



# Shetron Limited

THE NAME BEHIND THE NAMES

10<sup>th</sup> October, 2017

The Listing Manager  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001

Dear Sirs,

Sub: Copy of Annual Report

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the adopted copy of Annual Report of 37<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2017 at Woodlands Hotel, No. 5, Dr. Rajaram Mohan Roy Road, Bengaluru - 560 025 as per the Companies Act, 2013.

Please take the documents on record and kindly treat this as compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you  
Yours faithfully

For Shetron Limited

*Neethi*  


Neethi D'Cunha  
Company Secretary and Compliance Officer  
M. No.: A 49323

Encl: As above



# **SHETRON LIMITED**

**THE NAME BEHIND THE NAMES**

**37th Annual Report  
2016-17**



## SHETRON LIMITED

<b>BOARD OF DIRECTORS</b>	:	Mr. Diwakar S. Shetty	Executive Chairman and Whole Time Director
	:	Mr. Kartik Nayak	Jt. Managing Director
	:	Mr. Praveen Mally	Jt. Managing Director
	:	Mr. B.S. Patil	Independent Director
	:	Dr. P P Shastri	Independent Director
	:	Mrs. Yashoda D Shetty	Non-Executive Director
	:	Mr. Mohan Narayan Menon	Independent Director
	:	Dr. M .Mahadeviah*	Independent Director
		* Resigned w.e.f., 22 <sup>nd</sup> December, 2016	
	:	Dr. Narendra Mairpady**	Independent Director
		**Appointed w.e.f., 30 <sup>th</sup> May, 2017	
<b>SHARES OF THE COMPANY ARE LISTED AT</b>	:	BSE LIMITED Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	
<b>STATUTORY AUDITORS</b>	:	PAL & SHANBHOGUE Chartered Accountants 24, 4 <sup>th</sup> Main, Malleswaram, Bangalore-560 003	
<b>BANKERS</b>	:	Cosmos Co-operative Bank Limited State Bank of India Bank of India	
<b>REGISTRAR AND TRANSFER AGENT</b>	:	Integrated Registry Management Services Private Limited No.30, Ramana Residency, 4 <sup>th</sup> Cross, Sampige Road, Malleswaram, Bangalore-560003	
<b>REGISTERED OFFICE</b>	:	Plot No.1, Bommasandra Industrial Area, Hosur Road, Bangalore - 560 099	
<b>FACTORIES</b>	:	i. Plot No.1, Bommasandra Industrial Area Hosur Road, Bangalore - 560 099 ii. Mumbai-Nasik Highway, Post Vasind, Taluk Shahapur, Dist. Thane, Maharastra - 421604	



# SHETRON LIMITED

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## **SHETRON LIMITED**

Dear Member,

**Sub: Green initiative in Corporate Governance - Electronic Mode of Service of Documents**

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" and vide Circular no. 17/2011 dated 21.4.2011 and Circular No. 18/2011 dated 29.4.2011, has allowed Companies to dispatch documents to shareholders through electronic mode to their registered e-mail addresses. Clause 32 of the Listing Agreement has also been amended to allow Companies to send soft copies of full annual reports to all those shareholders who have registered their e-mail addresses for the purpose.

This welcome move will reduce paper consumption to a great extent and allow public at large to contribute towards greener environment. It will also, ensure prompt receipt of communication and avoid loss in postal transit. Considering all these factors, your company has taken a step forward to participate in this initiative and therefore delivering this notice of AGM and Annual Report 2016-17 electronically in compliance with the said circulars.

Please note that these documents will also be available on the Company's website [www.shetrongroup.com](http://www.shetrongroup.com).

Upon receipt of a requisition from you, we will supply a printed copy of the Annual Report by post.

We thank you for your participation in the "Green Initiative" of the Government. Please inform any changes in your e-mail address to us / our 'Registrar & Transfer Agent Integrated Registry Management Services Private Limited (for share held in physical mode) or to your Depository Participant (for shares held in Demat mode).

Thanking You,

Yours Faithfully

**For Shetron Limited**

**Diwakar S Shetty**

Executive Chairman



## AGM NOTICE

Notice is hereby given that the **37<sup>th</sup> Annual General Meeting** of the Members of **Shetron Limited** will be held on **Thursday, the 28<sup>th</sup> day of September, 2017 at 10.00 A.M. at Woodlands Hotel, No. 5, Dr. Rajaram Mohan Roy Road, Bengaluru-560 025** to transact the following business:

### ORDINARY BUSINESS:

#### 1) ADOPTION OF FINANCIAL STATEMENTS:

To receive, consider and adopt the Audited Financial Statements and Consolidated Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2017 together with the reports of the Board of Directors and of the Auditors thereon.

- 2) To appoint Mrs. Yashoda Diwakar Shetty (DIN: 00798116), who retires by rotation as per the provisions of Section 152 of the Companies Act, 2013 and being eligible offers herself for re-appointment.

#### 3) APPOINTMENT OF STATUTORY AUDITORS:

To appoint Messrs Naresh & Co, Chartered Accountants, (Firm Registration No. 011293S) and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Messrs Naresh & Co, Chartered Accountants, Bangalore (Firm Registration No. 011293S ) be and are hereby appointed as the Statutory Auditors of the Company in place of the retiring auditors Messrs Pal & Shanbhogue, Chartered Accountants, to hold office from the conclusion of the 37<sup>th</sup> Annual General Meeting until the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company to be held in the calendar year 2022, subject to ratification of their appointment at every Annual General Meeting, at such remuneration as may be mutually agreed to, between the Board of Directors and the Auditors.”

### SPECIAL BUSINESS:

#### 4) RE-APPOINTMENT OF MR. MOHAN NARAYAN MENON (DIN:02838483) AS AN INDEPENDENT DIRECTOR

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Mohan Narayan Menon (DIN: 02838483), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed to hold office for five consecutive years with effect from 30<sup>th</sup> May, 2017, and whose office shall not be liable to retire by rotation.”

#### 5) APPOINTMENT OF DR. NARENDRA MARIPADY (DIN: 00536905) AS AN INDEPENDENT DIRECTOR

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) and the Articles of Association of the Company, Dr. Narendra Maripady (DIN: 00536905), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 30<sup>th</sup> May, 2017 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of



Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 1 (One) year, with effect from 30<sup>th</sup> May, 2017, not liable to retire by rotation.”

**6) FIXATION OF THE REMUNERATION OF THE COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2017-18:**

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

“**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, and on the recommendation of the Board of Directors, consent of the Members be and is hereby accorded for the payment of remuneration of Rs.75,000/- plus applicable taxes and out-of-pocket expenses and on terms and conditions as may be mutually agreed between the Board of Directors and Messrs Bhat & Co, Proprietorship, Mr. Vishwanath Bhat, Proprietor (Membership No.: 22986) Cost Accountants, Cost Auditors of the Company for the Financial Year 2017-18.

**Place : Bangalore**

**Date : 30<sup>th</sup> May, 2017**

By the order of the Board  
For **Shetron Limited**

**Diwakar S Shetty**  
Executive Chairman  
DIN : 00432755

**NOTES:**

- 1) The relevant details of the persons seeking re-appointment/appointment as Director, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are annexed hereto.
- 2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**
- 3) Proxies in order to be effective must be filed with the Company not later than 48 hours before the Meeting.
- 4) A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total Share Capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total Share Capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- 5) In case of joint shareholders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 6) Corporate Members are requested to send to the Company a duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting.
- 7) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Businesses of the Notice, is annexed hereto.
- 8) The Register of Members and Share Transfer books will be closed from 22<sup>nd</sup> September, 2017 to 28<sup>th</sup> September, 2017 (both days inclusive).
- 9) Member desiring information as regards accounts is requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- 10) Members holding shares in physical form are requested to notify promptly any change in their address to the Registrar and Share Transfer (RTA) agents of the Company, Integrated Registry Management Services Private Limited, Bangalore, quoting their membership numbers besides changes, if any, in the dividend mandates given by them and those holding shares in electronic form may communicate the above information to their respective Depository Participants.
- 11) Proxy form and Attendance Slip are attached to this Annual Report.
- 12) So far, about 97% of the total number of shares in the Equity Share Capital of the Company has been dematerialized. In view of the advantages of the depository system and for easy trading of the shares, Members are requested to opt for dematerialization of the shares of the Company through any of the Depository Participant of their choice.
- 13) Members holding shares in Demat form are requested to incorporate the DPID number and client ID number in the attendance slip/proxy form for easy identification of attendance at the meeting.
- 14) Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- 15) 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 their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company's Registrar & Share Transfer Agents (RTA), Integrated Registry Management Services Private Limited, No: 30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road, Malleshwaram, Bangalore - 560 003.
- 16) The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Registrar and Share Transfer Agents to record additional details of





Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Registrar and Share Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

- 17) To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar & Share Transfer Agents / their Depository Participants, in respect of shares held in physical/ electronic mode respectively.
- 18) As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participants.

