


BANCO



CERTIFIED TRUE COPY

For BANCO PRODUCTS (INDIA) LTD

Authorised Signatory


**39th ANNUAL REPORT
1999-2000**

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ANNUAL REPORT
1999-2000**

Board of Directors : Mr. V.K.Patel Chairman
Mr. S.K.Patel
Mr. M.K.Patel
Mr. B.B.Patel
Mr. A.G.Shroff

Bankers : Bank of Baroda
State Bank of India
HDFC Bank

Auditors : M/s. Shah & Co., Mumbai.

Registered Office : Bil, Near Bhaili Rly. Station, Padra Road,
Dist. Baroda -391 410
(Gujarat) India.

NOTICE

Notice is hereby given that the Thirty Ninth Annual General Meeting of Banco Products (India) Ltd. will be held on Saturday, the 29th July, 2000 at 10:30 a.m. at the Registered Office of the Company at Bil, Near Bhaili Railway Station, Padra Road, Dist Baroda. 391 410, to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2000 and Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare final dividend.
3. To appoint a Director in place of Shri A.G. Shroff who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri V.K. Patel who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.
"RESOLVED THAT pursuant to Section 17 of the Companies Act, 1956, the Memorandum of Association of the Company be altered by addition of the following new clauses to be inserted after clause 3.

3A. OTHER OBJECTS :

1. To carry on in India or elsewhere the business to manufacture, research, renovate, convert, process, import, export, buy, sale, distribute, transfer, lease, hire, license, use, dispose off, operate, fabricate, construct, assemble, record, maintain, repair, recondition, work, alter, improve, procure, install, modify, and to provide all kinds of services and to act as consultant, agent, broker, franchiser, jobworker, representative, advisor or otherwise to deal in computer hardwares and softwares, wordprocessors to tender information processing and data processing, system analysis and all kinds of computers, calculators, microprocessor, electronic and electrical apparatuses, softwares, equipments, gadgets, peripherals, modulers, auxiliary instruments, tools, plants, machine, works, system, conveniences, spareparts, assessorseries, devices, components, fixtures, etc of different capacities, sizes, specifications, applications descriptions, and models used or may be used in any field.
2. To carry on investment activity and for that purpose to invest in, acquire, sell, transfer, subscribe for, hold and otherwise dispose off and invest in any shares, securities, bonds, stocks, obligations issued or guaranteed by any Company whether private or public sector, financial institutions, and companies constituted and carrying on business in India or elsewhere and debentures, debenture-stocks, bonds, obligations and securities issued and guaranteed by any government, whether in India or elsewhere, either out of its own funds or out of funds that it might borrow.
3. To carry on the business of financiers of industrial, commercial and other enterprises and money lenders, guarantors, hire purchase dealers, leasing of plants, machineries, equipments, motor vehicles, furniture fixtures and such other assets and acts in connection therewith either with or without interest and to lend or deal with the money either with or without interest and/or security provided, the Company shall not carry on the business of Banking as defined under the Banking Regulations Act, 1949.
4. To manufacture and deal in, import, export, distribute, service, repair all kinds of Heat Exchangers, Oil Coolers, Charged Air Coolers, Condensers, Evaporators and their parts and accessories for various applications such as automobiles, earthmoving equipments, machineries, airconditioners, generators, locomotives, compressors etc.

By Order of the Board,

Date : 29.5.2000

Place : Bil

V K Patel
Chairman

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES SHOULD BE LODGED WITH THE COMPANY 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 24th July, 2000 to Saturday, the 29th July, 2000. (Both days inclusive)
3. Shareholders are requested to :
 - a. Bring their copy of the Annual Report at the meeting.
 - b. Send all communications relating to their shareholding, quoting folio no. at Registered Office only.
 - c. Encash their dividend warrants as the dividend warrants remaining unpaid at the expiry of seven years will be transferred to General Revenue Account of the Central Government in terms of Section 205-A of the Companies Act, 1956.
4. MEMBERS DESIROUS OF OBTAINING ANY INFORMATION WITH RESPECT OF THE ACCOUNTS OF THE COMPANY ARE REQUESTED TO SEND THEIR QUERRIES IN WRITING TO THE COMPANY AT THE REGISTERED OFFICE SO AS TO REACH AT LEAST SEVEN DAYS BEFORE THE DATE OF THE MEETING.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

The Company is presently engaged in the business of manufacturing and dealing in all types of Gaskets, Radiators and other automobile ancillaries.

