April 2016
Age band			
25 & below	15.00%	15.00%	15.00%
26 to 35	12.00%	12.00%	12.00%
36 to 45	9.00%	9.00%	9.00%
46 to 55	6.00%	6.00%	6.00%
56 & above	3.00%	3.00%	3.00%

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**Mortality rates**

Age (in years)	31st March 2018	31st March 2017	1st April 2016
20	0.09%	0.09%	0.09%
30	0.11%	0.11%	0.11%
40	0.18%	0.18%	0.18%
50	0.49%	0.49%	0.49%
60	1.15%	1.15%	1.15%

Amount recognized in statement of profit and loss account for the period**₹ in Lakhs**

	31st March 2018	31st March 2017
Service cost		
Current service cost	33.43	29.66
Past service cost and loss/(gain) on curtailments and settlement	23.90	-
Net interest cost	11.49	10.53
Total charge to Statement of Profit & Loss	68.82	40.19

Past service cost is on account of increase in gratuity ceiling from ₹ 10.00 Lakhs to ₹ 20.00 Lakhs.

Amount recognized in Other Comprehensive Income for the period**₹ in Lakhs**

	31st March 2018	31st March 2017
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	(14.02)	16.46
Due to change in demographic assumption	-	-
Due to experience adjustments	14.37	5.73
Return on plan assets excluding amounts included in interest income	(0.67)	(0.25)
Amounts recognized in other comprehensive income	(0.32)	21.94

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Reconciliation of defined benefit obligation		₹ in Lakhs		
	31st March 2018	31st March 2017	1st April 2016	
Opening defined benefit obligation	327.10	288.59	253.75	
Transfer in/(out) obligation	-	-	-	
Current service cost	33.41	29.67	25.97	
Interest cost	21.63	21.17	19.76	
Components of actuarial gain/losses on obligations				
Due to change in financial assumptions	(14.02)	16.46	1.68	
Due to change in demographic assumption	-	-	14.00	
Due to experience adjustments	14.37	5.73	(11.42)	
Past service cost	23.90	-	7.96	
Loss (gain) on curtailments	-	-	-	
Liabilities extinguished on settlements	-	-	-	
Liabilities assumed in an amalgamation in the nature of purchase	-	-	-	
Exchange differences on foreign plans	-	-	-	
Benefits paid	(17.11)	(34.52)	(23.11)	
Closing defined benefit obligation	389.28	327.10	288.59	

Reconciliation of defined plan assets		₹ in Lakhs		
	31st March 2018	31st March 2017	1st April 2016	
Opening value of plan assets	146.23	140.43	128.12	
Transfer in/(out) plan assets	-	-	-	
Expenses deducted from the fund	-	-	(2.49)	
Interest income	10.14	10.64	12.12	
Return on plan assets excluding amounts included in interest income	0.67	0.25	(0.80)	
Assets distributed on settlements	-	-	-	
Contributions by employer	33.48	29.43	31.20	
Assets acquired in an amalgamation in the nature of purchase	-	-	-	
Exchange differences on foreign plans	-	-	-	
Benefits paid	(17.11)	(34.52)	(23.12)	
Adjustment to the opening fund	-	-	(4.60)	
Closing value of plan assets	173.41	146.23	140.43	

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Reconciliation of net defined benefit liability		₹ in Lakhs		
	31st March 2018	31st March 2017	1st April 2016	
Net opening provision in books of accounts	180.87	148.16	125.63	
Transfer in/(out) obligation	-	-	-	
Transfer (in)/out plan assets	-	-	-	
Employee benefit expense	68.81	40.20	48.68	
Amounts recognized in other comprehensive income	(0.32)	21.94	5.06	
Closing value of plan assets	249.36	210.30	179.37	
Benefits paid by the company				
Contributions to plan assets	(33.48)	(29.43)	(31.21)	
Closing provision in books of accounts	215.88	180.87	148.16	

Composition of the plan assets

	31st March 2018	31st March 2017	1st April 2016
Policy of insurance	100%	100%	100%
	100%	100%	100%

Principle actuarial assumptions

	31st March 2018	31st March 2017	1st April 2016
Discount rate	7.55%	7.00%	7.90%
Salary growth rate	6.00%	6.00%	6.00%
Withdrawal rates	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages

(c) OTHER EMPLOYEE BENEFITS

The liabilities for leave encashment based on actuarial valuation as at the year ended on 31st March 2018 is ₹ 237.35 Lakhs (31st March'17, ₹ 201.90 Lakhs, 31st March'16 ₹ 163.65 Lakhs).

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

31. AS AT THE BALANCE SHEET DATE , UNHEDGED FOREIGN CURRENCY RECEIVABLE AND PAYABLE ARE AS BELOW.

Particular	Currency	31st March 2018		31st March 2017		1 st April 2016	
		FC in Lakhs	₹ in Lakhs	FC in Lakhs	₹ in Lakhs	FC in Lakhs	₹ in Lakhs
Amount receivable (net) in foreign currency	USD	23.03	1,494.31	13.28	897.00	24.13	1,607.00
	EUR	6.26	521.64	6.43	460.00	11.73	888.00
	GBP	0.04	2.98	0.01	1.00	0.32	30.00
	JPY	3.15	1.88	25.38	13.00	-	-
Amount payable (net) in foreign currency	USD	6.23	403.79	3.76	249.00	13.19	878.00
	EUR	-	-	0.03	3.00	0.18	13.00
	GBP	0.03	2.71	-	-	-	-
	JPY	-	-	-	-	34.81	20.00
	CHF	-	-	-	-	0.03	2.00

32. DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2017-2018, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIER" REGARDING THEIR STATUS UNDER THE ACT.

	₹ in Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Principal amount remaining unpaid.	910.57	592.85	571.60
Interest due thereon remaining unpaid	-	-	-
Interest paid by the company in terms of section 16 of the micro, small and medium enterprises development act, 2006, along-with the amount of the payment made to the Supplier beyond the appointed day during the period	-	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified Under the micro, small and medium enterprises act, 2006	-	-	-
Interest accrued and remaining unpaid	-	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are Actually paid to the small enterprises	-	-	-

33. SEGMENT INFORMATION

In accordance with para-4 of Ind AS-108 'Operating Segment', the company has presented segment information only on the basis of consolidated financial statement (ref note no 35 of consolidated financial statement)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
34. INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS-24 - RELATED PARTY DISCLOSURES (AS IDENTIFIED BY MANAGEMENT)

List of related parties with whom the company has entered into transactions during the year.

(a) Subsidiaries
(i) Direct subsidiaries

Banco Gaskets (India) Limited
Nederlands Radiateuren Fabriek B.V.
Lake Mineral (Mauritius) Limited

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

Kilimanjaro Biochem Limited

(iii) Subsidiary of the wholly owned subsidiary, Nederlandse Radiateuren Fabriek B.V., Netherlands

NRF Thermal Engineering BV (Skopimex BV)
NRF France SARL
NRF (United Kingdom) Ltd
NRF Handels GMBH (Upto 20th April'2017)
NRF Deutschland GMBH
NRF Espana S.A.
NRF Poland Sp.z.o.o.
NRF Italia Srl
NRF Switzerland AG
NRF USA

(b) Directors

Mr.Mehul K Patel	Non Executive Non Independent
Mr.Samir K Patel	Non Executive Non Independent

(c) Independent Directors

Mr. Ramkisan Devidayal	Non-Executive Independent Director
Mr. Mukesh D Patel	Non-Executive Independent Director
Mr. Devesh A Pathak	Non-Executive Independent Director
Mr. Udayan P Patel	Non-Executive Independent Director

(d) Key Managerial Personnel

Name Of Director/Employee	Designation
Mr. Rajendra Anandpara	Managing Director (w.e.f.27th April 2017) Executive Non Independent
Mrs.Himali Patel	Whole Time Director and CFO Executive Non Independent
Mr. Pravin Rao	Chief Executive Officer (Upto 27th April 2017)
Mr. Sagar Pandya	Company Secretary (From 1st April 2017 to 8th November 2017)
Mr. Dinesh Kavthekar	Company Secretary (From 16th December 2017)

(e) Company in which certain directors are common

Banco Aluminium Limited

(f) Trust Controlled by relatives of directors

Banco Products Trust Registration No-E/7946/VADODARA

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

During the year, the following transactions were carried out with related parties and relative of Key Management Personnel in the ordinary course of the business:

₹ in Lakhs

Nature of Transaction	Subsidiaries		Key Management Personnel		Independent Directors		Company in which certain directors are common		Trust Controlled by relatives of directors	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Purchase of goods	695.49	418.98	-	-	-	-	369.18	417.63	-	-
Purchase of licence	-	-	-	-	-	-	17.98	28.10	-	-
Sale of goods	7,509.06	5,887.37	-	-	-	-	313.88	273.09	-	-
Sale of assets	-	105.94	-	-	-	-	-	1,210.00	-	-
Rendering of services	-	-	-	-	-	-	-	16.18	-	-
Receiving of services	-	-	-	-	-	-	3.63	3.44	-	-
Reimbursement of expenses	43.37	46.98	-	-	-	-	-	1.05	-	-
Key management personnel remuneration	-	-	163.94	78.02	-	-	-	-	-	-
Director sitting fees	-	-	-	-	8.30	11.10	-	-	-	-
Directors commission	-	-	-	-	8.00	8.00	-	-	-	-
Donation paid (CSR expenses)	-	-	-	-	-	-	-	-	10.27	27.46
Dividend received	5,785.85	4,091.08	-	-	-	-	0.62	55.81	-	-
Payable at the end of the year	42.54	20.21	-	-	-	-	-	-	-	-
Receivable at the end of the year	1,184.16	902.91	-	-	-	-	31.30	63.18	-	-

*Key management personnel who are under the employment of the company are entitled to post employment benefits and other long term benefits recognized as per Ind AS-19 on employee benefits in the financial statements. as these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

SIGNIFICANT RELATED PARTY TRANSACTION

₹ in Lakhs

	2017-18	2016-17
Purchase of Goods		
Banco Gaskets (India) Limited	670.33	393.21
Banco Aluminium Limited	369.18	417.63
Other	25.16	25.77
	1,064.67	836.61
Purchase of Licence		
Banco Aluminium Limited	17.98	28.10
	17.98	28.10

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

	₹ in Lakhs	
	2017-18	2016-17
Sales of goods		
Nederlandse Radiateuren Fabriek B.V	2,809.49	2,751.82
NRF Poland Sp. z.o.o.	2,767.61	1,306.91
NRF USA	702.28	1,275.50
Other	1,543.56	826.14
	7,822.94	6,160.37
Sales of assets		
Banco Aluminium Limited	-	1,210.00
Nederlandse Radiateuren Fabriek B.V	-	105.94
	-	1,315.94
Rendering service		
Banco Aluminium Limited	-	16.18
	-	16.18
Receiving of service		
Banco Aluminium Limited	3.63	3.44
	3.63	3.44
Reimbursement of expenses		
Banco Gaskets (India) Limited	38.56	38.90
Banco Aluminium Limited	-	1.05
Nederlandse Radiateuren Fabriek B.V.	4.81	8.08
	43.37	48.03
Remuneration to key managerial personnel		
Mr. Sagar Pandya	3.85	5.45
Mrs. Himali Patel	16.20	13.49
Mr. Rajendra Anandpara	134.08	-
Mr. Dinesh Kavthekar	2.43	-
Mr. Subhasis Dey	-	23.26
Mr. Pravin Rao	7.38	35.82
	163.94	78.02
Director sitting fees paid		
Mr. Devesh Pathak	2.30	3.00
Mr. Mukesh D Patel	2.60	2.70
Mr. Ram Devidayal	1.40	3.00
Mr. Udayan Patel	2.00	2.40
	8.30	11.10

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

₹ in Lakhs

	2017-18	2016-17
Commission to director		
Mr. Devesh Pathak	1.00	1.00
Mr. Mukesh D Patel	3.00	3.00
Mr. Ram Devidayal	3.00	3.00
Mr. Udayan Patel	1.00	1.00
	8.00	8.00
Dividend received		
Banco Gaskets (India) Limited	700.00	-
Nederlandse Radiateuren Fabriek B.V.	2,737.25	3,767.03
Kilimanjaro Biochem Limited	130.67	-
Lake Mineral (Mauritius) Limited	2,217.94	324.05
Banco Aluminium Limited	0.62	55.81
	5,786.48	4,146.89

35. AUDITORS FEES AND EXPENSES

₹ in Lakhs

	2017-18	2016-17
Payment to auditors		
As auditor :		
Audit fees	10.55	10.50
In other capacity :		
(i) Other services (certification fees)	3.09	3.30
(ii) Out of pocket expenses	0.28	0.24
	13.92	14.04

36. RESEARCH AND DEVELOPMENT EXPENSES

₹ in Lakhs

	2017-18	2016-17
Capital expenditure		
Building	4.57	-
Plant & machinery	26.20	19.51
Software	19.70	-
Office equipment	0.48	0.56
Furniture & fixture	0.60	-
Total capital expenditure	51.55	20.07
Revenue expenditure		
Salary and wages	250.16	233.05
Material consumption	117.91	86.55
Manufacturing & administration expense	65.94	60.40
Depreciation	56.25	58.36
Total revenue expenditure	490.26	438.36
Total research and development expenses	541.81	458.43

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
37. EXPENDITURE RELATED TO CORPORATE SOCIAL RESPONSIBILITY AS PER SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH SCHEDULE VII THERE OF:

- (a) Gross amount required to be spent (refer note below) by the company during the year ₹ 191.15 Lakhs (31st March, 2017 ₹ 252.82 Lakhs).

(b) Amount spent during the year on:	₹ in Lakhs		
	Amount Spent	Yet to be Spent	Total
Construction / acquisition of assets	-	-	-
	(—)	(—)	(—)
Other purposes *	15.77	175.38	191.15
	(254.21)	(—)	(254.21)

*Figure in bracket represent for previous year

- (c) Related party transaction in relation to Corporate Social Responsibility ₹ 10.27 Lakhs (31st March, 2017 ₹ 27.46 Lakhs) to Banco Product Trust Registration No-E/7946/VADODARA.

38. FIRST TIME ADOPTION OF Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The significant accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31st March, 2018, the comparative information presented in these financial statements for the year ended 31st March, 2017, and in the preparation of an opening Ind AS balance sheet as at 1st April, 2016 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and the other relevant provisions of the Act (previous IGAAP or Indian IGAAP).

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions applied in the transition from previous IGAAP to Ind AS

Ind AS optional exemptions
(i) Business combinations

The Company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date.

Business Combinations occurring prior to the transition date have not been restated.

The Company has elected not to apply Ind AS 21 retrospectively to fair value adjustment and goodwill arising in business combination that occurred prior to the transition date

(ii) Deemed cost

The Company has elected to measure all of its property, plant and equipment at their previous IGAAP carrying value i.e deemed cost.