**19) Voting through Electronic means:**

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies (Management and Administration) Amendments Rules, 2015 and the SEBI (LODR) Regulations, 2015, the Company is pleased to provide Members with a facility to exercise their right to vote at the 37<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through Electronic Voting (e-Voting) Services. The facility for casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).
- II. The facility for voting through Ballot Paper shall be made available at the AGM and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through Ballot Paper.
- III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. However, in case members have cast their votes via physical ballot and e-voting, then e-voting shall prevail and the vote done through the physical ballot shall be treated as invalid.

**IV. The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 25<sup>th</sup> September, 2017 at 9:00 am and ends on 27<sup>th</sup> September, 2017 at 5:00 pm. During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21<sup>st</sup> September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders/ Members.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.



(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both 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 (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of **Shetron Limited**.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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. Apple 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.



## (xix) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 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.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- V. The voting rights of Members shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on the cut-off date of 21<sup>st</sup> September, 2017.
- VI. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21<sup>st</sup> September, 2017, should follow the same procedure for e-Voting as mentioned above.
- VII. Mr. Vijayakrishna K T, Practising Company Secretary (FCS 1788 and CP 980) has been appointed by the Board of Directors as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VIII. Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of "Ballot Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- IX. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- X. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.shetrongroup.in](http://www.shetrongroup.in) and on the website of CDSL e-Voting immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the BSE Limited, where the Shares of the Company are listed.
- XI. Resolutions assented to by the requisite majority of the Members by means of e-voting and by poll at the Meeting shall be deemed to have been duly passed at the Annual General Meeting.
- XII. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e., 28<sup>th</sup> September, 2017.

**Place : Bangalore**

**Date : 30<sup>th</sup> May, 2017**

By the order of the Board  
For **Shetron Limited**

**Diwakar S Shetty**  
Executive Chairman  
DIN : 00432755



## Explanatory Statement (Pursuant to section 102 of the Companies Act, 2013)

As required under Section 102 of the Companies Act, 2013 (Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 3 to Item No. 6 of the accompanying Notice:

### **Item No. 3: Appointment of Messrs Naresh & Co, as Statutory Auditors of the Company**

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act. As per the provisions of Section 139 of the Companies Act, 2013 ("the Act") read with Rules made there under, no Listed Company and such other companies as prescribed under the Companies Act, 2013 can appoint or re-appoint an Audit Firm as Auditor for more than two terms of five consecutive years. In view of the same, the term of the existing Statutory Auditors, Messrs Pal & Shanbhogue, Chartered Accountants is upto the conclusion of this Annual General Meeting (AGM). The Board of Directors has, based on the recommendation of the Audit Committee, at its Meeting held on May 30, 2017, proposed the appointment of Messrs Naresh & Co, Chartered Accountants (Firm Registration No. 011293S), as the Statutory Auditors of the Company for a period of 5 (five) years, to hold office from the conclusion of the 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment at every Annual General Meeting. Messrs Naresh & Co, Chartered Accountants have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

None of the Directors and Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the said Resolution. The Board recommends the ordinary resolution as set out in Item No. 3 of this Notice for your approval.

### **Item No. 4: Re-appointment of Mr. Mohan Narayan Menon (DIN: 02838483) as an Independent Director**

Mr. Mohan Narayan Menon (DIN: 02838483), was appointed as an Independent Director in line with the provisions of the Companies Act, 2013 for a period of one year with effect from 16<sup>th</sup> May, 2016. As per Section 149 of the Companies Act, 2013 and the Rules made thereunder, an Independent Director can be reappointed for a term of upto 5 (Five) years on passing Special Resolution by the Shareholders and disclosure of such reappointment in the Board's Report. Also, Schedule IV of the Act inter-alia provides for carrying out of performance evaluation by the Board before extending the term of the Independent Director.

The Board of Directors at its Meeting held on 30<sup>th</sup> May, 2017 has reappointed Mr. Mohan Menon as an Independent Director for a period of five years, subject to the approval of the Shareholders.

Mr. Mohan Menon had given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Mohan Menon as an Independent Director.

Except Mr. Mohan Menon, none of the other Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise in the Resolution.

The Board recommends the Resolution at Item No. 4 for approval of the Members.



**Item No. 5: Appointment of Dr. Narendra Maripady (DIN: 00536905) as an Independent Director**

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, at its Meeting held on 30<sup>th</sup> May, 2017 has approved the appointment of Dr. Narendra Maripady (DIN: 00536905) as an Independent Director. Dr. Narendra Maripady has given his consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under Section 164(2) of the Act; and (iii) declaration to the effect that he meets the criteria as provided in Section 149 of the Act.

Dr. Narendra Maripady holding DIN: 00536905, aged 63 years, is a graduate in Law from Mysore University and Doctor Letters from Hindustan University, Chennai and Kalpagam University, Coimbatore. He also holds the position of Chairman in ASSOCHAM's National Council for Banking and Finance. He has over 40 years of experience in the fields of Corporate Advisory, Human Resource Management and Financial Advisory. He was associated with Indian Overseas Bank as Chairman and Managing Director till July 2014 and currently he is associated with reputed organizations like some of Mahindra Group companies, SICOM Limited, UAE Exchange Limited and Sequent Scientific Limited.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a Member, along with a deposit of Rs. 1,00,000/- for candidature of Dr. Narendra Maripady to the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Board considers that it will be of immense benefit to the Company and it is desirable to avail the services of Dr. Narendra Maripady as an Independent Director.

Except Dr. Narendra Maripady, none of the other Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise in the Resolution.

The Board recommends the Resolution at Item No. 5 for approval of the Members.

**Item No. 6: Fixation of the remuneration of the Cost Auditors of the Company for the Financial Year 2017-18**

Pursuant to Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in Practice. On the recommendation of the Audit Committee, the Board of Directors have approved the appointment of Mr. Vishwanath Bhat, Proprietor, Bhat & Co, (Membership No.: 22986) as the Cost Auditors of the Company to conduct audit of cost records of the Company for the products covered under the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year 2017-18, at a remuneration of Rs.75,000/- plus applicable taxes.

Mr. Vishwanath Bhat has furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. He has vast experience in the field of cost audit and has conducted the audit of the cost records of the Company for the previous years.

Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for fixation of the remuneration payable to the Cost Auditors for the Financial Year 2017-18.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise in the Resolution at Item No.6 of the accompanying Notice.

The Board recommends the resolution at Item No. 6 for approval of the Members.



## ANNEXURE TO NOTICE

### APPOINTMENT OF DIRECTORS

**Details of Directors seeking appointment/re-appointment/retiring by rotation (In pursuance of Regulation 36 of the Listing Regulations, 2015):**

Name	<b>Mrs. Yashoda Diwakar Shetty</b>
Age	65 years
Date of Appointment	2 <sup>nd</sup> February, 2015
Expertise in specific functional areas	She has more than 3 decades of experience in the prevailing industry and has held position as a Director in various companies. And also, is good in Administration.
Qualification	Graduate
Number of Shares held in the Equity Capital of the Company	3,08,640 Equity Shares
Directorship held in other public companies	1. Fibre Foils Limited 2. Konjal Machines Private Limited 3. Shetron Enterprises Private Limited 4. Bunts Properties Private Limited 5. Fibre Boards Limited
Committee / Executive positions held in other companies	Nil



## **ANNEXURE TO NOTICE**

### **APPOINTMENT OF DIRECTORS**

**Details of Directors seeking appointment/ re-appointment/retiring by rotation (In pursuance of Regulation 36 of the Listing Regulations, 2015):**

Name	<b>Dr. Narendra Mairpady</b>
Age	63 Years
Date of Appointment	30 <sup>th</sup> May, 2017
Expertise in specific functional areas	Dr. Narendra Mairpady has over 40 years of experience in the fields of Corporate Advisory, Human Resource Management and Financial Advisory and he has held reputed positions in various companies.
Qualification	Bachelor Of Laws and also a Certified Member of the Indian Institute of Bankers (CAIIB).
Number of Shares held in the Equity Capital of the Company	Nil
Directorship held in other public companies	<ol style="list-style-type: none"> <li>1. Mangalore Chemicals And Fertilisers Limited</li> <li>2. Sequent Scientific Limited</li> <li>3. Fibre Foils Limited</li> <li>4. Mahindra First Choice Wheels Limited</li> <li>5. Mahindra Rural Housing Finance Limited</li> <li>6. Sicom Limited</li> <li>7. Mahindra Trustee Company Private Limited</li> <li>8. Supertech Limited</li> <li>9. Sicom Arc Limited</li> <li>10. Suasth Health Care (India) Private limited</li> <li>11. UAE Exchange and Financial Services Limited</li> </ol>
Committee/Executive positions held in other companies	NIL