With a view to enable to expand the sphere of activities which the Company could pursue economically and profitably and to diversify the business activities, the Company proposes to add new activities such as Information Technology including hardwares and softwares of Computers and other Communications means, Investments, Finance, Hire Purchase and Leasing activities etc. in Other Objects clause of Memorandum of Association.

As required under the provisions of Section 17 of the Companies Act, 1956, resolution at Item No. 6 is proposed to alter the Object clause of Memorandum of Association of the Company for including those activities in the Other Objects.

The Board of Directors recommend these resolutions for your approval.

The Memorandum of Association of the company is available for inspection of the members at the Registered Office of the Company between the hours of 3.00 p.m and 5.00 p.m on any working day of the Company.

By Order of the Board,

Date : 29.5.2000
Place : Bil

V K Patel
Chairman

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the 39th Annual Report together with the audited statements of accounts for the year ended 31st March,2000.

1. FINANCIAL RESULTS :

	Year ended 31.03.2000 (Rs. in Lacs)	Year ended 31.03.99 (Rs. in Lacs)
Total Turnover	9849.01	8522.66
Profit before Taxation	1675.46	1043.34
Less: Provision for taxation	522.50	290.00
Profit after Tax	1152.96	753.34
Add : Prior years adjustments	21.49	37.69
Less : Short Provision of Taxes of earlier years, written off	(130.18)	(60.46)
Add : Balance brought forward from previous year	143.50	143.75
Profit available for appropriation	1187.77	874.33
APPROPRIATIONS:		
Transfer to General Reserve	800.00	600.00
Interim Dividend.	135.22	50.71
Tax on Interim Dividend.	14.87	5.07
Proposed Final Dividend	67.61	67.61
Provision of Tax on proposed Final Dividend	14.87	7.44
Balance carried to balance sheet.	155.20	143.50
	1187.77	874.33

2. DIVIDEND:

The Board of Directors at a meeting held on 13.3.2000 declared and paid an Interim Dividend @ 20% (Re.2.00 per share), absorbing Rs. 150.09 Lacs including Tax on Dividend. The Directors recommend the payment of Final Dividend of 10% (Re.1/- per share) in addition to Interim Dividend, making a total dividend of 30 % which if approved by the shareholders at the Annual General Meeting, will absorb Rs. 232.57 Lacs including Tax on Dividend in aggregate.

3. OPERATIONS:

The year under review witnessed a general recovery of economy and automobile sector in particular. The Company was able to achieve a growth in the turnover by 15.56 % (from Rs.8334 lacs to Rs.9652 Lacs) compared to previous year. However, the Net Profit witnessed a rise of 53 % (from Rs. 753.34 Lacs to Rs.1152.96 Lacs).

4. DIRECTORS:

Shri A.G.Shroff and Shri V.K.Patel , the Directors, retire by rotation and being eligible, offer themselves for reappointment.

5. PARTICULARS OF EMPLOYEES:

Particulars of employees required to be furnished under Section 217 (2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rule,1975 is furnished at Annexure A.

6. COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES,1988.:

The particulars in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 regarding Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo is given in the Annexure - B.

7. AUDITORS :

M/s. Shah & Co., Chartered Accountants, Mumbai, auditors of the Company retire at the conclusion of ensuing Annual General Meeting. The retiring Auditors being eligible, have expressed their willingness for reappointment.

You are requested to appoint the Auditors and fix their remuneration.

8. PUBLIC DEPOSITS:

The Company has accepted deposits from public and has complied with the provisions of the Section 58-A of the Companies Act,1956 and Rules made thereunder. As on 31st March, 2000, deposits amounting to Rs. 4,25,100 which were due for repayment, remained unclaimed. Out of these, deposits aggregating Rs.42,000 have since been refunded/renewed.

9. YEAR 2000 COMPLIANCE:

The Company had a smooth transition to year, 2000 without any disruption in the Computerised Systems in respect of Y2K.