(iii) Investments in subsidiaries.

The Company has elected to measure all of its investments in subsidiaries, at their previous IGAAP carrying value.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

An explanation of how the transition from previous IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Reconciliations

The following reconciliations provides the effect of transaction to Ind AS from IGAAP in accordance with Ind AS 101

- Equity as at 1st April 2016 and 31st March 2017
- Net Profit for the year ended 31st March 2017

Effect of Ind AS adoption on the Balance Sheet date as at 1st April 2016**₹ in Lakhs**

	Foot Notes	As at 1st April 2016 (As per IGAAP)	Effect of Transition	As at 1st April 2016 (Ind AS)
ASSETS				
Non-Current Assets				
Property, plant and equipments	1	11,956.18	(156.64)	11,799.54
Capital work-in -progress	2	29.55	109.69	139.24
Investment property	1	-	144.05	144.05
Other intangible assets		84.05	-	84.05
Financial assets		-	-	-
Investments	3	16,296.58	1,095.48	17,392.06
Other financial assets		25.82	-	25.82
Deferred tax asset (net)	3,7,8	(926.89)	1,308.16	381.27
Current tax assets (net)		310.23	-	310.23
Other non-current assets		353.55	-	353.55
		28,129.07	2,500.74	30,629.81
Current assets				
Inventories	2	8,522.99	(109.69)	8,413.30
Financial assets				
Investments		13.36	-	13.36
Trade receivables		9,798.38	-	9,798.38
Cash and cash equivalents		4,169.92	-	4,169.92
Other balances with bank		3,215.29	-	3,215.29
Other financial assets		343.90	-	343.90
Other current assets		513.76	-	513.76
		26,577.60	(109.69)	26,467.91
Total assets		54,706.67	2,391.05	57,097.72

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

			₹ in Lakhs	
	Foot Notes	As at 1st April 2016 (As per IGAAP)	Effect of Transition	As at 1st April 2016 (Ind AS)
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital		1,430.37	-	1,430.37
Other equity	1,3,5,7,8	43,968.68	5,834.19	49,802.87
LIABILITIES				
Non current liabilities				
Provisions		258.12	-	258.12
Deferred tax liabilities(net)		-	-	-
		45,657.17	5,834.19	51,491.36
Current liabilities				
Financial liabilities				
Borrowings		193.95	-	193.95
Trade payables		4,032.25	-	4,032.25
Other financial liabilities		400.40	-	400.40
Other current liabilities		926.07	-	926.07
Provisions	5	3,496.83	(3,443.14)	53.69
		9,049.50	(3,443.14)	5,606.36
Total equity & liabilities		54,706.67	2,391.05	57,097.72

Effect of Ind AS adoption on the Balance Sheet date as at 31st March 2017

			₹ in Lakhs	
	Foot Notes	As at 31st March 2017 (As per IGAAP)	Effect of Transition	As at 31st March 2017 (Ind AS)
ASSETS				
Non-current assets				
Property, plant and equipments	1	11,150.59	(12.59)	11,138.00
Capital work-in-progress		142.51	-	142.51
Investment property		-	-	-
Other intangible assets		43.22	-	43.22
Financial assets		-	-	-
Investments	3,8	16,296.29	1,320.02	17,616.31
Other financial assets		23.76	-	23.76
Deferred tax asset (net)	3,7,8	(876.23)	1,417.40	541.17
Current tax assets (net)		397.67	-	397.67
Other non-current assets		741.18	-	741.18
		27,918.99	2,724.83	30,643.82

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

		₹ in Lakhs		
	Foot Notes	As at 31st March 2017 (As per IGAAP)	Effect of Transition	As at 31st March 2017 (Ind AS)
Current assets				
Inventories		9,436.91	-	9,436.91
Financial assets				
Investments	4	7,592.98	89.86	7,682.84
Trade receivables		9,558.30	-	9,558.30
Cash and cash equivalents		14.13	-	14.13
Other balances with bank		3,637.12	-	3,637.12
Other financial assets		175.02	-	175.02
Other current assets		603.39	-	603.39
		31,017.85	89.86	31,107.71
Total assets		58,936.84	2,814.69	61,751.53
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,430.37	-	1,430.37
Other equity	1,3,4,7,8	51,224.49	2,814.69	54,039.18
LIABILITIES				
Non current liabilities				
Provisions		321.46	-	321.46
		52,976.32	2,814.69	55,791.01
Current liabilities				
Financial liabilities				
Borrowings		234.66	-	234.66
Trade payables		3,917.80	-	3,917.80
Other financial liabilities		455.75	-	455.75
Other current liabilities		1,291.00	-	1,291.00
Provisions		61.31	-	61.31
		5,960.52	-	5,960.52
Total equity & liabilities		58,936.84	2,814.69	61,751.53

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March 2017

		₹ in Lakhs		
	Foot Notes	2016-2017 (As per IGAAP)	Effect of Transition	2016-2017 (Ind AS)
Revenue from operations	6	56,467.95	(731.11)	55,736.84
Other income	4	6,031.26	89.37	6,120.63
Total income		62,499.21	(641.74)	61,857.47
Expenses				
Cost of materials consumed		29,255.33	-	29,255.33
Changes in inventories of finished goods and work-in-progress.		(864.16)	-	(864.16)
Employee benefit expenses	7	3,045.75	(21.94)	3,023.81
Finance costs		40.33	-	40.33
Depreciation/amortisation expenses		1,734.81	-	1,734.81
Excise duty		4,725.86	-	4,725.86
Other expenses	6	11,017.16	(731.11)	10,286.05
Total expenses		48,955.08	(753.05)	48,202.03
Profit/ (loss) before exceptional items and tax		13,544.13	111.31	13,655.44
Tax expense:				
Current tax		2,869.95	-	2,869.95
Deferred tax	3,8	(50.67)	(125.12)	(175.79)
Total tax expenses		2,819.28	(125.12)	2,694.16
Profit for the year from continuing operations		10,724.85	236.43	10,961.28
Other comprehensive income				
A Items that will not be reclassified to profit or loss				
(i) (a) Remeasurement of defined employee benefit plans	7	-	(21.94)	(21.94)
(b) Income tax expenses on remeasurement of defined employee benefits plans	7	-	7.59	7.59
(ii) (a) Remeasurement of financial instruments	3	-	224.50	224.50
(b) Income tax expenses on remeasurement of financial instruments		-	(23.44)	(23.44)
Total other comprehensive income		-	186.71	186.71
Total comprehensive income/(loss) for the year		10,724.85	423.14	11,147.99

Under the IGAAP, there was no concept of other comprehensive income.

Under Ind AS, specified items of income, expenses, gains or losses are required to be presented in other comprehensive income.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Reconciliation of Total Comprehensive Income for the year ended 31st March 2017		₹ in Lakhs
Nature of Adjustments	Foot Notes	2016-2017
Net profit as per previous IGAAP		10,724.85
Reimbursement benefit of net defined benefit plan	7	21.94
Effect of measuring financial instruments as fair value	3	89.37
Deferred taxes	3,7,8	125.12
Net profit as per Ind AS		10,961.28
Other comprehensive income (net of tax)	3,7,8	186.71
Total comprehensive income as per Ind AS		11,147.99

Reconciliation of equity as at 31st March 2017 and 1st April 2016		₹ in Lakhs	
Nature of Adjustments	Foot Notes	As at 31.03.2017	As at 01.04.2016
Equity as per IGAAP		52,654.86	45,399.05
Effect of measuring non current investment at fair value	3	1,320.02	1,095.48
Effect of measuring current investment at fair value	3	89.86	-
Effect of tax for measuring non current investment at fair value	3,8	(216.42)	(192.99)
Adjustment for proposed dividend	5	-	2,860.74
Adjustment for tax on proposed dividend	5	-	582.40
Adjustment for PPE	1	(12.59)	(12.59)
Tax effect on investment property	1	-	9.47
MAT entitlement	8	1,633.82	1,491.68
Total effect of transaction to Ind AS		2,814.69	5,834.19
Equity as per Ind AS		55,469.55	51,233.24

Effect of Ind AS adoption on the Statement of Cash Flow for the year ended 31st March 2017

		₹ in Lakhs		
	Foot Notes	2016-2017 (As per IGAAP)	Effect of Transition	2016-2017 (Ind AS)
Cash flow from operating activities		5,814.49	-	5,814.49
Cash flow from investing activities		(3,058.48)	-	(3,058.48)
Cash flow from financing activities	9	(6,911.80)	(40.71)	(6,952.51)
Net cash outflow during the year	9	(4,155.79)	(40.71)	(4,196.50)
Cash and cash equivalents at the beginning of the year	9	4,169.92	(193.95)	3,975.97
Cash and cash equivalents at the end of the year	9	14.13	(234.66)	(220.53)

*figures as per previous IGAAP has been regrouped / reclassified where ever necessary to correspond with disclosure required as per Ind AS.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Foot Notes

1. Property plant and equipments

In the financial statements prepared under Previous IGAAP, Investment Property was grouped in PPE. Under Ind AS the same is reclassified as Investment Property as required by Ind AS-40.

Under Previous IGAAP some selected Plant & Machineries were Revalued, this Revaluation Reserve is Reversed Under Ind AS, as the Company has elected to measure all of its Property, Plant and Equipment at their Previous IGAAP carrying value i.e. deemed cost

2. Inventories

Under the Previous IGAAP Machinery Spares which meet the definition of PPE was included in Inventories now reclassified to CWIP of Property, Plant and Equipments as per Ind AS-2

3. Non current investment

Under the Previous IGAAP, Non Current Investment of the Company were measured at Cost less Provision for diminution (Other than temporary). Under Ind AS the Company has recognised such Investments as under

- (a) Unquoted Equity Shares of Subsidiaries-At Cost
- (b) Unquoted Equity Shares-at FVTOCI through an irrevocable election
- (c) Quoted Equity Shares-at FVTOCI through an irrevocable election

4. Current investment

Under the Previous IGAAP, Current Investment of the Company were measured at Cost or fair value whichever is lower. Under Ind AS the Company has reclassified such Investments as FVTPL on the date of transition. The fair value changes are recognised in the statement of Profit and Loss.

5. Proposed dividend

In the financial statement prepared under Previous IGAAP, dividend and DDT on equity shares recommended by the Board of Directors after the end of reporting period but before the financial statements were approved for issue, was recognised as a liability in the financial statements in the reporting period relating to which dividend was proposed. Under Ind AS, such dividend and DDT is recognised in the reporting period in which the same is approved by the members in a general meeting.

6. Revenue from operations

In the financial Statement prepared under previous IGAAP, Cash Discount, Commission on Sales and Promotional expenses were shown as a part of other expenses. Same is reduced from revenue from operation under Ind AS

7. Remeasurement benefit of defined benefit plan

In the financial Statement prepared under previous IGAAP, remeasurment benefit of defined plans (gratuity), arising primarily due to change in actuarial assumptions was recognised as employee benefits expenses in the statement of Profit and Loss. Under Ind AS such remeasurment benefit relating to defined benefit plans is recognised in OCI as per requirement of Ind AS-19. Consequently, the related tax effect of the same has also been recognised in OCI.

8. Deferred tax

In the Financial Statement prepared under Previous IGAAP, Deferred Tax was accounted as per Income Statement approach which require creation of deferred tax Assets / Liabilities on temporary differences between taxable profit and accounting profit. Under Ind AS deferred tax is accounted as per the Balance Sheet approach which requires creation of deferred tax assets / Liabilities on temporary difference between the carrying amount of an assets / liabilities in the Balance Sheet and it's corresponding tax base

9. Effect of Ind AS adoption on statement of cash flow for the year ended 31st March 2017

Under Ind AS-7, Cash Credit, which are repayable on demand and form an integral part of cash management, are classified in cash and cash equivalents. Under previous IGAAP same was shown under short term borrowing considering financing activities.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

39(A) CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

₹ in Lakhs

Particulars	Refer Note	Non-Current			Current		
		As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Financial assets measured at fair value through Profit or Loss (FVTPL)							
Investments in quoted mutual funds	Note No. 9	-	-	-	982.07	7,682.84	13.36
Financial assets measured at fair value through other comprehensive income (FVTOCI)							
Unquoted Equity Shares measured at fair value	Note No. 4	1,078.44	1,039.00	938.16	-	-	-
Quoted Equity Shares measured at fair value	Note No. 4	273.76	326.27	202.86			
		1,352.20	1,365.27	1,141.02	-	-	-
Financial assets measured at amortised cost							
Unquoted Equity Shares subsidiaries/indirect subsidiaries measured at cost	Note No. 4	16,251.04	16,251.04	16,251.04	-	-	-
Security Deposit	Note No. 5	26.51	23.76	25.82	-	-	-
Trade receivables	Note No. 10	-	-	-	11,416.28	9,558.30	9,798.38
Cash and cash equivalents	Note No. 11	-	-	-	8.35	14.13	4,169.92
Other Balances with Bank	Note No. 11	-	-	-	13,951.33	3,637.12	3,215.29
Interest accrued on deposit with banks	Note No. 12	-	-	-	175.41	165.78	332.65
Security Deposit	Note No. 12	-	-	-	11.74	9.24	11.25
		16,277.55	16,274.80	16,276.86	25,563.11	13,384.57	17,527.49
Financial liabilities measured at amortised cost							
Cash credit from banks	Note No. 16	-	-	-	232.72	234.66	193.95
Trade payables	Note No. 17	-	-	-	6,810.11	3,917.80	4,032.25
Unclaimed/unpaid dividend	Note No. 18	-	-	-	3,240.94	220.78	161.92
Payable to employees	Note No. 18	-	-	-	256.04	234.97	238.48
		-	-	-	10,539.81	4,608.21	4,626.60

Investment in equity instruments measured through OCI are not held for trading. The Company has chosen to measure this investment at FVTOCI irrevocably and the management believes that presenting fair value gain and losses relating to this investment in the statement of Profit and Loss may not be indicative of the performance of the company.

39(B) FAIR VALUE MEASUREMENTS

(i) The following table provides the fair value measurement hierarchy of the company's financial assets and liabilities

As at 31st March, 2018

₹ in Lakhs

Financial assets	Fair value hierarchy			
	Fair value as at 31.03.2018	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through other comprehensive income (FVTOCI)				
*Unquoted Equity Shares measured at fair value	1,078.44	-	-	1,078.44
Quoted Equity Shares measured at fair value	273.76	273.76	-	-
Financial assets measured at fair value through Profit or Loss (FVTPL)				
Investments in quoted mutual funds	982.07	982.07	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

As at 31st March, 2017

₹ in Lakhs

Financial assets	Fair value hierarchy			
	Fair value as at 31.03.2017	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through other comprehensive income (FVTOCI)				
*Unquoted Equity Shares measured at fair value	1,039.00	-	-	1,039.00
Quoted Equity Shares measured at fair value	326.27	326.27	-	-
Financial assets measured at fair value through Profit or Loss (FVTPL)				
Investments in quoted mutual funds	7,682.84	7,682.84	-	-

As at 1st April 2016

₹ in Lakhs

Financial assets	Fair value hierarchy			
	Fair value as at 1st April 2016	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through other comprehensive income (FVTOCI)				
*Unquoted Equity Shares measured at fair value	938.16	-	-	938.16
Quoted Equity Shares measured at fair value	202.86	202.86	-	-
Financial assets measured at fair value through Profit or Loss (FVTPL)				
Investments in quoted mutual funds	13.36	13.36	-	-

*Unquoted Equity Shares measured at FVTOCI are taken at Fair Value Certified by management.