## **ANNEXURE TO NOTICE**

### **APPOINTMENT OF DIRECTORS**

**Details of Directors seeking appointment/ re-appointment/retiring by rotation (In pursuance of Regulation 36 of the Listing Regulations, 2015):**

Name	<b>Mr. Mohan Narayan Menon</b>
Age	67 Years
Date of Appointment	16 <sup>th</sup> May 2016
Expertise in specific functional areas	Mr. Mohan Narayan Menon has over 40 years of experience in Packaging mainly Closures, Plastic Containers and Other packaging accessories
Qualification	Mr. Mohan Narayan Menon has graduated in Metallurgical Engineering from M S University, Baroda and Master's degree in Management from Jamnalal Bajaj Institute of Management, Mumbai University. Also undergone three weeks specialized course in International Management from INSEAD, Singapore
Number of Shares held in the Equity Capital of the Company	NIL
Directorship held in other public companies	1.Fibre Foils Limited 2. APC Nutrients Private Limited 3. Greif Flexibles India Private Limited
Committee/Executive positions held in other companies	NIL



WOODLANDS HOTEL

5, Raja Rammohan  
Roy Rd,  
Sampangi Rama Nagara,  
Bengaluru,  
Karnataka 560025





## BOARD'S REPORT

Your Directors are pleased to present the Thirty Seventh Annual Report on the business and operations of your Company along with the audited Financial Statements for the year ended 31<sup>st</sup> March, 2017 as approved by the Board:

### FINANCIAL HIGHLIGHTS:

The Company's financial performance for the year under review and the previous year is given as under:

Particulars	2016-17 ₹ in Lakhs	2015-16 ₹ in Lakhs
Gross Sales and Other Income	16138	17166
Profit before Interest and Depreciation	2377	2608
Finance Cost	1375	1632
Depreciation	753	751
Profit before Tax	249	225
Less: Provision for Tax	48	45
Less: Deferred Tax	30	30
Profit after tax	171	150
Add: Balance Brought forward from Previous Year	923	773
Balance Carried Over	1094	923

### DIVIDEND :

There has been an improvement in the profits during the year under review as compared to previous year. PAT at Rs. 171 Lakhs was higher by Rs. 21 Lakhs as compared to previous year's Rs. 150 Lakhs. In order to conserve reserves, the Board has not recommended dividend for the year.

### TRANSFER TO RESERVES

The Company proposes to retain the entire amount of Rs. 171 Lakhs in the Statement of profit and loss.

### CHANGE IN THE NATURE OF BUSINESS:

There were no changes in the nature of business during the financial year.

### PERFORMANCE:

Aggregate sales and other income for the year were marginally lower by 6% compared to the previous financial year. The key reason for the drop in turnover was that the Company has made price correction in the end products due to softening of the raw material price during the year under review. Further, the sluggish export market and the recent demonetization move have also caused a decline in turnover. However, the reduction in interest costs has resulted in improving the Profit After tax to Rs. 171 Lakhs as compared to Rs. 150 Lakhs reported in the corresponding previous year.

### BUSINESS PERSPECTIVE:

Globally, India has the second largest GDP growth and third largest economy in terms of purchasing power parity (PPP). The packaging industry in India is one of the fastest growing industries which has its influence on all industries, directly or indirectly such as growing urbanization and the rising proportion of middle class consumers. These changes drive the need for new packaging formats, such as different sizes, materials, and strength.



The packaging industry in India is expected to reach \$ 73 billion in 2020 from \$ 32 billion in FY 17-18, according to a report prepared by FICCI and Tata Strategic Management Group (TSMG) on plastic industry titled 'Plastic packaging: The sustainable choice'. In the coming years, Indian packaging industry is anticipated to register 18 percent annual growth rate, with the flexible packaging and rigid packaging expected to grow annually at 25 percent and 15 percent, respectively.

The highlights of the industry trend, the outlook and the opportunities ahead for the Company are discussed in detail in the Management Discussion and Analysis Report attached as Annexure - IV to this report.

#### **EXPORTS:**

During the financial year 2016-17, the export turnover was Rs. 2,142 Lakhs as compared to the previous financial year turnover of Rs. 2,285 Lakhs, representing a decline of 6% over the previous year. The decline in export sales is mainly due to sluggish global demand coupled with a volatile global currency market.

#### **SUBSIDIARY:**

The statement pursuant to Section 129 of the Companies Act, 2013 containing details of financial highlights of the Subsidiary Company forms part of the Annual Report as **Annexure VIII**.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statements relate on the date of this Report except as stated below:

#### **MERGER OF SHETRON METROPAK PRIVATE LIMITED (WHOLLY OWNED SUBSIDIARY):**

Post completion of the financial year, the Board of Directors approved the Merger of Shetron Metropak Private Limited (Wholly Owned Subsidiary) with the Company, subject to the approval of the Shareholders and appropriate authorities, under the provisions of Sections 230 to 234 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 in its Meeting held on 30<sup>th</sup> May, 2017. The Company is in the process of filing the Scheme of Merger with appropriate authorities for requisite approvals.

The proposed Merger of Shetron Metropak Private Limited with Shetron Limited would rationalize the operations, optimize the efforts and resources and be in the best interests of the Company, its Shareholders, Creditors and all other stakeholders of the Company.

#### **CONSOLIDATED FINANCIALS:**

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with Accounting Standard AS-21 on Consolidated Financial Statements, the audited Consolidated Financial Statements incorporating the operations of the Company and its Wholly Owned Subsidiary Company viz., Shetron Metropak Private Limited are provided in this Annual Report.

Further, the report on the performance and financial position of the Subsidiary and salient features of the financial statements in the prescribed Form AOC-1 is annexed to this Report [**Annexure VIII**].

The audited financial statements of Subsidiary shall be kept open for inspection during business hours by any shareholders at the Registered Office of the Company and of the Subsidiary Company. The Company will also make available the audited Financial Statements and related information of the Subsidiary company, upon request by any shareholder of the Company.

#### **AWARDS & LAURELS:**

In recognition for Decoration and Printing Quality under Cans Category, the Company was awarded the Bronze winner of the Canmaker for the year 2016 by the Canmaker magazine for the Food Containers. The Company was also awarded with IMDA 2016 Annual Award under the category-Closures.

#### **CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

In terms of Section 168 of the Companies Act, 2013, Dr. M Mahadeviah who had held the office of Independent Director in the Company since 30<sup>th</sup> October, 2006 had resigned from the Company as on 22<sup>nd</sup> December, 2016 and



the same was taken on record by the Board of Directors of the Company at the Meeting held on 10<sup>th</sup> February, 2017.

In terms of Section 149(10) of the Companies Act, 2013, the Board in its Meeting held on 30<sup>th</sup> May, 2017, on the recommendation of the Nomination and Remuneration Committee, has decided to re-appoint Mr. Mohan Narayan Menon as an Independent Director, for an additional term of 5 (Five) years, subject to the approval of the Shareholders.

In terms of Section 161 of the Companies Act, 2013, Dr. Narendra Mairpady was appointed as an Additional Director and Independent Director on 30<sup>th</sup> May, 2017 and will hold the said office till the date of the Annual General Meeting. The Company has received a notice under Section 160(1) of the Companies Act, 2013 from a member proposing his candidature to the office of the Directorship.

Brief resumes of Dr. Narendra Mairpady and Mr. Mohan Narayan Menon being appointed are attached to the Notice of the Annual General Meeting.

The Board has also appointed Mr. Gagandeep Singh as an Assistant Company Secretary and Compliance Officer of the Company w.e.f 10<sup>th</sup> November, 2016. The Company is in the process of appointing a Company Secretary in compliance with the Companies Act, 2013.

During the year under review, the Board of Directors met four (4) times i.e., on 16-May-2016, 29-July-2016, 10-Nov-2016 and 10-Feb-2017.

The Independent Directors have submitted their declarations that they fulfill the requirements as stipulated in Section 149 (6) of the Companies Act, 2013.

Pursuant to Clause VII (1) of Schedule IV of the Companies Act, 2013, the Independent Directors had a separate meeting on 16-May-2016.

#### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The policy of the Company on Director's appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and such other matters, as required under sub-Section (3) of Section 178 of the Companies Act, 2013, is available on our website at, <http://shetrongroup.in/pdf/Nomination%20&%20Remuneration%20Policy.pdf>

There has been no change in the policy since last fiscal. We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

The Board, based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors, the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, it is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- 1) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 2) The Directors had selected such accounting policies 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 at the end of the financial year and of the profit and loss of the company for that period;
- 3) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4) The Directors had prepared the Annual Accounts on a Going Concern basis;



- 5) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- 6) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **BOARD EVALUATION :**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the Board has carried out an annual performance evaluation of its performance, and of the Directors individually, as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in detail in the Corporate Governance Report, which forms part of this Annual Report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE :**

During the year the Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

The details of the investments made by Company are given in the notes to the financial statements.