10. INSURANCE:

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

11. INDUSTRIAL RELATIONS:

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

12. ACKNOWLEDGEMENT:

The Board place on record its deep appreciation for the co operation and continued support received by the Company from Shareholders, Banks, Financial Institutions, and Depositors during the year.

By Order of the Board,

Date : 29.5.2000
Place : Bil

V K Patel
Chairman

ANNEXURE - A

STATEMENT UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES PARTICULARS OF EMPLOYEES RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR 1999-2000.

Sr. No.	Name of Employee	Age Years	Designation	Remuneration (Rs.)	Qualification	Total Experience (Year)	Date of Commencement of Employment	Last Employment held and Designation
1.	Ravindra R. Biswas	47	Executive Director (Operation)	8,44,111	B.E. (Mech) M.B.A	21	27.1.1999	Birla AT & T VP (Operation)
2.	Sathya Prakash Rath	42	Vice President (Commercial)	7,47,888	B.E. (Mech) M.B.A	18	4.5.1998	Avanti Kopp. Vice President.

NOTE:

- 1) REMUNERATION INCLUDES SALARY, HRA, BONUS, CONTRIBUTION TO P F & MONETARY VALUE OF PERQUISITES.
- 2) THE NATURE OF EMPLOYMENT, IN ALL CASES IS CONTRACTUAL. THE OTHER TERMS AND CONDITIONS ARE AS PER RULES OF THE COMPANY.

ANNEXURE - B

INFORMATION IN ACCORDANCE WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2000.

A. CONSERVATION OF ENERGY:

Efforts are continuing in the areas of energy conservation wherever scopes are available.

FORM - A

Disclosure of particulars with respect to Conservation of Energy

a. Power and Fuel Consumption

	1999-2000	1998-99
1. Electricity		
(a) Purchased		
No. Unit (KWH)	35,98,583	35,11,835
Total amount (Rs. in Lacs)	166.12	151.56
Rate per Unit (Rs.)	4.61	4.32
(b) Own generation		
(i) Through diesel generator		
Unit (KWH)	51,460	94,640
Unit per ltr. of diesel oil	N.A	N.A
Cost/units.	N.A	N.A
(ii) Through steam turbine/generator		
Units	N.A	N.A
Units per liter of fuel oil/gas Cost/Unit		
(c) Wind Electricity Generator		
Unit (KWH)	2,44,853	81,846
Total Amount (Rs. in Lacs)	6.95	3.33
Rate per Unit (Rs.)	2.84	4.07

BANCO PRODUCTS (INDIA) LIMITED**BANCO**

2.	Coal (specify quality and where used) Quantity (tonnes) Total Amount. Average rate.	N.A.	N.A.
3.	L D O Quantity (k.ltrs) Total Amount(Rs. in Lacs)	253 27.07	253 22.27
4.	Other/(Natural Gas) Quantity(Cu.Mts.) Total amount (Rs.) Rate/Per(Cu Mtr.)(Rs.)	N.A.	-
5.	High Speed Diesel Oil Quantity (K.Ltrs) Total Amount.(Rs.in Lacs)	23.00 2.80	22.00 2.43

b. Consumption per unit of Production

	Standards (if any)	1999-2000	1998-1999
Products			
Gaskets/Radiators			
Electricity (KWH)			Not Ascertainable

B. TECHNOLOGY ABSORPTION:

FORM-B

Research and Development:**1. Specific Area in which R & D activities are carried out.**

- i. Development of various HCV, LCV and Tractor Radiators for OE, Export and Replacement applications with stringent functional requirements.
- ii. Development of Cylinder Head Gaskets for automobile applications for OE, Export and after market applications.
- iii. Development of a range of Non Asbestos Jointing Sheets for critical applications in automobile and for other industries to suit the international standards.
- iv. Upgradation of autocad system.
- v. Upgradation of standard room and laboratory with modern equipments to facilitate research and development activities.
- vi. Continuous research on process improvement, import substitution and wastage control.

2. Benefit which are derived as a result of the above R&D:

- i. The Company got the rare distinction as suppliers to foreign OEMs in the field of radiators.
- ii. Development of Non Asbestos Jointing Sheets is helping autoindustry to contribute towards pollution free environment.
- iii. Elimination of wastage, reduction in production and processing cost.

3. Future Plans:

The Company will continue its efforts in improving the quality standard of products to meet the local and global challenges.