(ii) **Financial instrument measured at amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, trade receivables and other receivables.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
39(C) CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. As at 31st March, 2018, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

40. DIVIDEND INCOME FROM SUBSIDIARIES
₹ in Lakhs

Particulars	2017-18	2016-17
Nederlandse Radiateuren Fabriek B.V.	2,737.25	3,767.03
Lake Mineral (Mauritius) Limited	2,217.94	324.05
Kilimanjaro Biochem Limited	130.67	-
Banco Gaskets (India) Limited	700.00	-
	5,785.86	4,091.08

41. Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year classification/disclosure as per Ind AS requirement.

INDEPENDENT AUDITORS' REPORT

To the Members of
BANCO PRODUCTS (INDIA) LIMITED

Report on the Consolidated Ind-AS Financial Statements

We have audited the accompanying consolidated Ind-AS financial statements of **Banco Products (India) Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended and, a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind-AS 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 Ind-AS 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 including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act. 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; 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 Ind-AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind-AS 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 Ind-AS 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 Ind-AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind-AS 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 Ind-AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind-AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to below in the other matters paragraph, the aforesaid consolidated Ind-AS financial statements give the information required

by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2018, their consolidated Profit, consolidated total comprehensive income, their consolidated Cash Flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter:

We did not audit the financial statements of Subsidiary companies, included in the consolidated Ind-AS financial statements, as mentioned in “**Annexure A**” to this report, whose financial statements reflect total Assets of ₹ 66,253.53 lakhs as at 31st March 2018, total revenues of ₹ 86,980.93 lakhs and net cash inflows amounting to ₹ 885.20 lakhs for the year ended on that date, as considered in the consolidated Ind-AS financial statements. These Financial statements have been audited by the other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind-AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary companies and our report in terms of sub- section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary companies, is based solely on the reports of the other auditors.

The comparative financial information of the Group for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended 31st March, 2017 and 31st March, 2016 dated 22nd May, 2017 and 26th May, 2016 respectively expressed an unmodified opinion on those consolidated financial statements and have been restated to comply with Ind AS. Adjustments made to the said consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS.

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

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of section 143 of the Act, based on our audit and on the consideration of reports of the other auditors on the separate financial statements of subsidiaries, as noted in the ‘other matter’ paragraph above, we report to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of aforesaid consolidated Ind-AS financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind-AS financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, (including Other Comprehensive Income), the Consolidated Statement Cash Flow and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind-AS financial statements.
 - d. In our opinion, the aforesaid consolidated Ind-AS financial statements comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act read with relevant rules issued there under.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial control over financial reporting with respect to financial statements of the Group, incorporated in India and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”, which is based on the auditors’ reports of the Holding company and subsidiary company incorporated in India.



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of subsidiary companies:
- i. The consolidated Ind-AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note 32 to the consolidated Ind-AS financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India.

For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS
FRN: 106041W/W100136

LAXMINARAYAN P. YEKKALI
PARTNER
M. No: 114753

Place : Mumbai,
Date : 30th May, 2018

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report on even date)

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

(a) Subsidiaries:

Direct subsidiaries

Name of the Company	Country of Incorporation	% of Holding as on 31 st March 2018
Banco Gaskets (India) Limited	India	100%
Nederlandse Radiateuren Fabriek B.V.	Netherlands	100%
Lake Mineral (Mauritius) Limited	Mauritius	100%

Indirect subsidiaries

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

Name of the Company	Country of Incorporation	% of Holding as on 31 st March 2018
Kilimanjaro Biochem Limited	Tanzania	95%

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

Name of the Company	Country of Incorporation	% of Holding as on 31 st March 2018
NRF Thermal Engineering BV (Skopimex BV)	Uden	100%
NRF France SARL	France	100%
NRF (United Kingdom) Limited	England	100%
NRF Handels GMBH(Up to 20th April 2017)	Austria	100%
NRF Deutschland GMBH	Germany	100%
NRF Espana S.A.	Spain	100%
NRF Poland Sp. z.o.o.	Poland	100%
NRF Italia Srl	Italy	100%
NRF Switzerland AG	Switzerland	100%
NRF USA	USA	100%

ANNEXURE – "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date)

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

In Conjunction with our audit of the Consolidate Ind-AS financial statements of **Banco Products (India) Limited** ("the Holding Company") as of and for the year ended 31st March 2018, we have audited the internal financial control over financial reporting of the Holding Company, and Subsidiary Company, incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

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

For MANUBHAI & SHAH LLP
CHARTERED ACCOUNTANTS
FRN: 106041W/W100136

LAXMINARAYAN P. YEKKALI
PARTNER
M. No: 114753

Place : Mumbai,
Date : 30th May, 2018

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Lakhs)

PARTICULARS	Note No.	AS AT 31 st March, 2018	AS AT 31 st March, 2017	AS AT 1 st April 2016
ASSETS				
Non-current assets				
Property, plant and equipments	3	19,007.86	19,107.04	21,719.46
Capital work-in -progress		1,271.28	356.43	371.15
Investment property		-	-	144.05
Other intangible assets	3	136.82	140.24	250.83
Financial assets				
Investments	4	1,429.69	1,446.25	1,141.02
Loan	5	-	2,277.75	3,037.62
Other financial assets	6	27.20	24.45	26.51
Deferred tax assets	7	2,581.44	2,515.69	2,375.91
Current tax assets (net)		2,184.08	506.94	334.09
Other non-current assets	8	1,780.56	820.72	428.49
		28,418.93	27,195.51	29,829.13
Current assets				
Inventories	9	43,899.81	32,200.97	32,634.46
Financial assets				
Investments	10	982.07	7,682.84	13.36
Trade receivables	11	25,655.22	20,481.37	22,093.19
Cash and cash equivalents	12A	4,785.27	3,793.71	7,527.63
Other balances with bank	12B	15,212.00	4,726.98	3,399.69
Other financial assets	13	233.17	893.22	1,055.88
Other current assets	14	3,145.08	2,456.93	2,595.00
		93,912.62	72,236.02	69,319.21
Total assets		1,22,331.55	99,431.53	99,148.34
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15A	1,430.37	1,430.37	1,430.37
Other equity	15B	79,340.23	70,521.19	68,887.34
Liabilities				
Non current liabilities				
Financial liabilities				
Long term borrowing	16	105.92	-	-
Provisions	17	554.63	474.91	389.19
Deferred tax liabilities	7	7,326.72	6,631.24	6,849.87
		88,757.87	79,057.71	77,556.77
Current liabilities				
Financial liabilities				
Short term borrowings	18	3,255.41	3,837.23	3,628.43
Trade payables	19	18,249.05	9,590.40	12,220.36
Other financial liabilities	20	3,594.42	463.99	480.56
Current tax liability (net)		24.78	-	-
Other current liabilities	21	8,365.73	6,404.59	5,195.73
Provisions	22	84.29	77.61	66.49
		33,573.68	20,373.82	21,591.57
Total equity & liabilities		1,22,331.55	99,431.53	99,148.34
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 LLP
Chartered Accountants
FRN 106041W/W100136

Laxminarayan P.Yekkali
Partner
Membership No. 114753

Place : Mumbai
Date : 30.05.2018

For and on behalf of the board

Samir K. Patel
Director
DIN 00161448

Udayan P. Patel
Director
DIN 00598313

Ramkisan Devidayal
Director
DIN 00238853

Rajendra J. Anandpara
Managing Director
DIN 02461259

Mukesh D. Patel
Director
DIN 00009605

Himali H. Patel
Whole Time Director
and CFO
DIN 07081636

Devesh A. Pathak
Director
DIN 00017515

Dinesh Kavthekar
Company Secretary

Place : Vadodara
Date : 30.05.2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakhs)

Particulars	Notes No.	2017-2018	2016-2017
Revenue from operations	23	1,39,752.92	1,30,149.51
Other income	24	1,631.82	3,246.99
Total revenue		1,41,384.74	1,33,396.50
Expenses:			
Cost of materials consumed	25	81,481.98	69,679.89
Changes in inventories of finished goods & work-in-progress.	26	(5,497.24)	(840.26)
Excise duty expenses		1,603.51	6,213.91
Employee benefit expenses	27	17,172.67	16,195.63
Finance cost	28	192.40	195.53
Depreciation and amortisation expenses	29	3,279.85	3,332.67
Other expenses	30	26,317.19	24,538.23
Total expenses		1,24,550.36	1,19,315.60
Profit before tax		16,834.38	14,080.90
Tax expenses:			
Current tax		4,538.59	4,734.95
Deferred tax		618.63	(374.53)
Total tax expenses	7	5,157.22	4,360.42
Profit for the year		11,677.16	9,720.48
Other comprehensive income			
A Items that will not be reclassified to profit or loss			
(i) (a) Remeasurement of defined employee benefit plans		(1.21)	(32.34)
(b) Income tax expenses on remeasurement of defined employee benefits plans		0.42	11.03
(ii) (a) Remeasurement of financial instruments		(13.05)	224.50
(b) Income tax expenses on remeasurement of financial instruments		(10.46)	(23.44)
Total other comprehensive income		(24.30)	179.75
Total comprehensive income for the year		11,652.86	9,900.23
Earning per equity share of face value of ₹ 2 each	31		
Basic in ₹		16.33	13.59
Diluted in ₹		16.33	13.59
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 LLP
Chartered Accountants
FRN 106041W/W100136

Laxminarayan P.Yekkali
Partner
Membership No. 114753

Place : Mumbai
Date : 30.05.2018

For and on behalf of the board

Samir K. Patel
Director
DIN 00161448

Ramkisan Devidayal
Director
DIN 00238853

Mukesh D. Patel
Director
DIN 00009605

Devesh A. Pathak
Director
DIN 00017515

Udayan P. Patel
Director
DIN 00598313

Rajendra J. Anandpara
Managing Director
DIN 02461259

Himali H. Patel
Whole Time Director
and CFO
DIN 07081636

Dinesh Kavthekar
Company Secretary

Place : Vadodara
Date : 30.05.2018

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakhs)

PARTICULARS	2017-18		2016-17	
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		16,834.38		14,080.90
Adjustments for non cash items / items required to be disclosed separately:				
Depreciation	3,279.85		3,332.67	
Interest and finance charges paid	192.40		195.53	
(Profit)/loss on sale of fixed assets	(0.71)		(1,759.39)	
Interest income	(594.69)		(963.65)	
Unrealised foreign exchange (gain) / loss	(66.18)		82.23	
Net (gain)/loss arising on sale of financial assets measured at FVTPL	(197.67)		-	
Net (gain)/loss arising on fair value measured at FVTPL	17.01		(89.86)	
Loss on sales of assets	2.85		0.01	
Sundry creditor write back	(16.00)		(2.51)	
Dividend received	(433.87)		(119.14)	
Effect of exchange rate difference in translation	3,192.32		(1,354.70)	
		5,375.31		(678.81)
Operating profit before working capital changes		22,209.69		13,402.09
Adjustments for change in working capital & provisions				
(Increase)/decrease in trade receivable	(5,144.12)		1,523.65	
(Increase)/decrease in inventories	(11,698.84)		433.49	
(Increase)/decrease in current assets	(688.15)		48.33	
(Increase)/decrease in non current assets	(94.45)		(116.66)	
(Increase)/decrease in financial assets	640.09		40.88	
Increase/(decrease) in current liabilities	1,961.14		1,208.86	
Increase/(decrease) in financial liabilities	111.74		(78.58)	
Increase/(decrease) in trade payables	8,711.10		(2,621.51)	
Increase/(decrease) in provisions	86.40		96.84	
		(6,115.09)		535.30
Cash generated from operations		16,094.60		13,937.39
Income tax paid (net of refunds)	(6,190.95)		(4,907.80)	
		(6,190.95)		(4,907.80)
Net cash flow from operating activities		9,903.65		9,029.59
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets & capital advances	(5,032.61)		(1,208.00)	
Sale of fixed assets	71.48		1,030.92	
Sale of investment property	-		1,210.00	
Receipt of loan	2,277.75		759.87	
Sale of financial assets measured at FVTOCI	-		0.75	
Sale of financial assets measured at FVTPL	18,040.52		-	
Purchase of investment measured at FVTPL	(11,155.51)		(7,599.49)	
(Increase)/decrease in bank balance term deposit	(7,464.86)		(1,268.43)	
Dividend received from other	430.64		119.14	
Interest received	611.90		1,087.49	
		(2,220.69)		(5,867.75)
Net cash flow from investing activities		7,682.96		3,161.84


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakhs)

PARTICULARS	2017-18		2016-17	
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid	(5,864.52)		(6,436.67)	
Tax paid on dividend	(157.11)		(475.51)	
Short-term loan from banks	(684.35)		959.44	
Interest and finance charges paid	(198.64)		(192.38)	
Long term borrowing	110.69		-	
Net cash flow from financing activities		(6,793.93)		(6,145.12)
Net cash inflow/(outflow) during the year		889.03		(2,983.28)
Cash and cash equivalents at the beginning of the year		3,192.02		6,175.30
Cash and cash equivalents at the end of the year		4,081.05		3,192.02

Note:-

- (a) Cash flow statement has been prepared under the 'indirect method' as set out in Ind AS-7
 (B) Cash and cash equivalents comprises of

PARTICULARS	₹ in Lakhs		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
i) Balances with banks in current accounts	4,771.37	3,157.00	3,344.61
ii) Cash on hand	13.90	41.71	38.02
iii) Term deposit with original maturity less than 3 months	-	595.00	4,145.00
	4,785.27	3,793.71	7,527.63
Less:- cash credit refer note no-18	(704.22)	(601.69)	(1,352.33)
Cash and cash equielent as per cash flow statement	4,081.05	3,192.02	6,175.30

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

Laxminarayan P.Yekkali
 Partner
 Membership No. 114753

Place : Mumbai
 Date : 30.05.2018

For and on behalf of the board

Samir K. Patel
 Director
 DIN 00161448

Ramkisan Devidayal
 Director
 DIN 00238853

Mukesh D. Patel
 Director
 DIN 00009605

Devesh A. Pathak
 Director
 DIN 00017515

Udayan P. Patel
 Director
 DIN 00598313

Rajendra J. Anandpara
 Managing Director
 DIN 02461259

Himali H. Patel
 Whole Time Director
 and CFO
 DIN 07081636

Dinesh Kavthekar
 Company Secretary

Place : Vadodara
 Date : 30.05.2018

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

₹ in Lakhs

Balance at the beginning of the reporting period i.e. 1st April 2016	Changes in equity share capital during the year 2016-2017	Balance at the end of the reporting Period i.e. 31st March 2017	Changes in equity share capital during the year 2017-2018	Balance at the end of the reporting Period i.e. 31st March-2018
1430.37	-	1430.37	-	1430.37