#### **EXTRACT OF ANNUAL RETURN :**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT-9 is annexed as a part of this Annual Report (**Annexure - I**).

#### **ADDITIONAL DISCLOSURES :**

In line with the requirements of Listing Regulations and Accounting Standards, your Company has made additional disclosures in respect of Related Party Transactions and segment reporting in notes to accounts.

#### **RISK MANAGEMENT POLICY :**

The Audit Committee has oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis. The policy for risk management is available on the Company website at <http://shetrongroup.in/pdf/Risk%20Management%20Policy.pdf>

#### **DEPOSITS:**

In terms of the provision of Sections 73, 74 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, your Company has not accepted/ renewed any fixed deposits from the public during the year under review.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure - III** and is attached to this report.

#### **STATUTORY AUDITORS :**

As per the provisions of Section 139 of the Companies Act, 2013 ("the Act") read with Rules made there under, no Listed Company and such other companies as prescribed under the Companies Act, 2013 can appoint or re-appoint an audit firm as Auditor for more than two terms of five consecutive years.

In view of the same, the term of the existing Statutory Auditors, Messrs Pal & Shanbhogue, Chartered Accountants, is upto the conclusion of this Annual General Meeting (AGM). The Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on May 30, 2017, had proposed the appointment of Messrs Naresh & Co, Chartered Accountants (Firm Registration No. 011293S), as the Statutory Auditors of the



Company for a period of five years, to hold office from the conclusion of the 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment at every Annual General Meeting. Messrs Naresh & Co, Chartered Accountants have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act. None of the Directors and Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed appointment.

#### **COST AUDITORS:**

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of cost records relating to Can Division. The Board of Directors, on the recommendation of Audit Committee, has appointed Messrs Vishwanath Bhat & Co, Cost Auditors to audit the cost accounts of the Company for the financial year 2017-18

As required under the Companies Act, 2013, a resolution seeking Member's approval for the remuneration payable to the Cost Auditor forms part of the notice convening the Annual General Meeting.

#### **SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. S. N. Mishra Proprietor of, Messrs SNM & Associates, Company Secretaries, was appointed to undertake the Secretarial Audit. The Report of the Secretarial Audit for the year ended 31<sup>st</sup> March, 2017 is attached to the Board's Report (**Annexure - II**).

#### **QUALIFICATION(S) IN AUDITORS' REPORT AND SECRETARIAL AUDIT REPORT :**

There was no qualification, reservations or adverse remarks made by the Statutory Auditors in their Report which is attached. The Secretarial Audit Report with their observations is annexed to the Report.

#### **REPORT ON CORPORATE GOVERNANCE :**

Your Company has taken adequate steps to adhere to all the stipulations laid down in Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on compliance of the code is annexed herewith (**Annexure - VII**).

Certificate from Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under Regulation 27 of the SEBI (LODR) Regulations, 2015 is attached to this report.

#### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered by the Company during the financial year with Related Parties were in the ordinary course of business and at arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with Related Parties which could be considered material in accordance with the policy of the Company on materiality of Related Party Transactions. All contracts / arrangements / transactions with Related Parties are placed before the Audit Committee and also before the Board, for approval.

The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is displayed on the Company's website <http://shetrongroup.in/pdf/Related%20Party%20Transaction%20Policy.pdf>.

All Related Party Transactions entered during the year were in the Ordinary Course of the Business and at Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions in Form AOC-2 does not form part of this Report.

#### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**



Adhering to the provisions of Section 125 of the Companies Act, 2013 relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has been employing women employees in various cadres within its office and factory premises. The Company has in place a policy against Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee is set up at shop floor level to redress any complaints received. All employees are covered under the policy. There was no complaint received from any employee during the financial year 2016-17 and hence, no complaint is outstanding as on 31.03.2017 for redressal.

**HEALTH, SAFETY AND ENVIRONMENT PROTECTION :**

Your Company has complied with all applicable environment laws and labour laws. The Company has been taking all the necessary measures to protect the environment and maximize worker protection and safety. The Company's Policy require conduct of operation in such a manner so as to ensure safety of all concerned, compliance of environmental regulations and preservation of natural resources.

**DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014:**

Disclosures required under Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment & Remuneration) Rules, 2014 have been annexed as "**Annexure VI**".

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report as required, is annexed as **Annexure IV**.

**MATERIAL ORDER PASSED BY ANY COURT OR REGULATOR OR TRIBUNALS IMPACTING GOING CONCERN STATUS OF COMPANY :**

There were no order passed by any Court or Regulator or Tribunal during the year under review which impacts going concern status of the Company.

**ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their sincere thanks to Bankers, Business Associates, Consultants, various Government Authorities and employees at all levels in the Company for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed in your Company.

By the order of the Board  
For **Shetron Limited**

**Place : Bangalore**

**Date : 30<sup>th</sup> May, 2017**

**Diwakar S Shetty**  
Executive Chairman  
DIN : 00432755



## ANNEXURE – I TO BOARD'S REPORT

### FORM NO. - MGT 9 EXTRACT OF ANNUAL RETURN As on financial year ended on 31.03.2017

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

#### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L21014KA1980PLC003842
2.	Registration Date	09-06-1980
3.	Name of the Company	Shetron Limited
4.	Category/Sub-category of the Company	Public Limited Company
5.	Address of the Registered office & contact details	Plot No: 1, Bommasandra Industrial Area, Hosur Road, Bangalore -560 099
6.	Whether listed company	Yes, BSE Limited
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Integrated Registry Management Services Private Limited No. 30, Ramana Residency, 4 <sup>th</sup> Cross, Sampige Road, Malleshwaram, Bangalore 560 003 Tel: +91-80-23460815-818 Fax: +91-80-23460819 E-mail: irg@integratedindia.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Printed/lacquered Tin coated sheet, Dry Battery Cell Jackets & Components, Metal Containers, Twist off Caps	7212,8506,7310	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl.No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary Associate	% of Shares held	Applicable Section
1	Shetron Metropak Private Limited	U25205KA2005PTC037829	Wholly owned Subsidiary	100%	Section 2(87) of Companies Act 2013





## IV. SHARE HOLDING PATTERN:

## A. CATEGORY WISE SHAREHOLDING:

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	2012634	-	2012634	22.35	1733035	-	1733035	19.25	(3.1)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3733987	-	3733987	41.47	3749887	-	3749887	41.65	0.18
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL:(A) (1)</b>	<b>5746621</b>	<b>-</b>	<b>5746621</b>	<b>63.82</b>	<b>5482922</b>	<b>-</b>	<b>5482922</b>	<b>60.90</b>	<b>(2.92)</b>
<b>(2) Foreign</b>									
a) Individual / HUF	81533	100	81633	0.91	81533	100	81633	0.91	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>81533</b>	<b>100</b>	<b>81633</b>	<b>0.91</b>	<b>81533</b>	<b>100</b>	<b>81633</b>	<b>0.91</b>	<b>-</b>
<b>Total Shareholding Promoter &amp; Promoter Group (A)=(A) (1)+(A)(2)</b>	<b>5828154</b>	<b>100</b>	<b>5828254</b>	<b>64.73</b>	<b>5564455</b>	<b>100</b>	<b>5564555</b>	<b>61.81</b>	<b>(2.92)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	100	100	0.00	-	100	100	0.00	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-



f) Insurance Companies-	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>100</b>	<b>100</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	385239	101000	486239	5.40	431667	1000	432667	4.81	(0.59)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1297205	179743	1476948	16.40	1312053	177135	1489188	16.54	0.14
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1083266	24800	1108066	12.31	1341936	24800	1366736	15.18	2.87
c) Others (specify)									
Non Resident Indians	51594	39990	91584	1.02	47874	39990	87864	0.98	(0.04)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
NBFC Registered with RBI	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	12109	-	12109	0.13	62190	-	62190	0.69	0.56
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies -D R	-	-	-	-	-	-	-	-	-



<b>Sub-total (B)(2):-</b>	<b>2829413</b>	<b>345533</b>	<b>3174946</b>	<b>35.26</b>	<b>3195720</b>	<b>242925</b>	<b>3438645</b>	<b>38.19</b>	<b>2.93</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2829413</b>	<b>345633</b>	<b>3175046</b>	<b>35.27</b>	<b>3195720</b>	<b>243025</b>	<b>3438745</b>	<b>38.19</b>	<b>2.87</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>8657567</b>	<b>345733</b>	<b>9003300</b>	<b>100.00</b>	<b>8760175</b>	<b>243125</b>	<b>9003300</b>	<b>100</b>	<b>-</b>

**B) SHAREHOLDING OF PROMOTER**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01-Apr-2016)			Shareholding at the end of the year (31-Mar-2017)			% change in shareholding during the year
	Mr. /Ms. / M/s	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	Shetron Enterprises Pvt. Ltd.	1697717	18.86	5.89	1713617	19.03	5.84	0.18
2	Konjal Machines Pvt. Ltd.	858055	9.53	-	858055	9.53	-	-
3	Bunts Properties Pvt. Ltd.	848857	9.43	-	848857	9.43	-	-
4	Anita Picardo*	370977	4.12	-	-	-	-	(4.12)
5	Diwakar S. Shetty	384242	4.27	97.81	475620	5.28	86.27	1.01
6	Yashoda Diwakar Shetty	308640	3.43	-	308640	3.43	-	-
7	Raksha Praveen Mally	299020	3.32	-	299020	3.32	-	-
8	Niksha Kartik Nayak	297010	3.30	-	297010	3.30	-	-
9	Daksharaj D Shetty	276250	3.07	-	276250	3.07	-	-
10	Marie Therese Picardo	79133	0.88	-	79133	0.88	-	-
11	Kishore Construction Co. Pvt. Ltd.	284200	3.16	-	284200	3.16	-	-
12	Fibre Shells Limited	45158	0.50	-	45158	0.50	-	-
13	Praveen Vittal Mally	44095	0.49	-	44095	0.49	-	-
14	Kartik Manohar Nayak	28700	0.32	-	28700	0.32	100	-
15	Dhanika Kartik Nayak	3700	0.04	-	3700	0.04	-	-
16	Ronald Picardo	2500	0.03	-	2500	0.03	-	-
	<b>Total</b>	<b>5828254</b>	<b>64.74</b>	<b>-</b>	<b>5564555</b>	<b>61.81</b>	<b>-</b>	<b>(2.93)</b>

\*Ms. Anita Picardo has been reclassified from Promoter Shareholding to Public Shareholding vide BSE Approval dated 21<sup>st</sup> October, 2016.



## C) CHANGE IN PROMOTERS' SHAREHOLDING :

Sl. No.	Shareholder's Name Mr. /Ms. / M/s	Shareholding at the beginning of the year 01.04.2016		Date of Change	Increase / Decrease	Reason for Change	Cumulative Shareholding during the year 31.03.2017	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Shetron Enterprises Pvt Ltd	1697717	18.86	15/04/2016	7000	BOUGHT	1704717	18.93
				12/08/2016	3000	BOUGHT	1707717	18.97
				19/08/2016	5900	BOUGHT	1713617	19.03
				<b>31/03/2017</b>	<b>-</b>	<b>-</b>	<b>1713617</b>	<b>19.03</b>
2	Diwakar S.Shetty	384242	4.27	03/06/2016	2316	BOUGHT	386558	4.29
				10/06/2016	400	BOUGHT	386958	4.30
				17/06/2016	810	BOUGHT	387768	4.31
				24/06/2016	1915	BOUGHT	389683	4.33
				15/07/2016	100	BOUGHT	389783	4.33
				22/07/2016	1135	BOUGHT	390918	4.34
				29/07/2016	1500	BOUGHT	392418	4.36
				05/08/2016	1000	BOUGHT	393418	4.37
				02/09/2016	5891	BOUGHT	399309	4.44
				09/09/2016	6235	BOUGHT	405544	4.50
				23/09/2016	3900	BOUGHT	409444	4.55
				30/09/2016	850	BOUGHT	410294	4.56
				21/10/2016	3600	BOUGHT	413894	4.60
				11/11/2016	1289	BOUGHT	415183	4.61
				18/11/2016	444	BOUGHT	415627	4.62
				02/12/2016	3000	BOUGHT	418627	4.65
				09/12/2016	10900	BOUGHT	429527	4.77
				16/12/2016	9175	BOUGHT	438702	4.87
				23/12/2016	3500	BOUGHT	442202	4.91
				13/01/2017	11315	BOUGHT	453517	5.04
				20/01/2017	8000	BOUGHT	461517	5.13
				27/01/2017	2000	BOUGHT	463517	5.15
				03/02/2017	5000	BOUGHT	468517	5.20
				03/03/2017	6900	BOUGHT	475417	5.28
				24/03/2017	203	BOUGHT	475620	5.28
				<b>31/03/2017</b>	<b>-</b>	<b>-</b>	<b>475620</b>	<b>5.28</b>


**D) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS  
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs)**

Sl. No.	Name of the Share Holders	Shareholding at the beginning of the year 01.04.2016		Date	Increase / Decrease in Share Holding	Reason	Cumulative Shareholding during the year 31.03.2017	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	GREEN ECOLOGICAL MANAGED SERVICES PVT. LTD.	304280	3.38	31/03/2017	-	Nil Movement during the Year	304280	3.38
2	HITESH RAMJI JAVERI	280000	3.11	31/03/2017	-	Nil Movement during the Year	280000	3.11
3	HARSHA HITESH JAVERI	170088	1.89	31/03/2017	-	Nil Movement during the Year	170088	1.89
4	SCAN HOLDING PVT LTD	113800	1.26	02/12/2016	(7744)	SOLD	106056	1.18
				09/12/2016	(13328)	SOLD	92728	1.03
				16/12/2016	(6599)	SOLD	86129	0.96
				23/12/2016	(3500)	SOLD	82629	0.92
				06/01/2017	(3825)	SOLD	78804	0.88
				13/01/2017	(17986)	SOLD	60818	0.68
				20/01/2017	(27000)	SOLD	33818	0.38
				27/01/2017	(11564)	SOLD	22254	0.25
				03/02/2017	(12405)	SOLD	9849	0.11
				10/02/2017	(9849)	SOLD	0	0.00
				<b>31/03/2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>
5	RAMACHANDRA BHAT	93690	1.04	22/04/2016	4823	BOUGHT	98513	1.09
				29/04/2016	400	BOUGHT	98913	1.10
				06/05/2016	502	BOUGHT	99415	1.10
				13/05/2016	290	BOUGHT	99705	1.11
				27/05/2016	900	BOUGHT	100605	1.12
				10/06/2016	745	BOUGHT	101350	1.13
				17/06/2016	100	BOUGHT	101450	1.13
				24/06/2016	2496	BOUGHT	103946	1.15
				30/06/2016	(999)	SOLD	102947	1.14



				15/07/2016	84	BOUGHT	103031	1.14
				05/08/2016	300	BOUGHT	103331	1.15
				12/08/2016	150	BOUGHT	103481	1.15
				02/09/2016	700	BOUGHT	104181	1.16
				16/09/2016	164	BOUGHT	104345	1.16
				04/11/2016	(75)	SOLD	104270	1.16
				30/12/2016	(200)	SOLD	104070	1.16
				27/01/2017	(1614)	SOLD	102456	1.14
				17/02/2017	400	BOUGHT	102856	1.14
				03/03/2017	25	BOUGHT	102881	1.14
				<b>31/03/2017</b>			<b>102881</b>	<b>1.14</b>
6	RAJIV AGARWAL	72718	0.81	22/07/2016	(100)	SOLD	72618	0.81
				12/08/2016	(8700)	SOLD	63918	0.71
				02/09/2016	(11747)	SOLD	52171	0.58
				09/09/2016	(5000)	SOLD	47171	0.52
				16/09/2016	(15000)	SOLD	32171	0.36
				23/09/2016	(32171)	SOLD	0	0.00
				<b>31/03/2017</b>	-	-	<b>0</b>	<b>0.00</b>
7	REKHA R BHAT	59706	0.66	08/04/2016	1367	BOUGHT	61073	0.68
				15/04/2016	1700	BOUGHT	62773	0.70
				13/05/2016	100	BOUGHT	62873	0.70
				20/05/2016	513	BOUGHT	63386	0.70
				27/05/2016	470	BOUGHT	63856	0.71
				03/06/2016	650	BOUGHT	64506	0.72
				24/06/2016	1070	BOUGHT	65576	0.73
				15/07/2016	(600)	SOLD	64976	0.72
				05/08/2016	843	BOUGHT	65819	0.73
				12/08/2016	1160	BOUGHT	66979	0.74
				02/09/2016	(450)	SOLD	66529	0.74
				18/11/2016	550	BOUGHT	67079	0.75
				13/01/2017	(537)	SOLD	66542	0.74
				27/01/2017	(4950)	SOLD	61592	0.68
				03/02/2017	(1300)	SOLD	60292	0.67
				10/02/2017	1702	BOUGHT	61994	0.69
				17/02/2017	110	BOUGHT	62104	0.69
				03/03/2017	1048	BOUGHT	63152	0.70
				10/03/2017	1200	BOUGHT	64352	0.71
				17/03/2017	1969	BOUGHT	66321	0.74
				24/03/2017	1700	BOUGHT	68021	0.76
				<b>31/03/2017</b>	-	-	<b>68021</b>	<b>0.76</b>