B. Other Equity

As on 31st March 2018

₹ in Lakhs

	Reserve and Surplus						Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	Revaluation Reserve	General Reserve	Transaction Adjustment Reserve	Retained Earnings		
Balance as at 1st April 2017	1,200.31	9,618.01	54.14	12,217.69	(1,354.70)	47,682.19	1,103.55	70,521.19
Profit for the year	-	-	-	-	-	11,677.16	-	11,677.16
Addition during the year	-	-	-	-	3,192.32	-	-	3,192.32
Total comprehensive Income	1,200.31	9,618.01	54.14	12,217.69	1,837.62	59,359.35	1,103.55	85,390.67
Remeasurement of defined employee benefit plans (net)	-	-	-	-	-	(5.30)	-	(5.30)
Fair value impact for quoted investment to be routed through OCI (net)	-	-	-	-	-	-	(52.50)	(52.50)
Fair value impact for unquoted investment to be routed through OCI (net)	-	-	-	-	-	-	28.99	28.99
Final dividend of 16-17	-	-	-	-	-	(2,860.74)	-	(2,860.74)
Interim dividend of 17-18	-	-	-	-	-	(3,003.78)	-	(3,003.78)
Dividend distribution tax- interim FY 17-18	-	-	-	-	-	(157.11)	-	(157.11)
Balance as at 31st March 2018	1,200.31	9,618.01	54.14	12,217.69	1,837.62	53,332.42	1,080.04	79,340.23

As on 31st March 2017

₹ in Lakhs

	Reserve and Surplus						Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	Revaluation Reserve	General Reserve	Transaction Adjustment Reserve	Retained Earnings		
Balance as at 1st April 2016	1,200.31	9,618.01	54.14	12,217.69	-	44,894.70	902.49	68,887.34
Profit for the year	-	-	-	-	-	9,720.48	-	9,720.48
Addition during the year	-	-	-	-	(1,354.70)	-	-	(1,354.70)
Total comprehensive income	1,200.31	9,618.01	54.14	12,217.69	(1,354.70)	54,615.18	902.49	77,253.12
Remeasurement of defined employee benefit plans (net)	-	-	-	-	-	(21.31)	-	(21.31)
Fair value impact for quoted investment to be routed through OCI (net)	-	-	-	-	-	-	123.41	123.41
Realisation gain on equity shares carried at FVTOCI	-	-	-	-	-	0.50	(0.50)	-
Fair value impact for unquoted investment to be routed through OCI (net)	-	-	-	-	-	-	78.15	78.15
Interim dividend of FY 16-17	-	-	-	-	-	(3,575.93)	-	(3,575.93)
Final dividend of FY 15-16	-	-	-	-	-	(2,860.74)	-	(2,860.74)
Dividend distribution tax- interim FY 16-17	-	-	-	-	-	(475.51)	-	(475.51)
Balance as at 31st March 2017	1,200.31	9,618.01	54.14	12,217.69	(1,354.70)	47,682.19	1,103.55	70,521.19

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

Laxminarayan P.Yekkali
Partner
Membership No. 114753

Place : Mumbai
Date : 30.05.2018

For and on behalf of the board

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Director
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Himali H. Patel
Whole Time Director
and CFO
DIN 07081636

Dinesh Kavthekar
Company Secretary

Place : Vadodara
Date : 30.05.2018

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1. CORPORATE INFORMATION

Banco Products (India) Limited is a Public limited company domiciled in India and incorporated under the Indian Companies Act, 1956. Equity shares of the company are listed on two stock exchanges in India. The Company is engaged in manufacturing and selling of Heat Exchangers / Cooling Systems. The company caters to both domestic and international market. The Registered Office of the Company is located at Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara , 391410.

The consolidated financial statements comprise financial statements of Banco Products (India) Limited and its subsidiaries (Collectively referred to as "The Group").

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 for Indian company. The Consolidated Financial Statements for the year ended 31st March, 2018 comprises of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow, Statement of Changes in Equity and the Notes to Financial Statements.

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards specified under section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014. The financial statements for the year ended 31st March 2018 are the first Financial Statements of the Company prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 "First time adoption of Indian Accounting Standards" in Note No. 37.

Reconciliations and descriptions of the effect of the transition have been summarized in Note No. 37.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

This consolidated financial statements have been prepared on a historical cost convention on the accrual basis except for certain financial Assets and liabilities that are measured at fair value at the end of each reporting period set out below. The Accounting Policy has been applied consistently over all the periods reported in these Financial Statements.

2.2 Principles of consolidation

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

- (i) The Audited financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the company i.e., 31st March 2018.
- (ii) The financial statements of the company and its subsidiary companies are combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions in accordance with as per IND AS 27 – "Consolidated and Separate Financial Statements" specified under section 133 of the Companies Act 2013 read with Companies (Accounts) Rules, 2015.
- (iii) The difference between the cost of investment in the subsidiary companies over the net assets at the time of acquisition of shares in the subsidiary companies is recognized in the financial statements as goodwill or capital reserve as the case may be.
- (iv) The consolidated financial statement have been prepared using uniform accounting policies for the like transactions and other events in similar circumstances and are presented to the extent possible , in the same manner as the Parent Company's financial statements.
- (v) The audited financial statements of subsidiary companies have been prepared in accordance with the generally accepted accounting principal (GAAP) of its country of incorporation. The difference between accounting policies of the company and its subsidiary companies are not material.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(vi) The following subsidiaries have been considered in the preparation of these consolidated financial statements:

Sr. No.	Name of the subsidiary companies	Country of Incorporation	Proportion of ownership interest	Reporting date (date till accounts have been audited)
1	Nederlandse Radiateuren Fabriek BV	Netherlands	100%	31st March 2018
	1.1 NRF Thermal Engineering BV (Skopimex BV)	Uden	100%	31st March 2018
	1.2 NRF France SARL	France	100%	31st March 2018
	1.3 NRF (United Kingdom) Ltd	England	100%	31st March 2018
	1.4 NRF Handels GMBH (Up to 20 th April 2017)	Austria	100%	20th April 2017
	1.5 NRF Deutschland GMBH	Germany	100%	31st March 2018
	1.6 NRF Espana S.A.	Spain	100%	31st March 2018
	1.7 NRF Poland Sp.z.o.o.	Poland	100%	31st March 2018
	1.9 NRF Italia Srl	Italy	100%	31st March 2018
	1.9 NRF Switzerland AG	Switzerland	100%	31st March 2018
	1.10 NRF USA	USA	100%	31st March 2018
Note : Sr. No.1.1 to 1.10 are subsidiaries of Nederlandse Radiateuren Fabriek BV				
2	Lake Mineral (Mauritius) Limited	Mauritius	100%	31st March 2018
	2.1 Kilimanjaro Biochem Limited	Tanzania	95 %	31st March 2018
Note : Sr. No. 2.1 is Subsidiary of Lake Mineral (Mauritius) Limited				
3	Banco Gaskets (India) Limited	India	100%	31st March 2018

2.3 Significant accounting judgments, estimates and assumptions

In preparing these Consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

2.4 Classification of current/non current assets and liabilities

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

2.5 Property, plant and equipment

Property, Plant and Equipment were carried on historical cost in the balance sheet as on 31 March 2016 prepared in accordance with Indian GAAP. The Company has elected to regard those values as deemed cost at the date of the transition i.e 1st April, 2016 as permitted under Ind AS 101.

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price net of Cenvat, Service Tax, Value Added Tax, Goods and Service Tax and any attributable cost of bringing the assets to its working condition for its intended use, including the cost of replacing parts, borrowing costs for long-term construction projects if the recognition criteria are met. Items such as Spare Parts, Standby Equipments and Service Equipments that meet definition of PPE are capitalized at cost.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Capital work-in-progress

Projects under construction wherein assets are not ready for use in the manner as intended by the management are shown as Capital Work-In-Progress.

2.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

2.7 Depreciation / Amortisation

- (i) In respect of Banco Products (India) Limited, depreciation is calculated on a straight-line basis or Written Down Value as per the specified life of the assets as provided in schedule II to the Companies Act, 2013. The useful life of Item of PPE are mentioned below.

Class of Assets	Range of Useful Life (In Years)
Factory Buildings	30
Plant and Equipments	10-15
Furniture & Fixtures	10
Vehicles	8-10
Office equipment	5
Computer Hardware	3-6
Software	3-6

The management, based on internal technical evaluation, believes that the useful lives as given above best represent the period over which the assets are expected to be used.

Leasehold Land is amortized over the period of lease.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

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

Depreciation on property, plant and equipment except plant and machinery has been provided on written down value method over the useful lives of the assets as provided in 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 as provided in schedule II to the Companies Act, 2013.

The useful life of Item of PPE are mentioned below.

Class of Assets	Range of Useful Life (In Years)
Factory Buildings	30
Plant and Equipments	10-15
Furniture & Fixtures	10
Vehicles	8-10
Office equipment	5
Computer Hardware	3-6
Software	3-6

- (iii) In respect of Nederlandse Radiateuren Fabriek B.V.,

The annual depreciation rates are as follows:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

- (iv) In respect of Kilimanjaro Biochem Limited,

The annual depreciation rates are as follows:

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

2.8 Impairment of assets

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

2.9 Revenue recognition

- (i) The Company recognises revenue in accordance with Ind AS 18. Revenue from the sale of goods is recognised when,
- (a) It is probable that the economic benefits associated with the transaction will flow to the entity and the amount revenue can be measured reliably.
 - (b) The significant risks and rewards of ownership of the goods have been passed to the buyer; and
 - (c) The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Revenue represents net invoice value after the deduction of discounts and allowances given and accruals for estimated future rebates and returns. The methodology and assumptions used to estimate the allowances and accruals are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience. Revenue is disclosed inclusive of excise duty but net of sales return, service tax, VAT, CST and GST.

Income from operations includes revenue earned, as per the terms agreed with the customers, from development of products and assignment of patent rights.

Export benefits available under prevalent schemes are accounted to the extent considered receivable.

- (ii) Interest income is accounted on time proportionate basis at contractual rates.
- (iii) Dividend income is recognized when the right to receive payment is established.
- (iv) Export incentives in respect of export made under duty drawback and other schemes as per the foreign trade policy are recognized on accrual basis and to the extent of certainty of realization of ultimate collection.

2.10 Inventories

- (i) Raw materials, stores and spares, packing materials, work-in-process and finished goods are valued at lower of cost and net realizable value. Damaged, unserviceable and inert stocks are suitably depreciated.
- (ii) In determining cost of raw materials, stores and spares (except machinery spares which meet the definition of PPE) and packing materials, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- (iii) Cost of finished products and work-in-process include the cost of raw materials, packing materials, and an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

2.11 Financial instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

a. Financial assets

(i) Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way trade of financial assets are accounted for at trade date.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the effective interest rate method, less impairment, if any.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

Investment in Subsidiaries

Investment in subsidiaries is carried at cost in the financial statements.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

b. Financial liabilities

(i) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts. Financial liabilities are classified, at initial recognition, at fair value through profit and loss or as those measured at amortised cost.

(ii) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading.

The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

c. Fair value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability or
- In the absence of principal market, in the most advantageous market for the assets or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 - inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

2.12 Foreign exchange transactions

Transactions in foreign currencies are initially recorded by the Company at the rate of exchange prevailing on the date of the transaction. Monetary assets and monetary liabilities denominated in foreign currencies remaining unsettled at the end of the year are converted at the exchange rate prevailing on the reporting date.

Differences arising on settlement or conversion of monetary items are recognised in statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction

2.13 Trade receivable

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

2.14 Borrowing costs

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

2.15 Provisions, contingent liabilities and contingent assets

a. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

b. Contingent liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

c. Contingent assets

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

2.16 Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.17 Research and development

- (i) All revenue expenses related to research and development including expenses in relation to development of product/processes which does not meet the criteria for recognition as an intangible Assets, are charged to the statement of profit and loss in the year in which it is incurred.
- (ii) Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

2.18 Employees benefits

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

2.19 Cash and cash equivalents

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

2.20 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.21 Lease accounting

Assets given on operating lease

The Company has given certain properties to a company on an operating lease basis. Lease rental income is accounted on accrual basis in accordance with the lease agreement. Assets given on operating leases are included in Property, Plant and Equipment.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The Chief Operating Decision Maker (CODM) is responsible for allocating resources and assessing performance of the operating segments of the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