8	RAJ KUMAR LOHIA	57084	0.63	31/03/2017	-	Nil Movement during the Year	57084	0.63
9	KAILASHBEN ASHOKKUMAR PATEL	53000	0.59	22/04/2016	11000	BOUGHT	64000	0.71
				29/04/2016	100	BOUGHT	64100	0.71
				17/06/2016	2000	BOUGHT	66100	0.73
				24/06/2016	1418	BOUGHT	67518	0.75
				08/07/2016	3000	BOUGHT	70518	0.78
				05/08/2016	(518)	SOLD	70000	0.78
				04/11/2016	5000	BOUGHT	75000	0.83
				13/01/2017	(1000)	SOLD	74000	0.82
				20/01/2017	(3000)	SOLD	71000	0.79
				27/01/2017	(4000)	SOLD	67000	0.74
				03/02/2017	(2000)	SOLD	65000	0.72
				<b>31/03/2017</b>	<b>-</b>	<b>-</b>	<b>65000</b>	<b>0.72</b>
10	ELSY GEORGE	46000	0.51	17/02/2017	(1000)	SOLD	45000	0.50
				31/03/2017	-	-	45000	0.50
11	DIYA PRAVEEN MALLY	38850	0.43	31/03/2017	-	Nil Movement during the Year	38850	0.43
12	DHEERAJ KUMAR LOHIA	38086	0.42	31/03/2017	-	Nil Movement during the Year	38086	0.42



**E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sl. No.		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	<b>Diwakar S.Shetty</b>				
	At the beginning of the year	384242	4.27		
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)				
	Bought on 03/06/2016	2316		386558	4.29
	Bought on 10/06/2016	400		386958	4.30
	Bought on 17/06/2016	810		387768	4.31
	Bought on 24/06/2016	1915		389683	4.33
	Bought on 15/07/2016	100		389783	4.33
	Bought on 22/07/2016	1135		390918	4.34
	Bought on 29/07/2016	1500		392418	4.36
	Bought on 05/08/2016	1000		393418	4.37
	Bought on 02/09/2016	5891		399309	4.44
	Bought on 09/09/2016	6235		405544	4.50
	Bought on 23/09/2016	3900		409444	4.55
	Bought on 30/09/2016	850		410294	4.56
	Bought on 21/10/2016	3600		413894	4.60
	Bought on 11/11/2016	1289		415183	4.61
	Bought on 18/11/2016	444		415627	4.62
	Bought on 02/12/2016	3000		418627	4.65
	Bought on 09/12/2016	10900		429527	4.77
	Bought on 16/12/2016	9175		438702	4.87
	Bought on 23/12/2016	3500		442202	4.91
	Bought on 13/01/2017	11315		453517	5.04
	Bought on 20/01/2017	8000		461517	5.13
	Bought on 27/01/2017	2000		463517	5.15
	Bought on 03/02/2017	5000		468517	5.20
	Bought on 03/03/2017	6900		475417	5.28
	Bought on 24/03/2017	203		475620	5.28
	<b>At the end of the year</b>			<b>475620</b>	<b>5.28</b>



<b>2. Kartik Manohar Nayak- Joint Managing Director</b>				
At the beginning of the year	28700	0.32		
At the end of the year			28700	0.32
<b>3. Yashoda Diwakar Shetty -Director</b>				
At the beginning of the year	308640	3.43		
At the end of the year			308640	3.43
<b>4. Praveen Mally -Joint Managing Director</b>				
At the beginning of the year	44095	0.49		
At the end of the year			44095	0.49
<b>5. B S Patil - Independent Director</b>				
At the beginning of the year	NIL	NIL		
At the end of the year			NIL	NIL
<b>6. P P Shastri - Independent Director</b>				
At the beginning of the year	NIL	NIL		
At the end of the year			NIL	NIL
<b>7. M Mahadeviah - Independent Director*</b>				
At the beginning of the year	NIL	NIL		
At the end of the year			NIL	NIL
<b>8. Mohan Narayan Menon- Independent Director</b>				
At the beginning of the year	NIL	NIL		
At the end of the year			NIL	NIL

\* Resigned w.e.f., 22<sup>nd</sup> December, 2016

#### V) INDEBTEDNESS :

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	5,236	921	-	6,157
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	5,236	921	-	6,157
<b>Change in Indebtedness during the financial year</b>				
* Addition	305	-	-	305
* Reduction	1,075	-	-	1,075
<b>Net Change</b>	770	-	-	770
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4466	921	-	5,387
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	4466	921	-	5,387


**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**
**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER :**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Diwakar S Shetty	Mr. Kartik Nayak	Mr. Praveen Mally	
1	Gross salary	In Rs.	In Rs.	In Rs.	In Rs.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	72,75,000	56,29,032	52,50,000	1,81,54,032
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>72,75,000</b>	<b>56,29,032</b>	<b>52,50,000</b>	<b>181,54,032</b>

**B. REMUNERATION TO OTHER DIRECTORS:**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Director					Total Amount
		Mr. B S Patil	Dr. Mahadeviah*	Mr. Mohan Narayan Menon	Mrs. Yashoda Diwakar Shetty	Dr. P P Shastri	
1	<b>Independent Directors</b>						
	Fee for attending board / committee meetings	1,50,000	1,10,000	80,000	-	1,10,000	4,50,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	<b>1,50,000</b>	<b>1,10,000</b>	<b>80,000</b>	<b>-</b>	<b>1,10,000</b>	<b>4,50,000</b>
2	<b>Other Non-Executive Directors</b>	-	-	-	-	-	-
	Fee for attending board / committee meetings	-	-	-	30,000	-	30,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	<b>1,50,000</b>	<b>1,10,000</b>	<b>80,000</b>	<b>30,000</b>	<b>1,10,000</b>	<b>4,80,000</b>
	Total Managerial Remuneration	<b>1,50,000</b>	<b>1,10,000</b>	<b>80,000</b>	<b>30,000</b>	<b>1,10,000</b>	<b>4,80,000</b>

 \*Resigned w.e.f., 22<sup>nd</sup> December, 2016

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

SN	Particulars of Remuneration				
		CEO	CS	CFO	Total
				Mr. Vilas Dingre	
1	Gross salary	Rs.	Rs.	Rs.	Rs.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	788550	788550
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	34200	34200
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	-	<b>822750</b>	<b>822750</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

For and on behalf of the Board  
For Shetron Limited

Place : Bangalore  
Date : 30<sup>th</sup> May, 2017

Diwakar S Shetty  
Executive Chairman  
DIN : 00432755



## ANNEXURE - II TO DIRECTORS' REPORT

Form MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017

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

To,

The Members,

**Shetron Limited**

Plot No 1, Bommasandra Industrial Area, Hosur Road,  
Bangalore, Karnataka-560099

I, S.N.Mishra proprietor of SNM Associates, Bengaluru bearing Membership No. 6143 and C.P. No. 4684, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shetron Limited CIN: L21014KA1980PLC003842 (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "Shetron Limited" for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed there under;
- (iv) The SEBI Act 1992 and its applicable rules and regulations as under;
  - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)
  - SEBI (Prohibitions of Insider Trading) Regulations, 2015
  - SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - SEBI (Investor Protection and Education Fund) Regulations, 2009
  - SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - SEBI (Regulatory Fee on Stock Exchanges) Regulations, 2006
  - SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003
  - SEBI (Depositories and Participants) Regulations, 1996
  - SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder.
- (vi) Tax Laws as applicable and the rules and regulations made thereunder;
- (vii) Labour Laws as applicable and the rules and regulations made thereunder;
- (viii) Environmental Laws as applicable and the rules and regulations made thereunder;
- (ix) Secretarial Standards prescribed by the Institute of Company Secretaries of India applicable vide MCA Notification dated April 23, 2015 effective from June 2015.



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations detailed hereinunder:

**I report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including one Woman Director in accordance with Section(s) 149, 152, 161 read with Rule 3 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Regulation 17(1)(a) of SEBI (LODR).

The Board met 4 (four) times during the year on 16.05.2016, 29.07.2016, 10.11.2016, and 10.02.2017. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. No Circular resolutions were passed by the company during the period under review.

The participation of Directors in the meetings is duly recorded.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. The company has a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

2. During the year under review, the Company is in compliance with Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 except for appointment of Company Secretary. As informed to me, the Company has initiated the process of appointing the Company Secretary and the same will be done soon.
3. The annual general meeting for the financial year ending on 31<sup>st</sup> March 2016 was held on 18<sup>th</sup> July 2016 after giving due notice to the members of the company with the requisite quorum and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

No extraordinary general meetings were held during the period under review.

4. The Company has the following committees in place and the members of the committees meet at regular intervals to discuss and execute the relevant functions/operations as per the terms of the policy framed for the purpose:
  - Audit Committee
  - Nomination and Remuneration Committee
  - Stakeholders Relationship Committee

With respect to constitution of Audit Committee, on account of resignation of an Independent Director the ratio between Executive Directors and Independent Directors was 2:2 during the period from Dec 23, 2016 to March 31, 2017. However, the committee was reconstituted on May 30, 2017 in accordance with Section 177(2) of the Companies Act, 2013.

5. In accordance with Schedule IV of the Act, an exclusive meeting of Independent Directors was held without the presence of Non-independent Directors & members of management, on 16.05.2016, at which all Independent Directors were present.
6. The Company has duly filed all forms and returns with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under and with additional fees wherever there is a delay.
7. The Company is in regular compliance with Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996.
8. The Company has appointed a Registrar and Transfer Agent (RTA) as provided hereunder, who are duly registered under the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 who on behalf of the Company, maintains the records of holders of securities issued by the Company and deals with all matters connected with the transfer and redemption of securities.


**Integrated Registry Management Services Private Limited**

No. 30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road, Malleswaram, Bangalore - 560003

Tel: +91-80-23460815-818 | Fax: +91-80-23460819

9. The Company is listed with the Bombay Stock Exchange (BSE) and is in compliance with the requirements under Chapter IV of SEBI LODR.
10. The Company is majorly in compliance with SEBI Act 1992 and its applicable rules and regulations as detailed in Point (iv) of this report.
11. The Company is in compliance with the Foreign Exchange Management Act, 1999 and the rules and regulations thereunder with respect to purchase of shares of its subsidiary Company from Non-resident shareholder.
12. As per the information provided to us the Company has framed a policy on Prevention and Prohibition of Sexual Harassment at Workplace and has constituted an Internal Complaints Committee to handle matters under the Sexual Harassment of Women at Workplace Act, 2013 and its corresponding rules and regulations.
13. The compliances under the following Labour Laws have been scrutinised by me:
  - a. Minimum Wages Act, 1948
  - b. Payment of Wages Act, 1936
  - c. Payment of Gratuity Act, 1972
  - d. Maternity Benefit Act, 1961
  - e. Child Labour (Prohibition and Regulation) Act, 1986
  - f. Factories Act, 1948
  - g. The Industrial Employment (Standing Orders) Act, 1946
  - h. The Workmen's Compensation Act, 1923
  - i. Payment of Bonus Act, 1965
  - j. The Contract Labour (Regulation and Abolition) Act, 1970
  - k. Employees' State Insurance Act, 1948
  - l. Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
  - m. Employees' Provident Funds & Miscellaneous Provisions Act, 1952
  - n. Equal Remuneration Act, 1976

The Company has complied with all applicable provisions, registrations, filing of returns, maintenance of records and display of abstracts as required under the various Labour laws their corresponding rules, regulations and guidelines as applicable to the company. As explained to me in respect to contract security services and canteen facilities availed by the Company, the management is in the process to include the same in Certificate of Registration under The Contract Labour (Regulation and Abolition) Act, 1970. And to disclose the same in the forthcoming Annual Returns.
14. The Company has outsourced compliances under the various Environmental laws to an agency registered for this purpose and as per the information and documents provided to us the Company is complying with all applicable provisions, registrations, filing of returns under the various Environmental Laws their corresponding rules, regulations and guidelines as applicable.
15. For compliances under various tax laws, I have relied on the reports submitted by the Internal Auditors and the Statutory Auditors of the Company. As per the reports provided, the Company is in compliance under the various tax laws and the corresponding rules, regulations and guidelines as applicable to the Company.
16. 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.

**Place: Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**S.N.Mishra**  
 Company Secretary  
 C. P. No. : 4684  
 FCS No. : 6143

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



## ANNEXURE 'A' TO SECRETARIAL AUDIT REPORT

To,  
The Members  
**Shetron Limited**  
Plot No 1, Bommasandra Industrial Area, Hosur Road,  
Bangalore, Karnataka-560099

My 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. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and 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. I believe that processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I 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. My 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.

**Place: Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**S.N.Mishra**  
Company Secretary  
C. P. No. : 4684  
FCS No. : 6143



**ANNEXURE - III****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,  
FOREIGN EXCHANGE EARNINGS AND OUTGO  
(Pursuant to Section 134(3) of the Companies Act, 2013)****CONSERVATION OF ENERGY :**

Conservation of Energy received constant attention and measures were taken for effective control of electricity and fuel consumption. The Company has installed fuel efficient and energy saving devices with the help of professional consultants to reduce energy consumption. The Company conducted the seminars/awareness of conservation of LPG and Petroleum products.

**RESEARCH AND DEVELOPMENT :**

The Company has carried out R & D activities in Quality Improvement, Productivity improvement and development of new technology and product which resulted in better quality, reduced wastage, safer operations and improved competitiveness.

The Company continues to develop new techniques to reduce the thickness of the metal in the cans, which in turn ensures ease of use and simplifies processing. The Company is also working to impart classic shapes of the cans and also sorting out ways to reduce the weight of the cans which in turn will help to reduce wastage and also the aesthetic look of cans.

**TECHNOLOGY ABSORPTION :**

The Company has no technical collaboration. State-of-art machines are installed for high quality products.

**FOREIGN EXCHANGE EARNINGS AND OUTGO :**

- a) Foreign Exchange earned : Rs. 2142/- Lakhs
- b) Foreign Exchange outgo : Rs. 5076/- Lakhs

**For and on behalf of the Board  
For Shetron Limited**

**Place : Bangalore  
Date : 30<sup>th</sup> May, 2017**

**Diwakar S Shetty**  
Executive Chairman  
DIN : 00432755



## ANNEXURE - IV

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### OVERVIEW:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. There are no material departures from prescribed accounting standards in their adoption. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. These estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the form and substance of transactions and the state of affairs, profits and cash flows for the year.

#### ECONOMY, INDUSTRY STRUCTURE AND DEVELOPMENTS IN FOOD CANS AND BATTERY SEGMENTS:

##### GLOBAL ECONOMIC OVERVIEW:

Global growth in terms of GDP in 2016 recorded 3.1 percent and is projected to rise to 3.5 percent in 2017. Growth in emerging markets and developing economies (EMDEs) is expected to pick up in 2017, reflecting receding obstacles to activity in commodity exporters and continued accelerated domestic demand in commodity importers. Weak investment and productivity growth are, however, weighing on medium-term prospects across many EMDEs. Downside risks to global growth include increasing policy uncertainty in major advanced economies and some EMDEs, financial market disruptions, and weakening potential growth. However, fiscal stimulus in key major economies-in particular, the United States-could lead to stronger-than-expected activity in the near term and thus represent a substantial upside risk to the outlook.

Economic growth in the East Asia and Pacific region slowed to an estimated 6.3 percent in 2016, in line with expectations, reflecting the gradual deceleration of China. Excluding China, the region grew at a 4.8 percent pace, as a modest acceleration in commodity importers was offset by weaker growth in commodity exporters. Strong domestic spending, supported by generally benign financing conditions for most of 2016, largely counterbalanced weak export growth. Narrowing domestic and external imbalances and stronger policy buffers, coupled with solid growth, helped to improve resilience to external headwinds. In China output expanded at a 6.7 percent rate last year. Policy supported infrastructure investment has partly offset a decline in private investment and the services sector has overtaken industry as a driver of growth. Financial markets have remained stable since February 2016. Capital outflows have eased, but remain sizable.

Emerging market and developing economies (EMDEs) grew by an estimated 3.4 percent in 2016, slightly below June projections. Among commodity exporters, output expanded an estimated 0.3 percent, as some improvement in Brazil and Russia and a modest increase in commodity prices was offset by further weakness in other exporters. In commodity importers, growth in 2016 is estimated at 5.6 percent, reflecting resilient in domestic demand and generally accommodative macroeconomic policies. Going forward, EMDE regions with substantial numbers of commodity importers are expected to experience solid growth, while the outlooks for regions with large number of commodity exporters are more heterogeneous. Overall, EMDE growth is projected to pick up to 4.2 percent in 2017 and to an average of 4.7 percent in 2018-19, mainly on a recovery in commodity exporters supported by a gradual increase in commodity prices. However, a number of factors-including advanced economic policy uncertainty and slowing productivity growth-are expected to weigh on the medium- and long-term EMDE outlook

Growth in the East Asia and Pacific region is projected to ease to 6.2 percent in 2017 as slowing growth in China is moderated by a pickup in the rest of the region. Output in China is anticipated to slow to 6.5 percent in the year. Macroeconomic policies are expected to support key domestic drivers of growth despite softness of external demand and overcapacity in some sectors. Excluding China, growth in the region is seen advancing at a more rapid 5 percent rate in 2017.