3. PROPERTY PLANT & EQUIPMENT

₹ in Lakhs

	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK	
	As at 1st April 2017	Additions during the year	Translation Difference	Deletion during the year	As at 31st March 2018	As at 1st April 2017	For the year	Translation Difference	Deduction Others	As at 31st March 2018
I										
Tangible assets										
a Leasehold land	869.96	-	-	-	869.96	55.28	8.79	-	-	805.89
b Freehold land	735.66	-	41.33	-	776.99	-	-	-	-	776.99
c Buildings	12,163.82	131.60	1,146.88	19.23	13,422.87	7,644.77	344.00	908.93	-	4,525.17
d Plant and equipments	40,518.70	1,876.88	3,125.47	2.05	45,519.00	29,022.84	2,411.16	2,553.87	0.76	33,987.11
e Furniture & fixtures	3,296.17	162.07	506.49	-	3,964.73	2,844.28	188.86	444.79	-	3,477.93
f Vehicles	1,164.59	27.67	85.48	84.66	1,193.08	791.20	97.05	85.90	31.56	250.49
g Office equipment	320.27	11.77	4.88	-	336.72	274.06	21.98	3.95	-	299.99
h Others assets	82.74	12.75	-	-	95.49	64.82	8.21	-	-	73.03
i Scientific research										
1 Building	166.31	4.57	-	-	170.88	71.63	6.16	-	-	77.79
2 Plant and equipments	904.93	37.06	-	-	941.99	394.32	74.24	-	-	488.56
3 Software	71.89	19.70	-	-	91.59	58.59	10.21	-	-	68.80
4 Office equipment	4.46	0.48	-	-	4.94	4.05	0.19	-	-	4.24
5 Furniture and fixture	23.72	2.24	-	-	25.96	20.21	1.53	-	-	21.74
II Intangible assets										
a Software	524.53	33.42	38.95	-	596.90	397.59	77.20	24.73	-	499.52
b Technical know how	132.85	-	15.44	-	148.29	89.66	30.27	11.71	-	131.64
	60,980.60	2,320.21	4,964.52	105.94	68,159.39	41,733.30	3,279.85	4,033.88	32.32	49,014.71
										19,247.30
										19,247.30
I										
Tangible assets										
a Leasehold land	869.96	-	-	-	869.96	45.29	8.79	1.20	-	55.28
b Freehold land	897.29	2.56	(31.94)	222.25	735.66	-	-	-	-	735.66
c Buildings	14,123.29	134.37	(712.01)	1,381.83	12,163.82	8,352.61	346.08	(485.50)	568.42	7,644.77
d Plant and equipments	41,271.91	1,188.14	(1,872.45)	68.90	40,518.70	28,605.24	2,545.57	(1,465.81)	662.14	29,022.86
e Furniture & fixtures	3,592.55	4.43	(241.73)	59.08	3,296.17	3,014.12	50.31	(220.15)	-	2,844.28
f Vehicles	1,049.11	201.75	(78.88)	7.39	1,164.59	770.31	130.48	(82.05)	27.54	791.20
g Office equipment	334.99	10.81	(25.53)	-	320.27	263.67	29.24	(18.85)	-	274.06
h Others assets	69.36	25.48	(11.91)	0.19	82.74	55.00	9.81	0.01	-	64.82
i Scientific research										
1 Building	161.41	4.90	-	-	166.31	62.20	9.43	-	-	71.63
2 Plant and equipments	874.74	30.19	-	-	904.93	324.15	70.17	-	-	394.32
3 Software	71.89	-	-	-	71.89	52.02	6.57	-	-	58.59
4 Office equipment	3.90	0.56	-	-	4.46	2.18	1.87	-	-	4.05
5 Furniture and fixture	23.72	-	-	-	23.72	3.95	16.26	-	-	20.21
II Intangible assets										
a Software	496.93	45.61	(18.01)	-	524.53	327.79	80.33	(10.53)	-	397.59
b Technical know how	140.63	-	(7.78)	-	132.85	78.81	27.76	(16.91)	-	89.66
	64,071.68	1,648.80	(3,000.24)	1,739.64	60,980.60	41,957.34	3,332.67	(2,298.59)	1,258.10	41,733.32
										19,247.28
										22,114.34

Note:-

- The Company has acquired leasehold Land on 16th December 2010 on lease for 99 years. The amortization per year on the same is ₹ 8.79 Lakhs (P.Y. ₹ 8.79 Lakhs)
- Other Assets include weighing machine, Air Conditioners and other equipments.
- The Company has elected to measure all of its Property, Plant and Equipment at their Previous GAAP carrying value i.e. deemed cost

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

4. NON CURRENT INVESTMENTS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unquoted equity shares, fully paid measured at fair value through other comprehensive income			
620,080 (Mar'17 - 620,080, Apr'16 - 620,080) equity shares of ₹ 10 each in Banco Aluminium Limited	1,078.44	1,039.50	937.41
Nil (Mar'17 - Nil, Apr'16 - 1,000) equity shares of ₹ 25 each fully paid in Co-operative Bank of Baroda	-	-	0.75
Other investment			
Investment	77.48	80.48	-
	1,155.92	1,119.98	938.16
Quoted equity shares, fully paid measured at fair value through other comprehensive income			
6,588 (Mar'17 - 6,588, Apr'16 - 6,588) India Motor Parts and Accessories Limited of ₹ 10 each	67.51	55.09	44.30
132,700 (Mar'17 - 132,700, Apr'16 - 132,700) Swiss Glasscoat Equipment Limited of ₹ 10 each	202.30	267.16	155.63
511 (Mar'17 - 511, Apr'16 - 511) NHPC Limited of ₹ 10 each	0.14	0.16	0.12
1,573 (Mar'17 - 1,049, Apr'16 - 787) Oil India Limited of ₹ 10 each	3.40	3.50	2.46
524* (Mar'17 - 262) bonus share received during the year	0.004	0.14	0.14
400 (Mar'17 - 400, Apr'16 - 400) Anand I-Power Limited of ₹ 1 each			
112 (Mar'17 - 112, Apr'16 - 112) Talbros Automotive Component Limited of ₹ 10 each.	0.31	0.18	0.18
34 (Mar'17 - 17, Apr'16 - 17) Talbros Engineers Limited of ₹ 10 each (17 bonus share received during the year 2017 - 18)	0.10	0.04	0.03
	273.77	326.27	202.86
	1,429.69	1,446.25	1,141.02
*524 bonus shares actually credited in demate account on 05.04.2018			
Aggregate amount of unquoted investment at cost	70.10	70.10	25.38
Aggregate amount of quoted investment at cost	20.02	20.02	20.02

5. FINANCIAL ASSETS-LOAN

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Loan given to others	-	2,277.75	3,037.62
	-	2,277.75	3,037.62

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

6. NON CURRENT OTHER FINANCIAL ASSETS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Security deposit	27.20	24.45	26.51
	27.20	24.45	26.51

7. INCOME TAX

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017
(A) Income Taxes		
a) Major component of tax expenses for the year are as under :		
(i) Income tax recognised in the statement of profit and loss		
Current tax	4,538.59	4,734.95
Deferred tax	618.63	(374.53)
	5,157.22	4,360.42
(ii) Income tax recognised in OCI		
Income tax expenses on remeasurement of defined employee benefits plans	0.42	11.03
Income tax expenses on remeasurement of financial instruments	(10.46)	(23.44)
	(10.04)	(12.41)
(B) Reconciliation of tax expenses and the accounting profit for the year is as under :		
Profit before tax	16,834.39	14,080.90
Income tax exp @ 34.608%	5,826.04	4,873.12
Tax effect on non deductible exp	69.57	62.87
effect of income which is tax at special rate	(1,256.60)	(875.77)
effect of income exempted from tax	1,597.02	1,364.88
Tax effect for deduction u/s 80IC	(21.42)	(19.49)
Tax effect for deduction u/s 80G	(0.09)	(0.09)
Tax effect for deduction u/s 80JJA	(0.59)	(0.56)
Tax effect for exemption u/s 10AA	(585.45)	(1,021.72)
Tax effect of R & D expenses	(122.66)	(199.86)
Tax effect for deduction in subsidiary	(0.76)	-
MAT credit entitlement	(16.24)	(132.60)
Tax effect for difference tax rate in subsidiary and transalation	(1,408.38)	72.44
Tax effect on stock reserve	283.66	66.43
Tax effect on undistributable profit	784.72	67.04
Other	8.40	103.73
	5,157.22	4,360.42

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(C) Major Components of Deferred Tax Liabilities /(Assets) arriving on account of timing difference are as follow:

As at 31st March 2017

₹ in Lakhs

	As at 1st April 2016	Recognised in profit and loss	Transaltion Reserve	Recognised in Other Comprehensive Income	As at 31st March, 2017
Fixed assets :- Impact of difference between WDV as per income tax Act and as per books of accounts	2,097.05	(137.25)	(37.78)	-	1,922.02
Undistributed profit of subsidiary	4,559.83	(67.04)	-	-	4,492.79
Fair value on unquoted investment	192.99	-	-	23.44	216.43
Total deferred tax liabilities	6,849.87	(204.29)	(37.78)	23.44	6,631.24
Investment property	(9.47)	9.47	-	-	-
MAT credit entitlement	(1,495.54)	(138.28)	-	-	(1,633.82)
Expense allowable for tax on payment	(618.45)	(108.31)	41.49	(11.03)	(696.30)
Unrealised gain on stock	(252.45)	66.88	-	-	(185.57)
Total deferred tax assets	(2,375.91)	(170.24)	41.49	(11.03)	(2,515.69)
Net deferred tax	4,473.96	(374.53)	3.71	12.41	4,115.55

As at 31st March 2018

₹ in Lakhs

	As at 31st March, 2017	Recognised in profit and loss	Transaltion Reserve	Recognised in Other Comprehensive Income	As at 31st March, 2018
Fixed assets :- Impact of difference between WDV as per Income tax Act and as per books of accounts	1,922.03	(171.91)	72.20	-	1,822.32
Undistributed profit of subsidiary	4,492.79	784.72	-	-	5,277.51
Fair value on unquoted investment	216.43	-	-	10.46	226.89
Total deferred tax liabilities	6,631.25	612.81	72.20	10.46	7,326.72
MAT credit entitlement	(1,633.82)	(36.10)	-	-	(1,669.92)
Expense allowable for tax on payment	(696.31)	85.99	(71.15)	(0.42)	(681.89)
Unrealised gain on stock	(185.56)	(44.07)	-	-	(229.63)
Total deferred tax assets	(2,515.69)	5.82	(71.15)	(0.42)	(2,581.44)
Net deferred tax	4,115.56	618.63	1.05	10.04	4,745.28

8. OTHER NON-CURRENT ASSETS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital advances	1,448.80	583.41	307.84
Balance with statutory authority	331.76	237.31	120.65
	1,780.56	820.72	428.49

9. INVENTORIES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Raw materials	16,318.70	10,331.20	11,740.37
Work-in-progress	2,900.71	2,551.46	3,030.49
Finished goods	23,316.74	18,168.75	16,849.46
Stores and spares	963.90	885.19	789.21
Loose tools	18.56	14.08	12.74
Packing materials	381.20	250.29	212.19
	43,899.81	32,200.97	32,634.46

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

10. CURRENT INVESTMENT

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Investment in mutual fund, fully paid measured at fair value through profit and loss			
Nil (Mar'17 - 13,909,539, Apr'16 - Nil) IIFL Cash Opportunity Fund of ₹ 10 each.	-	1,577.32	-
Nil (Mar'17 - 7,067,415, Apr'16 - Nil) Kotak Equity Arbitrage Fund – Monthly dividend plan of ₹ 10 each.	-	759.54	-
21,861 (Mar'17 - 195,646, Apr'16 - Nil) Kotak Select Focus Fund – Dividend plan of ₹ 10 each.	4.96	42.81	-
1,551,903 (Mar'17 - 1,551,903, Apr'16 - Nil) Invesco India Arbitrage Fund – Dividend plan of ₹ 10 each.	199.63	199.34	-
Nil (Mar'17 - 2,220,481, Apr'16 - Nil) Reliance Gilt Securities Fund – Growth plan of ₹ 10 each.	-	485.67	-
79,651 (Mar'17 - 24,751, Apr'16 - Nil) Reliance Growth Fund – Dividend plan of ₹ 10 each.	50.00	15.88	-
Nil (Mar'17 - 9,361,406, Apr'16 - Nil) Reliance Gilt Securities Fund – Monthly Dividend plan of ₹ 10 each.	-	966.61	-
286,132 (Mar'17 - 91,306, Apr'16 - Nil) Reliance Mid and Small Cap Fund Dividend pay out plan of ₹ 10 each.	60.65	19.49	-
Nil (Mar'17 - 9,685,894, Apr'16 - Nil) Reliance Medium Term Fund – Monthly Dividend plan of ₹ 10 each.	-	1,076.56	-
1,042,780 (Mar'17 - 191,829, Apr'16 - Nil) Reliance Top 200 Fund – Dividend Plan of ₹ 10 each.	162.79	29.86	-
Nil (Mar'17 - 94,705, Apr'16 - Nil) DSP Black Rock Strategic Bond Fund Dividend plan of ₹ 1000 each.	-	969.21	-
Nil (Mar'17 - 28,969, Apr'16 - Nil) DSP Black Rock Small and Mid Cap Fund Dividend plan of ₹ 10 each.	-	6.70	-
Nil (Mar'17 - 61,165, Apr'16 - Nil) DSP BlackRock Opportunities Fund Dividend plan of ₹ 10 each.	-	16.61	-
Nil (Mar'17 - 9,022,522, Apr'16 - Nil) HDFC Arbitrage Fund of ₹ 10 each.	-	982.56	-
1,769 (Mar'17 - 16,883, Apr'16 - Nil) HDFC Equity Fund – Regular Dividend plan of ₹ 10 each.	0.88	8.62	-
2,081 (Mar'17 - 17,619, Apr'16 - Nil) HDFC TOP 200 Fund – Regular Dividend Plan of ₹ 10 each.	0.99	8.81	-
Nil (Mar'17 - 4,539,963, Apr'16 - Nil) Birla Sun Life Enhanced Arbitrage Fund – Dividend plan of ₹ 10 each.	-	492.33	-
3,920 (Mar'17 - 8,040, Apr'16 - Nil) Birla Sun Life Equity Fund – Dividend plan of ₹ 10 each.	3.97	8.14	-
3,984,572 (Mar'17 - Nil, Apr'16 - Nil) Edelweiss Arbitrage Fund Monthly Dividend (Direct Plan) of ₹ 10 each.	498.20	-	-
Nil (Mar'17 - 200,000, Apr'16 - 200,000) Baroda Pioneer PSU equity fund of ₹ 10 each.	-	16.78	13.36
	982.07	7,682.84	13.36
Aggregate amount of investment in mutual fund at cost	1,001.00	7,619.49	20.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

11. TRADE RECEIVABLES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(Unsecured and considered good)			
Considered goods	25,655.22	20,481.37	22,093.19
	25,655.22	20,481.37	22,093.19

12(A) CASH AND CASH EQUIVALENTS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balances with banks			
-In current accounts	4,771.37	3,157.00	3,344.61
Deposit with original maturity of less than 3 months	-	595.00	4,145.00
Cash on hand	13.90	41.71	38.02
	4,785.27	3,793.71	7,527.63

12(B) OTHER BALANCES WITH BANK

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Deposit with original maturity for more than 3 months but less than 12 months	11,861.74	4,430.94	3,171.29
Unpaid dividend (earmarked balances)	3,240.94	220.78	161.92
Deposit held as margin money with banks against bank guarantee	109.32	75.26	66.48
	15,212.00	4,726.98	3,399.69

13. OTHER CURRENT FINANCIAL ASSETS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest accrued on deposit with banks	208.81	226.02	349.86
Current maturities of loan	-	646.28	682.76
Security deposit	24.36	20.92	23.26
	233.17	893.22	1,055.88

14. OTHER CURRENT ASSETS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Prepaid expenses	2,102.25	1,501.88	1,790.55
Balance with statutory authorities	336.13	120.89	245.29
Advance to vendors (trade)	469.42	681.06	310.47
Advance to employee	32.50	10.97	15.97
Other advances	204.78	142.13	232.72
	3,145.08	2,456.93	2,595.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

15(A) EQUITY SHARE CAPITAL

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorised			
15,20,00,000 (Previous Year 15,20,00,000) equity shares of ₹ 2 each	3,040.00	3,040.00	3,040.00
Issued, subscribed and paid up			
7,15,18,650 (Previous Year 7,15,18,650) equity shares of ₹ 2 each fully paid	1,430.37	1,430.37	1,430.37
	1,430.37	1,430.37	1,430.37

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

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Equity shares at the beginning of the year	715.19	715.19	715.19
Add:- share issued during the year	-	-	-
Equity shares at the end of the year	715.19	715.19	715.19

₹ In lakhs

	Share Capital	Share Capital	Share Capital
Balance at the beginning of the year	1,430.37	1,430.37	1,430.37
Issued during the year	-	-	-
Balance at the end of the year	1,430.37	1,430.37	1,430.37

(b) Terms/rights attached to each equity share

The company has only one class of share referred to as equity share having a par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. Payment of dividend is also made in foreign currency to shareholders outside India. 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.

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

Nos. in lakhs (Holding in %)

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Name of share holder			
Vimal K.Patel	49.77 (6.96%)	55.73 (7.79%)	55.73 (7.79%)
Samir K.Patel	44.21 (6.18%)	50.17 (7.01%)	50.17 (7.01%)
Mehul K.Patel	50.19 (7.02%)	56.15 (7.85%)	56.15 (7.85%)
Overseas Pearl Limited	269.10 (37.63%)	269.10 (37.63%)	269.10 (37.63%)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
15(B) Other Equity
As on 31st March 2018

₹ in Lakhs

	Reserve and Surplus						Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	Revaluation Reserve	General Reserve	Transaction Adjustment Reserve	Retained Earnings		
Balance as at 1st April 2017	1,200.31	9,618.01	54.14	12,217.69	(1,354.70)	47,682.19	1,103.55	70,521.19
Profit for the year	-	-	-	-	-	11,677.16	-	11,677.16
Addition during the year	-	-	-	-	3,192.32	-	-	3,192.32
Total comprehensive Income	1,200.31	9,618.01	54.14	12,217.69	1,837.62	59,359.35	1,103.55	85,390.67
Remeasurement of defined employee benefit plans (net)	-	-	-	-	-	(5.30)	-	(5.30)
Fair value impact for quoted investment to be routed through OCI (net)	-	-	-	-	-	-	(52.50)	(52.50)
Fair value impact for unquoted investment to be routed through OCI (net)	-	-	-	-	-	-	28.99	28.99
Final dividend of 16-17	-	-	-	-	-	(2,860.74)	-	(2,860.74)
Interim dividend of 17-18	-	-	-	-	-	(3,003.78)	-	(3,003.78)
Dividend distribution tax- interim FY 17-18	-	-	-	-	-	(157.11)	-	(157.11)
Balance as at 31st March 2018	1,200.31	9,618.01	54.14	12,217.69	1,837.62	53,332.42	1,080.04	79,340.23

As on 31st March 2017

₹ in Lakhs

	Reserve and Surplus						Other Comprehensive Income	Total
	Securities Premium	Capital Reserve	Revaluation Reserve	General Reserve	Transaction Adjustment Reserve	Retained Earnings		
Balance as at 1st April 2016	1,200.31	9,618.01	54.14	12,217.69	-	44,894.70	902.49	68,887.34
Profit for the year	-	-	-	-	-	9,720.48	-	9,720.48
Addition during the year	-	-	-	-	(1,354.70)	-	-	(1,354.70)
Total comprehensive income	1,200.31	9,618.01	54.14	12,217.69	(1,354.70)	54,615.18	902.49	77,253.12
Remeasurement of defined employee benefit plans (net)	-	-	-	-	-	(21.31)	-	(21.31)
Fair value impact for quoted investment to be routed through OCI (net)	-	-	-	-	-	-	123.41	123.41
Realisation gain on equity shares carried at FVTOCI	-	-	-	-	-	0.50	(0.50)	-
Fair value impact for unquoted investment to be routed through OCI (net)	-	-	-	-	-	-	78.15	78.15
Interim dividend of FY 16-17	-	-	-	-	-	(3,575.93)	-	(3,575.93)
Final dividend of FY 15-16	-	-	-	-	-	(2,860.74)	-	(2,860.74)
Dividend distribution tax- interim FY 16-17	-	-	-	-	-	(475.51)	-	(475.51)
Balance as at 31st March 2017	1,200.31	9,618.01	54.14	12,217.69	(1,354.70)	47,682.19	1,103.55	70,521.19

1 Securities Premium

Securities Premium reserve represents premium received on equity Share Issued, Which can be utilised only in accordance with the provisions of the Companies Act, 2013 (the Act) for Specified purposes.

2 Capital Reserve

Capital Reserve represent reserve created pursuant to the business combinations upto year end.

3 Revaluation Reserve

Revaluation Reserve represents reserve created on revaluation of some of Property, Plant and Equipments (PPE) of the Company which can be transfer to General Reserve only on disposal of those assets.

4 General Reserve

General Reserve is created from time to time by transferring profits from retain earning and can be utilised for purposes such as dividend pay out, Bonus issued etc. and it is not an item of Other Comprehensive Income.

5 Other Comprehensive Income (OCI)

OCI presents the cumulative gain and losses arising on the revaluation of Equity Instruments measured at Fair value through Other Comprehensive Income (FVTOCI), under an irrevocable options, net of amount reclassified to retained earnings when such assets are disposed off.

6 Foreign Currency Translation Reserve

Exchange difference relating to The result and net Assets of the groups foreign subsidiary from their functional currencies to the presentation currency (i.e. Rupees) are recognition in the Other Comprehensive Income and accumulated in translation adjustment reserve.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

16. LONG TERM BORROWING

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Term loan from bank at amortised cost	110.70	-	-
Less: Current maturity of long term loan	(4.78)	-	-
	105.92	-	-

Term loan from bank for construction of a new warehouse in france.the loan is interest bearing and repayable within 15 years. Mortgage against real estate coming in future.

17. LONG TERM PROVISIONS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for employee benefits			
Provision for gratuity	308.72	268.70	222.76
Provision for leave encashment	245.91	206.21	166.43
	554.63	474.91	389.19

18. SHORT TERM BORROWINGS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Secured			
Cash credit and overdraft from banks	704.22	601.69	1,352.33
Short-term loan from banks	2,551.19	3,235.54	2,276.10
	3,255.41	3,837.23	3,628.43

- (i) Cash credit loans are secured against first charges on pari passu basis by way of hypothecation of the current assets both present and future in favour of participating scheduled banks.
- (ii) Cash credit carrying interest @ 8.55% to 8.65%
- (iii) National Bank of Commerce has issued an overdraft facility to a subsidiary company to meet working capital requirement @ an interest rate of NBF USD base rate i.e.7.50% per annum.
- (iv) A subsidiary company obtain short term loan facility maturing after six months from the date of first withdrawal. The loan bears interest of 7.50% P.A. payable on monthly basis.

19. TRADE PAYABLES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Trade payables	18,249.05	9,590.40	12,220.36
	18,249.05	9,590.40	12,220.36

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

20. OTHER FINANCIAL LIABILITIES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unclaimed/Unpaid dividend	3,240.94	220.78	161.92
Interest accrued but not due on borrowings	2.00	8.24	5.09
Payable to employees	346.71	234.97	313.55
Current maturity of long term loan	4.77	-	-
	3,594.42	463.99	480.56

21. OTHER CURRENT LIABILITIES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance received from customers	191.60	227.03	116.82
Other payable-statutory liabilities	238.69	209.53	196.94
Others	7,935.44	5,968.03	4,881.97
	8,365.73	6,404.59	5,195.73

22. SHORT TERM PROVISIONS

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Provision for employee benefits			
Provision for gratuity	49.66	44.67	38.45
Provision for leave encashment	34.63	32.94	28.04
	84.29	77.61	66.49

23. REVENUE FROM OPERATIONS

₹ in Lakhs

	2017-18	2016-17
(a) Sale of products		
Finished goods (net of returns and discounts)	1,37,424.93	1,27,945.68
	1,37,424.93	1,27,945.68
(b) Other Operating Income		
Scrap sales	1,864.42	1,624.17
Export incentives	463.57	579.66
	2,327.99	2,203.83
	1,39,752.92	1,30,149.51

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

24. OTHER INCOME		₹ in Lakhs	
		2017-18	2016-17
(a) Interest income			
i. On deposit with banks		594.69	963.65
(b) Dividend income from			
i. Equity investment in others		3.87	55.81
ii. Mutual funds investments		430.00	63.33
(c) Other non-operating income			
i. Profit on sale of property, plant and equipment - net		0.71	1,759.39
ii. Insurance claim received		23.34	27.20
iii. Others		129.77	65.86
(d) other gain and losses			
i. Net gain on foreign currency transaction and translation		251.77	221.89
ii. Net gain arising on sales of financial assets measured at FVTPL		197.67	-
iii. Net gain arising on fair value measured at FVTPL		-	89.86
		1,631.82	3,246.99
25. COST OF MATERIALS CONSUMED		₹ in Lakhs	
		2017-18	2016-17
Opening stock		10,581.49	11,952.56
Add : Purchases during the year		87,600.39	68,308.82
		98,181.88	80,261.38
Less : Closing stock		16,699.90	10,581.49
		81,481.98	69,679.89
26. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		₹ in Lakhs	
		2017-18	2016-17
Inventories at the end of the year			
Work in progress		2,900.71	2,551.46
Finished goods (Including goods in transit)		23,316.74	18,168.75
		26,217.45	20,720.21
Inventories at the beginning of the year			
Work in progress		2,551.46	3,030.49
Finished goods (Including goods in transit)		18,168.75	16,849.46
		20,720.21	19,879.95
Changes in inventories of finished goods and work in progress		(5,497.24)	(840.26)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

27. EMPLOYEE BENEFIT EXPENSES		₹ in Lakhs	
	2017-18	2016-17	
Salaries wages and bonus	15,900.51	13,278.32	
Contribution to provident and other funds	1,054.52	2,756.65	
Staff welfare expenses	217.64	160.66	
	17,172.67	16,195.63	
28. FINANCE COST		₹ in Lakhs	
	2017-18	2016-17	
(i) Interest on Financial Liabilities carried at amortised cost	47.95	76.99	
(ii) Interest-Others	9.25	1.26	
(iii) Bank and other financial charges	135.20	117.28	
	192.40	195.53	
29. DERECIATION AND AMORTIZATION EXPENSES		₹ in Lakhs	
	2017-18	2016-17	
Depreciation			
On tangible assets	3,162.17	3,234.39	
On intangible assets	117.68	98.28	
	3,279.85	3,332.67	
30. OTHER EXPENSES		₹ in Lakhs	
	2017-18	2016-17	
Consumption of stores and spares	1,048.16	862.35	
Power and fuel	2,349.02	2,177.01	
Labour charges	8,386.10	8,266.58	
Repair and maintenance			
- Plant and machinery	1,415.36	1,417.71	
- Electric installation	79.42	88.86	
- Buildings	347.00	336.28	
- Sundry repairs	1.60	0.03	
Factory general expenses	469.89	504.04	
Insurance premium on assets	84.91	95.96	
Payment to auditors	158.27	183.01	
Rent rates and taxes	1,019.46	1,004.97	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

30. OTHER EXPENSES (Contd..)

₹ in Lakhs

	2017-18	2016-17
Postage and courier	47.11	47.81
Telephone expenses	166.79	178.33
Travelling and conveyance	1,330.70	1,304.07
Director sitting fees	8.30	27.10
Miscellaneous expenses	1,225.59	1,096.53
Donation	1.50	1.87
Expenditure towards corporate social responsibility activities	16.02	272.46
Net loss on foreign currency transactions and translation	544.15	-
Net loss arising on fair value measured at FVTPL	17.01	-
Loss on sale of assets (Net)	2.85	0.01
Insurance	15.09	65.14
Commission and discount	621.85	662.34
Advertisement and sales promotion	555.52	449.60
Other selling expenses	438.47	604.62
Freight and transport (net)	5,967.05	4,891.55
	26,317.19	24,538.23

31. EARNING PER SHARE (EPS)

	2017-18	2016-17
Profit after tax available for equity shareholders (₹ in Lakhs)	11,677.16	9,720.48
Weighted average number of equity shares	7,15,18,650	7,15,18,650
Basic and diluted earnings per share (Face value per share ₹ 2/- each)	16.33	13.59

32. CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

₹ in Lakhs

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Estimated amount of contracts net of advances remaining to be executed on capital accounts	1,408.77	1,287.94	569.01
Letter of credit,	134.66	122.26	149.55
Guarantees issued by bank to third party	514.79	337.77	300.42
Excise duty	1,376.89	1,253.28	508.80
Sales tax	373.21	355.20	340.16
Income tax	19.65	9.51	9.51

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
33. EMPLOYEE BENEFITS
(a) Defined contribution plan

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

The Parent and Indian Subsidiary Company has recognized an amount of ₹ 188.78 Lakhs (P.Y. ₹ 148.13 Lakhs) as expense under the defined contribution plan in the statement of Profit and Loss for the year.

(b) Defined benefit plan

The Parent and Indian Subsidiary Company makes annual contributions to Employees Group Gratuity with LIC, a funded defined benefit plan for employees of the company.

Actuarial value of plan Assets and the present value of the defined benefit obligations for gratuity were carried out as on 31st March every year. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to built up the final obligation.

The principle assumptions used for the purpose of the actuarial valuation were as follows

Financial assumptions

	31st March 2018	31st March 2017	1st April 2016
Discount Rate %	7.30 to 7.55	6.95 to 7.00	7.85 to 7.90
Salary Growth Rate %	6.00	6.00	6.00

Demographic Assumptions

Withdrawal Rates (p.a.)	31st March 2018	31st March 2017	1st April 2016
Age Band			
25 & Below	15.00%	15.00%	15.00%
26 to 35	12.00%	12.00%	12.00%
36 to 45	9.00%	9.00%	9.00%
46 to 55	6.00%	6.00%	6.00%
56 & above	3.00%	3.00%	3.00%

Mortality Rates

Age (in years)	31st March 2018	31st March 2017	1st April 2016
20	0.09%	0.09%	0.09%
30	0.11%	0.11%	0.11%
40	0.18%	0.18%	0.18%
50	0.49%	0.49%	0.49%
60	1.15%	1.15%	1.15%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Amount recognized in Statement of Profit and Loss account for the period	₹ in Lakhs	
	31st March 2018	31st March 2017
Service cost		
Current service cost	44.67	38.45
Past service cost and loss/(gain) on curtailments and settlement	24.64	-
Net interest cost	20.31	19.06
Total charge to Statement of Profit and Loss	89.62	57.51

Past service cost is on account of increase in gratuity ceiling from ₹ 10.00 Lakhs to ₹ 20.00 Lakhs.

Amount recognized in other comprehensive income for the period	₹ in Lakhs	
	31st March 2018	31st March 2017
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	(18.97)	23.31
Due to change in demographic assumption	-	-
Due to experience adjustments	18.23	9.67
Return on plan assets excluding amounts included in interest income	(1.12)	(0.64)
Amounts recognized in other comprehensive income	(1.86)	32.34

Reconciliation of defined benefit obligation	₹ in Lakhs		
	31st March 2018	31st March 2017	1st April 2016
Opening defined benefit obligation	478.02	415.82	366.45
Transfer in/(out) obligation	-	-	-
Current service cost	44.67	38.45	34.27
Interest cost	31.40	30.54	28.40
Components of actuarial gain/losses on obligations			
Due to change in financial assumptions	(18.97)	23.31	8.53
Due to change in demographic assumption	-	-	14.00
Due to experience adjustments	18.23	9.67	(16.04)
Past service cost	24.64	-	12.13
Loss (gain) on curtailments	-	-	-
Liabilities extinguished on settlements	-	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-	-
Exchange differences on foreign plans	-	-	-
Benefits paid	(22.80)	(39.77)	(31.92)
Closing defined benefit obligation	555.19	478.02	415.82

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Reconciliation of defined plan assets	₹ in Lakhs		
	31st March 2018	31st March 2017	1st April 2016
Opening value of plan assets	164.65	154.60	144.99
Transfer in/(out) plan assets	-	-	-
Expenses deducted from the fund	-	-	(2.49)
Interest income	11.09	11.48	13.84
Return on plan assets excluding amounts included in interest income	1.12	0.63	(4.62)
Assets distributed on settlements	-	-	-
Contributions by employer	42.74	37.71	39.40
Assets acquired in an amalgamation in the nature of purchase	-	-	-
Exchange differences on foreign plans	-	-	-
Benefits paid	(22.80)	(39.77)	(31.92)
Adjustment to the opening fund	-	-	(4.60)
Closing value of plan assets	196.80	164.65	154.60

Reconciliation of net defined benefit liability	₹ in Lakhs		
	31st March 2018	31st March 2017	1st April 2016
Net opening provision in books of accounts	313.37	261.22	221.46
Transfer in/(out) obligation	-	-	-
Transfer (in)/out plan assets	-	-	-
Employee benefit expense	89.61	57.52	68.06
Amounts recognized in other comprehensive income	(1.85)	32.34	11.10
Closing value of plan assets	401.13	351.08	300.62
Benefits paid by the company	-	-	-
Contributions to plan assets	(42.74)	(37.71)	(39.40)
Closing provision in books of accounts	358.39	313.37	261.22

Composition of the plan assets			
	31st March 2018	31st March 2017	1st April 2016
Policy of insurance	100%	100%	100%
	100%	100%	100%

Principle actuarial assumptions			
	31st March 2018	31st March 2017	1st April 2016
Discount rate %	7.30 to 7.55	6.95 to 7.00	7.85 to 7.90
Salary growth rate %	6.00	6.00	6.00
Withdrawal rates	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(c) Other employee benefits

The liabilities for leave encashment based on actuarial valuation as at the year ended on 31st March 2018 is ₹ 280.53 Lakhs (31st March 2017 ₹ 239.15 Lakhs, 31st March 2016 ₹ 194.47 Lakhs).

34. INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS-24 - RELATED PARTY DISCLOSURES (AS IDENTIFIED BY MANAGEMENT)

(a) Directors

Mr. Mehul K Patel	Non Executive Non Independent
Mr. Samir K Patel	Non Executive Non Independent

(b) Independent directors

Mr. Ramkisan Devidayal	Non-Executive Independent Director
Mr. Mukesh D Patel	Non-Executive Independent Director
Mr. Devesh A Pathak	Non-Executive Independent Director
Mr. Udayan P Patel	Non-Executive Independent Director

(c) Key managerial personnel:

Name of director/employee	Designation
Mr. Rajendra Anandpara	Managing Director (w.e.f.27th April 2017) Executive Non Independent
Mrs. Himali Patel	Whole Time Director and CFO Executive Non Independent
Mr. Pravin Rao	Chief Executive Officer (Upto 27th April 2017)
Mr. Sagar Pandya	Company Secretary (From 1st April 2017 to 8th November 2017)
Mr. Dinesh Kavthekar	Company Secretary (From 16th December 2017)

(d) Company in which certain directors are common

Banco Aluminium Limited

(e) Trust controlled by relatives of directors

Banco Products Trust Registration No-E/7946/VADODARA

Banco Gasket Trust Registration No-E/7957/VADODARA

During the year, the following transactions were carried out with related parties and relative of Key management personnel in the ordinary course of the business: ₹ in Lakhs

Nature of Transaction	Key Management Personnel		Independent Directors		Company in which certain directors are common- Banco Aluminium Limited		Trust Controlled by relatives of directors	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Purchase of goods	-	-	-	-	369.18	417.63	-	-
Purchase of licence	-	-	-	-	17.98	28.10	-	-
Sale of goods	-	-	-	-	313.88	273.09	-	-
Sale of assets	-	-	-	-	-	1,210.00	-	-
Rendering of services	-	-	-	-	-	16.18	-	-
Receiving of services	-	-	-	-	3.63	3.44	-	-
Reimbursement of expenses	-	-	-	-	-	1.05	-	-
Key management personnel remuneration	163.94	78.02	-	-	-	-	-	-
Director sitting fees	-	-	8.30	11.10	-	-	-	-
Directors commission	-	-	8.00	8.00	-	-	-	-
Donation paid (CSR expenses)	-	-	-	-	-	-	10.52	28.71
Dividend received	-	-	-	-	0.62	55.81	-	-
Receivable at the end of the year	-	-	-	-	31.30	63.18	-	-

*Key Management Personnel who are under the employment of the Company are entitled to post employment benefits and other long term benefits recognized as per IND AS-19 on Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Significant related party transaction	₹ in Lakhs	
	2017-18	2016-17
Remuneration to key managerial personnel		
Mr. Sagar Pandya	3.85	5.45
Mrs. Himali Patel	16.20	13.49
Mr. Rajendra Anandpara	134.08	-
Mr. Dinesh Kavthekar	2.43	-
Mr. Subhasis Dey	-	23.26
Mr. Pravin Rao	7.38	35.82
	163.94	78.02
Director sitting fees paid (directors of Banco Products (India) Limited)		
Mr. Devesh Pathak	2.30	3.00
Mr. Mukesh D Patel	2.60	2.70
Mr. Ram Devidayal	1.40	3.00
Mr. Udayan Patel	2.00	2.40
	8.30	11.10
Commission to director (Directors of Banco Products (India) Limited)		
Mr. Devesh Pathak	1.00	1.00
Mr. Mukesh D Patel	3.00	3.00
Mr. Ram Devidayal	3.00	3.00
Mr. Udayan Patel	1.00	1.00
	8.00	8.00

35. SEGMENT REPORTING

The company has identified manufacturing of automobile components as its sole reportable segment. Thus the disclosure requirements as set out in are not applicable.

	₹ in Lakhs	
	2017-18	2016-17
Revenue from operation		
Domestic operation		
Within India	55,978.72	48,201.08
Outside India	9,794.98	7,924.56
International operation	71,651.23	71,820.04
Total Revenue	1,37,424.93	1,27,945.68
Consolidated revenue exceeding 10% from each single external customer	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018**36. EXPENDITURE RELATED TO CORPORATE SOCIAL RESPONSIBILITY AS PER SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH SCHEDULE VII THERE OF:**

(a) Gross amount required to be spent (refer note below) by the Group during the year ₹ 204.93 Lakhs (31st March 2017 ₹ 270.27 Lakhs).

	₹ in Lakhs		
	Amount Spent	Yet to be spent	Total
Construction / acquisition of assets	Nil (—)	Nil (—)	Nil (—)
Other purposes *	16.02 (272.46)	188.91 (—)	204.93 (272.46)

*Figure in bracket represent for previous year

(c) Related party transaction in relation to corporate social responsibility ₹ 10.52 Lakhs (31st March 2017 ₹ 28.71 Lakhs)

37. FIRST TIME ADOPTION OF Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The significant accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31st March, 2018, the comparative information presented in these financial statements for the year ended 31st March, 2017, and in the preparation of an opening Ind AS Balance Sheet as at 1st April, 2016 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and the other relevant provisions of the Act (previous GAAP or Indian GAAP).

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions**(i) Business combinations**

The Company has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date.

Business Combinations occurring prior to the transition date have not been restated. The Company has applied same exemption for investment in associates and joint venture.

The Company has elected not to apply Ind AS 21 retrospectively to fair value adjustment and goodwill arising in business combination that occurred prior to the transition date.

(ii) Deemed cost

The Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value i.e deemed cost.

Reconciliations

The following Reconciliations provides the effect of transaction to Ind AS from IGAAP in accordance with Ind AS 101

1. Equity as at 1st April 2016 and 31st March 2017
2. Net Profit for the year ended 31st March 2017

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Effect of Ind AS adoption on the Balance Sheet date as at 1st April 2016

₹ in Lakhs

	Foot Notes	As at 1st April 2016 (As per IGAAP)	Effect of Transition	As at 1st April 2016 (Ind AS)
ASSETS				
Non-Current Assets				
Property, plant and equipments	1	21,876.09	(156.63)	21,719.46
Capital work-in -progress	2	261.46	109.69	371.15
Investment property	1		144.05	144.05
Other intangible assets		250.83	-	250.83
Financial assets				
Investments	3	45.55	1,095.47	1,141.02
Loan		3,037.62	-	3,037.62
Other financial assets		26.51	-	26.51
Deferred tax asset (net)	3,7,8	618.45	1,757.46	2,375.91
Current tax assets (net)		334.09	-	334.09
Other non-current assets		428.49	-	428.49
		26,879.09	2,950.04	29,829.13
Current Assets				
Inventories	2	32,744.15	(109.69)	32,634.46
Financial assets				
Investments		13.36	-	13.36
Trade receivables		22,093.19	-	22,093.19
Cash and cash equivalents		7,527.63	-	7,527.63
Other balances with bank		3,399.69	-	3,399.69
Other financial assets		1,055.88	-	1,055.88
Other current assets		2,595.00	-	2,595.00
		69,428.90	(109.69)	69,319.21
Total Assets		96,307.99	2,840.35	99,148.34
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,430.37	-	1,430.37
Other equity	1,3,5,7,8	67,356.67	1,530.67	68,887.34
LIABILITIES				
Non current liabilities				
Provisions		389.19	-	389.19
Deferred tax liabilities (net)	8	2,097.05	4,752.82	6,849.87
		71,273.28	6,283.49	77,556.77
Current Liabilities				
Financial liabilities				
Borrowings		3,628.43	-	3,628.43
Trade payables		12,220.36	-	12,220.36
Other financial liabilities		480.56	-	480.56
Other current liabilities		5,195.73	-	5,195.73
Provisions	5	3,509.63	(3,443.14)	66.49
		25,034.71	(3,443.14)	21,591.57
Total equity & liabilities		96,307.99	2,840.35	99,148.34

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Effect of Ind AS adoption on the Balance Sheet date as at 31st March 2017				₹ in Lakhs
	Foot Notes	As at 31st March 2017 (As per IGAAP)	Effect of Transition	As at 31st March 2017 (Ind AS)
ASSETS				
Non-Current Assets				
Property, plant and equipments	1	19,119.64	(12.60)	19,107.04
Capital work-in-progress		356.43	-	356.43
Investment property			-	-
Other intangible assets		140.24	-	140.24
Financial assets			-	-
Investments	3	126.22	1,320.03	1,446.25
Loan		2,277.75	-	2,277.75
Other financial assets		24.45	-	24.45
Deferred tax asset (net)	3,7,8	696.30	1,819.39	2,515.69
Current tax assets (net)		506.94	-	506.94
Other non-current assets		820.72	-	820.72
		24,068.69	3,126.82	27,195.51
Current Assets				
Inventories		32,200.97	-	32,200.97
Financial assets				
Investments	4	7,592.98	89.86	7,682.84
Trade receivables		20,481.37	-	20,481.37
Cash and cash equivalents		3,793.71	-	3,793.71
Other balances with bank		4,726.98	-	4,726.98
Other financial assets		893.22	-	893.22
Other current assets		2,456.93	-	2,456.93
		72,146.16	89.86	72,236.02
Total assets		96,214.85	3,216.68	99,431.53
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,430.37	-	1,430.37
Other equity	1,3,4,7,8	72,010.27	(1,489.08)	70,521.19
LIABILITIES				
Non current liabilities				
Provisions		474.91	-	474.91
Deferred tax liabilities(net)	8	1,925.48	4,705.76	6,631.24
		75,841.03	3,216.68	79,057.71
Current liabilities				
Financial liabilities				
Borrowings		3,837.23	-	3,837.23
Trade payables		9,590.40	-	9,590.40
Other financial liabilities		463.99	-	463.99
Other current liabilities		6,404.59	-	6,404.59
Provisions		77.61	-	77.61
		20,373.82	-	20,373.82
Total equity & liabilities		96,214.85	3,216.68	99,431.53

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March 2017

		₹ in Lakhs		
	Foot Notes	2016-2017 (As per IGAAP)	Effect of Transition	2016-2017 (Ind AS)
Revenue from operations	6	1,31,313.79	(1,164.28)	1,30,149.51
Other income	4	3,158.58	88.41	3,246.99
Total income		1,34,472.37	(1,075.87)	1,33,396.50
Expenses				
Cost of materials consumed		69,679.89	-	69,679.89
Changes in inventories of finished goods and work-in-progress.		(840.26)	-	(840.26)
Employee benefit expenses	7	16,227.97	(32.34)	16,195.63
Finance costs		195.53	-	195.53
Depreciation/amortisation expenses		3,332.67	-	3,332.67
Excise duty		6,213.91	-	6,213.91
Other expenses	6	25,702.51	(1,164.28)	24,538.23
Total expenses		1,20,512.22	(1,196.62)	1,19,315.60
Profit/(Loss) before exceptional items and tax		13,960.15	120.75	14,080.90
Tax expense:				
Current tax		4,734.95	-	4,734.95
Deferred tax	3,8	(252.89)	(121.64)	(374.53)
Total tax expenses		4,482.06	(121.64)	4,360.42
Profit for the year from continuing operations		9,478.09	242.39	9,720.48
Other comprehensive income				
A Items that will not be reclassified to Profit or Loss				
(i) (a) Remeasurement of defined employee benefit plans	7		(32.34)	(32.34)
(b) Income tax expenses on remeasurement of defined employee benefits plans	7,8		11.03	11.03
(ii) (a) Remeasurement of financial instruments			224.50	224.50
(b) Income Tax expenses on remeasurement of financial instruments	3,8		(23.44)	(23.44)
Total other comprehensive income		-	179.75	179.75
Total comprehensive income/(loss) for the year		9,478.09	422.14	9,900.23

Under the IGAAP, there was no concept of Other Comprehensive Income. Under Ind AS, specified items of income, expenses, gains or losses are required to be presented in Other Comprehensive Income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

Reconciliation of Total Comprehensive Income for the year ended 31st March 2017		₹ in Lakhs
Nature of Adjustments	Foot Notes	2016-2017
Net profit as per previous GAAP		9,478.09
Reimbursement benefit of net defined benefit plan	7	32.34
Effect of measuring financial instruments as fair value	3	88.41
Deferred taxes	3,7,8	121.64
Net profit as per Ind AS		9,720.48
Other comprehensive income (net of tax)	3,7,8	179.75
Total comprehensive income as per Ind AS		9,900.23

Reconciliation of equity as at 31st March 2017 and 1st April 2016		₹ in lakhs	
Nature of adjustments	Foot Notes	As At 31.03.2017	As At 01.04.2016
Equity as per IGAAP		73,440.64	68,787.03
Effect of measuring non current investment at fair value	3	1,320.03	1,095.47
Effect of measuring current investment at fair value	3	89.86	-
Effect of tax for measuring non current investment at fair value	3	(216.43)	(192.99)
Adjustment for proposed dividend	5	-	2,860.74
Adjustment for tax on proposed dividend	5		582.39
Adjustment for PPE	1	(12.60)	(12.58)
Effect of remeasurement of employee benefit	7	3.46	3.87
Tax effect on investment property	1	-	9.47
MAT entitlement	8	1,633.82	1,491.68
Deferred tax on undistributed subsidiaries	8	(4,492.79)	(4,559.83)
Deferred tax on unrealised gain/loss on Stock lying with subsidiaries	8	185.57	252.45
Total effect of transaction to Ind AS		(1,489.08)	1,530.67
Equity as per Ind AS		71,951.56	70,317.71

Effect of Ind AS adoption on the statement of cash flow for the year ended 31st March 2017

₹ In lakhs				
	Foot Notes	2016-2017 (As per IGAAP)	effect of transition	2016-2017 (Ind AS)
Cash flow from operating activities		9,030.34	-	9,030.34
Cash flow from investing activities		(5,868.51)	-	(5,868.51)
Cash flow from financing activities	9	(6,895.75)	750.64	(6,145.11)
Net cash outflow during the year		(3,733.92)	750.64	(2,983.28)
Cash and cash equivalents at the beginning of the year	9	7,527.63	(1,352.33)	6,175.30
Cash and cash equivalents at the end of the year	9	3,793.71	(601.69)	3,192.02

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018
Foot Notes
1. Property plant and equipments

In the financial statements prepared under Previous GAAP, Investment Property was grouped in PPE. Under Ind AS the same is reclassified as Investment Property as required by Ind AS-40.

Under Previous GAAP some selected Plant & Machineries were Revalued, this Revaluation Reserve is Reversed Under Ind AS, as the Company has elected to measure all of its Property, Plant and Equipment at their Previous GAAP carrying value i.e. deemed cost

2. Inventories

Under the Previous GAAP Machinery Spares which meet the definition of PPE was included in Inventories now reclassified to CWIP of Property, Plant and Equipments as per Ind AS-2

3. Non current investment

Under the Previous GAAP, Non Current Investment of the Company were measured at Cost less Provision for diminution (Other than temporary). Under Ind AS the Company has recognised such Investments as under

- (a) Unquoted Equity Shares of Subsidiaries-At Cost
- (b) Unquoted Equity Shares-at FVTOCI through an irrevocable election
- (c) Quoted Equity Shares-at FVTOCI through an irrevocable election

4. Current investment

Under the Previous GAAP, Current Investment of the Company were measured at Cost or fair value whichever is lower. Under Ind AS the Company has reclassified such Investments as FVTPL on the date of transition. The fair value changes are recognised in the statement of Profit and Loss.

5. Proposed dividend

In the financial statement prepared under Previous GAAP, dividend on equity shares recommended by the Board of Directors after the end of reporting period but before the financial statements were approved for issue, was recognised as a liability in the financial statements in the reporting period relating to which dividend was proposed. Under Ind AS, such dividend is recognised in the reporting period in which the same is approved by the members in a general meeting.

6. Revenue from operations

In the financial Statement prepared under previous GAAP, Cash Discount, Commission on Sales and Promotional expenses were shown as a part of other expenses. Same is reduced from revenue from operation under Ind AS

7. Remeasurement benefit of defined benefit plan

In the financial Statement prepared under previous GAAP, remeasurment benefit of defined plans (gratuity), arising primarily due to change in actuarial assumptions was recognised as employee benefits expenses in the statement of Profit and Loss. Under Ind AS, such remeasurment benefit relating to defined benefit plans is recognised in OCI as per requirement of Ind AS-19. Consequently, the related tax effect of the same has also been recognised in OCI.

8. Deferred tax

In the Financial Statement prepared under Previous GAAP, Deferred Tax was accounted as per Income Statement approach which require creation of deferred tax Assets / Liabilities on temporary differences between taxable profit and accounting profit. Under Ind AS deferred tax is accounted as per the Balance Sheet approach which requires creation of deferred tax assets / Liabilities on temporary difference between the carrying amount of an assets / liabilities in the Balance Sheet and it's corresponding tax base

9. Effect of Ind AS adoption on statement of cash flow for the year ended 31st March 2017

Under Ind AS-7, Cash Credit, which are repayable on demand and form an integral part of cash management, are classified in cash and cash equivalents. Under previous GAAP same was shown under short term borrowing considering financing activities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

38. CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

₹ in Lakhs

Particulars	Refer Note	Non-Current			Current		
		As at 31.03.2018	As at 31.03.2017	As at 01.04.2016	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Financial assets measured at fair value through Profit or Loss (FVTPL)							
Investments in quoted mutual funds	Note No. 10	-	-	-	982.07	7,682.84	13.36
Financial assets measured at fair value through other comprehensive income (FVTOCI)							
Unquoted Equity Shares measured at fair value	Note No. 4	1,078.44	1,039.50	938.16	-	-	-
Quoted Equity Shares measured at fair value	Note No. 4	273.77	326.27	202.86	-	-	-
		1,352.21	1,365.77	1,141.02	-	-	-
Financial assets measured at amortised cost							
Loan given to Others	Note No. 5	-	2,277.75	3,037.62	-	-	-
Security Deposit	Note No. 6	27.20	24.45	26.51	-	-	-
Trade receivables	Note No. 11	-	-	-	25,655.22	20,481.37	22,093.19
Cash and cash equivalents	Note No. 12a	-	-	-	4,785.27	3,793.71	7,527.63
Other Balances with Bank	Note No. 12b	-	-	-	15,212.00	4,726.98	3,399.69
Interest accrued on deposit with banks	Note No. 13	-	-	-	208.81	226.02	349.86
Current maturities of loan	Note No. 13	-	-	-	-	646.28	682.76
Security Deposit	Note No. 13	-	-	-	24.36	20.92	23.26
		27.20	2,302.20	3,064.13	45,885.66	29,895.28	34,076.39
Financial liabilities measured at amortised cost							
Long Term Borrowing	Note No. 16	-	-	-	105.92	-	-
Cash credit from banks	Note No. 18	-	-	-	3,255.41	3,837.23	3,628.43
Trade payables	Note No. 19	-	-	-	18,249.05	9,590.40	12,220.36
Unclaimed/unpaid dividend	Note No. 20	-	-	-	3,240.94	220.78	161.92
Payable to employees	Note No. 20	-	-	-	346.71	234.97	313.55
Interest accrued but not due on borrowings	Note No. 20	-	-	-	2.00	8.24	5.09
Current maturity of Long Term Loan	Note No. 20	-	-	-	4.77	-	-
		-	-	-	25,204.80	13,891.62	16,329.35

Investment in equity instruments measured through OCI are not held for trading. The Company has chosen to measured this investment at FVTOCI irrevocably and the management believes that presenting fair value gain and losses relating to this investment in the statement of Profit and Loss may not be indicative of the performance of the company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

39. FAIR VALUE MEASUREMENTS

(i) The following table provides the fair value measurement hierarchy of the company's financial assets and liabilities

As at 31st March, 2018

₹ in Lakhs

Financial assets	Fair value hierarchy			
	Fair value as at 31.03.2018	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through other comprehensive income (FVTOCI)				
*Unquoted equity shares measured at fair value	1,078.44	-	-	1,078.44
Quoted equity shares measured at fair value	273.77	273.77	-	-
Financial assets measured at fair value through profit or loss (FVTPL)				
Investments in quoted mutual funds	982.07	982.07	-	-

As at 31st March, 2017

(₹ in Lakhs)

Financial assets	Fair value hierarchy			
	Fair value as at 31.03.2017	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through other comprehensive income (FVTOCI)				
*Unquoted equity shares measured at fair value	1,039.50	-	-	1,039.50
Quoted equity shares measured at fair value	326.27	326.27	-	-
Financial assets measured at fair value through profit or loss (FVTPL)				
Investments in quoted mutual funds	7,682.84	7,682.84	-	-

As at 1st April 2016

₹ in Lakhs

Financial assets	Fair value hierarchy			
	Fair value as at 1st April 2016	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value through other comprehensive income (FVTOCI)				
*Unquoted equity shares measured at fair value	938.16	-	-	938.16
Quoted equity shares measured at fair value	202.86	202.86	-	-
Financial assets measured at fair value through profit or loss (FVTPL)				
Investments in quoted mutual funds	13.36	13.36	-	-

*Unquoted equity shares measured at FVTOCI are taken at fair value certified by management.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018(ii) **Financial instrument measured at amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, trade receivables and other receivables.

40. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. As at 31st March, 2018, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

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

₹ in Lakhs

Name of the Enterprises	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ In Lakhs)	As % of consolidated net assets	Amount (₹ In Lakhs)	As % of consolidated net assets	Amount (₹ In Lakhs)	As % of consolidated net assets	Amount (₹ In Lakhs)
Parent :-								
Banco Products (India) Limited	58.50%	61,539.36	56.03%	11,972.23	95.88%	(23.30)	55.98%	11,948.93
Subsidiaries								
Indian								
Banco Gaskets (India) Limited	6.62%	6,958.59	5.44%	1,162.72	4.12%	(1.00)	5.44%	1,161.72
Foreign								
*Lake Mineral (Mauritius) Limited	5.00%	5,257.08	11.79%	2,519.24	0.00%	-	11.80%	2,519.24
*Nederlandse Radiatoren Fabrik B.V.	29.89%	31,436.60	26.74%	5,714.41	0.00%	-	26.77%	5,714.41
Total	100.00%	1,05,191.63	100.00%	21,368.60	100.00%	(24.30)	100.00%	21,344.30
Adjustment arising out of consolidation		(24,421.03)		(9,691.44)		-		(9,691.44)
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		80,770.60		11,677.16		(24.30)		11,652.86

Note:- Information in respect of subsidiaries are as per its consolidated financial statement

42. Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year classification/disclosure as per Ind AS requirement.

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 57th Annual General Meeting of Banco Products (India) Limited to be held on 22.09.2018 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 Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31.03.2018 including Balance Sheet as at 31.03.2018, the Statement of Profit and Loss and Cash Flow Statement for the year ended on 31.03.2018 and the Reports of the Board of Directors and the Auditors thereon.
2.	To declare final dividend on Equity Shares for the Financial Year ended 31.03.2018.
3.	To appoint a Director in place of Mr. Samir K Patel (DIN : 00161448), who retires by rotation and being eligible, offers himself for reappointment.
	Special Business
4.	Re-appointment of and Remuneration payable to Mrs. Himali H. Patel as the Whole Time Director of the Company.
5.	Approval of Remuneration to Cost Auditor

Signed this.....day of2018

Signature of the Shareholder(s)

Signature of Proxy holder(s)

Please affix
Re. 1/-
Revenue
Stamp

Notes:

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

[illegible]

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.

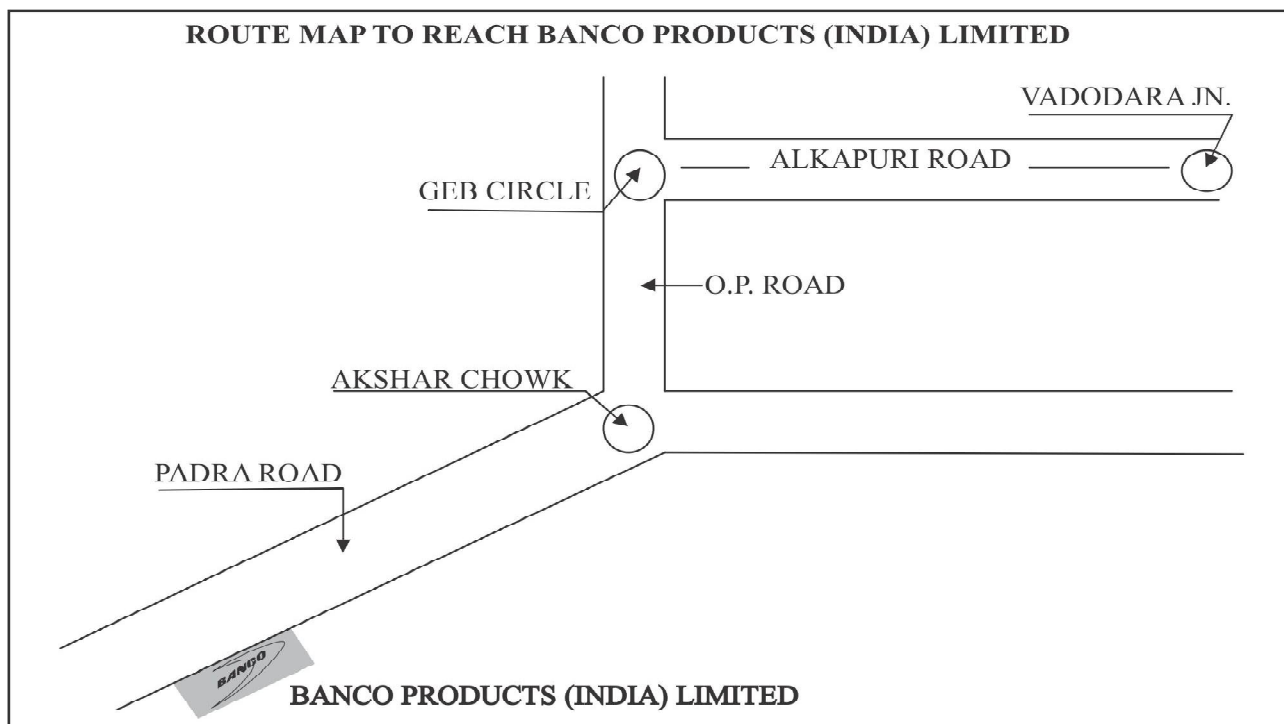
Name of the Member(s)/Proxy	
Folio No.	
DP ID - Client ID	
No of Shares Held	

I hereby record my presence at the 57th Annual General Meeting of the Company at Bil, Near Bhaili Railway Station, Padra Road, Dist. Vadodara - 391 410 on 22.09.2018.

Signature of the Member(s)/Proxy

Note:

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



NOTE

NOTE

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Cautionary Statement

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

Printed Matter

If undelivered, please return to :

BANCO PRODUCTS (INDIA) LIMITED

Bil, Near Bhaili Railway Station,

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

CIN : L51100GJ1961PLC001039

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

Website : www.bancoindia.com

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