### **INDIAN ECONOMIC OVERVIEW:**

According to IMF World Economic Outlook Update, Indian economy was expected to grow at 7 to 7.75 per cent during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will be growing by more than seven per cent for the third successive year 2016-17 and can further grow at eight per cent or more in next two years. India's foreign exchange reserves stood at US\$ 360 billion by end of March 2016, as compared with US\$ 342 billion at same time last year, according to data from the Reserve Bank of India (RBI). Further as per the market reports, the Indian economy would continue to grow at 7 to 9 per cent and would double in size to US\$ 4-5 trillion in a decade, becoming the third largest economy in absolute terms.

Furthermore, initiatives like Make in India and Digital India will play a vital role in the driving the Indian economy.

### **METAL PACKAGING INDUSTRY OUTLOOK AND CHALLENGES:**

Tinplate, a value added flat steel product, is a versatile packaging substrate used in edible oils, paints, pesticides, processed foods, beverages and other industries. Its high suitability for packaging of processed edibles has enabled it to withstand the vagaries of the economic environment resulting in a steady growth in demand. However, cost pressures will continue on account of inflation rates, energy and transportation costs. With threat of substitutes, increasing competition from new / potential domestic players and imports continue to pose challenges for faster growth in the metal packaging industry. Your Company has undertaken measures to meet these challenges. Your Company's performance for the period 2016-17 has to be seen in the context of above economic background.

### **SEGMENTWISE PERFORMANCE:**

The Company products constitute metal packaging and hence there is no separate disclosure on segment reporting.

### **SUPPLY SIDE OF TINPLATE:**

Tinplate continues to enjoy the preference as a packaging medium especially for food. It enjoys functional superiority over other alternatives in packaging of edibles because of its better shelf life, appeal, product preservation, barrier properties and biodegradability. Product integrity and sustainability are the cornerstones of this industry. Today the per capita consumption of tinplate in India is around 0.46kg which is still very low compared to many developed nations and developing economies like China. Growth in packaging industry has always been closely linked with the GDP growth of the country. In India, with high growth in modern retail, FDI in multi-brand retail and with Government's thrust on the food processing industry, packaging industry is bound to grow. As a result, tinplate demand is likely to increase provided indigenous manufacturers undertake robust development efforts. However, significant import of non-prime tinplates and their use in food packaging dampens the demand for prime tinplate. Also, with strong competition from substitutes, the industry needs to continuously endeavor to make tinplate packaging more competitive at a global level by focusing on light-weighting.

### **RISKS, OPPORTUNITIES, THREATS AND CONCERNS:**

Shetron Limited had a humble beginning, but with clear focus, to become a true value partner of global metal packaging sector by addressing its industry requirements with unique quality standards. With this commitment and a well managed blend of knowledge, human assets and continuous quality improvement initiatives, the company is on its way to become a leading metal packaging company in India.

In spite of the growth in packaging expenditure, tinplate accounts for only a small percentage of the total packaging medium. The main reason for this is that the tinplate industry in India is under severe threat from two fronts. The first threat is from the manufacturers of tinplate from all around the world. Easy access to technology makes it an industry where the threat for entry is very easy and therefore competition is high. The second threat is that the increasing competition from other materials such as plastic, paper etc. has limited the need for Rigid Metal packaging.

Metal packaging market growth is restricted by both economic and consumer factors. The current euro-zone crisis has reduced consumer and producer confidence, and if a double-dip recession emerges, metal packaging markets



will be affected negatively. Fluctuating raw material and energy prices will make production and transport of metal packaging more expensive and less competitive. Competition from other packaging materials may also damage metal packaging market prospects if consumers shy away from metal food and beverage packaging in favour of BPA-free glass or paper/board packaging. Developing alternative can linings may also strike metal packaging producers badly, particularly for small- and medium-sized companies. However, since metal packaging has better shelf life and is safer for food packaging, the Industry is expected to witness a healthy growth in the days to come.

#### **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:**

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded, and protected against loss from unauthorized use or disposition, and that transactions are authorised, recorded, and reported correctly. The Company has an extensive system of internal controls which ensures optimal utilization and protection of resources, accurate reporting of financial transactions and compliance with applicable laws and regulations as also internal policies and procedures.

The internal control system is supplemented by extensive internal audits, regular reviews by management, and well documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data.

The Company has independent internal auditors to monitor the entire operations and services spanning all locations, businesses and functions on a regular basis. The summary of the Internal Audit observations is submitted to the Audit Committee of the Board of Directors. The Committee regularly reviews the internal audit reports and corrective actions are initiated to further strengthen the control.

#### **CORPORATE POLICIES:**

##### **HUMAN RESOURCES/ INDUSTRIAL RELATIONS:**

The Company maintains a cordial relationship with its employees by creating a positive work environment, with focus on improving productivity and efficiency. The Company has a team of qualified and dedicated personnel contributing to the better performance of the operations and processes of the company. Constant training continues to be the focus for developing and honing the skill sets and competency levels of employees in the organization in line with the business standards. The Company firmly believes that well trained man power at every level provide the true competitive edge in its business and hence the Company invests resources in training. The Company endeavor is to offer fair and reasonable compensation to its employees based on the market benchmarks.

##### **TPM/ISO/IMS:**

The Company has completed the Twelfth year of TPM (Total Productive Management) programme to sensitize employees in different dimensions of culture, managing change and is making constant progress in housekeeping for improving productivity, efficiency, effectiveness and team building

The Company is certified under ISO 9001:2008. The Company is making constant efforts for improvement in the processes, Quality Management Systems (QMS) and Skill building. As per Integrated Management Systems (IMS) policy of the Company, the Company is committed to maintain highest standards of Occupational Health, Safety and Environment protection and comply with all applicable Laws & requirements. The Company conducts its business in a manner that is compatible with the environmental and economic needs of the societies in which it operates. In the projects operated by the Company, it complies with all applicable environmental laws and regulations.

#### **CAUTIONARY STATEMENT:**

Statements in this report describing the company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The actual results may differ materially from those



expressed in this statement. Important factors that could make a difference to the company's operations include economic conditions affecting demand/supply and price conditions in the domestic and also international markets, changes in the Government regulations, tax laws and other statutes and also other related factors. The Company assumes no responsibility to publicly amend, modify and revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

**For and on behalf of the Board  
For Shetron Limited**

**Place : Bangalore  
Date : 30<sup>th</sup> May, 2017**

**Diwakar S Shetty**  
Executive Chairman  
DIN : 00432755



## ANNEXURE - V TO BOARD'S REPORT

### DISCLOSURES REGARDING SUSPENSE ACCOUNT (PURSUANT TO SEBI CIRCULAR NO.SEBI/CFD /DIL /LA/1/2009/24/04)

Sl. No.	Particulars	No. of Shareholders	No. of Shares
1.	Shareholders whose shares are lying in the suspense account at the beginning of the year	-	-
2.	Shareholders who approached issuer for transfer of Shares from suspense account during the year.	-	-
3.	Shareholders to whom shares were transferred from suspense account during the year.	-	-
4.	Aggregate number of shareholders whose Shares are lying in the suspense account at the end of the year.	-	-
5.	Outstanding Shares in the suspense account lying at the end of the year.	-	-

**For and on behalf of the Board  
For Shetron Limited**

**Place : Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**Diwakar S Shetty**  
Executive Chairman  
DIN : 00432755



### ANNEXURE - VI TO BOARD'S REPORT

#### STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF COMPANIES ACT, 2013 AND RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	<b>Director Name</b>	<b>Ratio to mean remuneration</b>
		Mr. Diwakar S Shetty	34:1
		Mr. Kartik Nayak	28:1
		Mr. Praveen Vittal Mally	26:1
		Mr. B S Patil	-
		Dr. M Mahadeviah	-
		Mrs. Yashoda Diwakar Shetty	-
		Dr. P P Shastri	-
		Mr. Mohan Narayan Menon	-
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<b>Director Name</b>	<b>% of increase</b>
		Mr. Diwakar S Shetty, Executive Chairman	44%
		Mr. Kartik Nayak, Jt. Managing Director	42%
		Mr. Praveen Mally, Jt. Managing Director	-
		Mr. B S Patil, Director	-
		Dr. M Mahadeviah, Director	-
		Mrs. Yashoda Diwakar Shetty, Director	-
		Dr. P P Shastri, Director	-
		Mr. Mohan Menon, Director	-
		Mr. Vilas Dingre, Chief Financial Officer	-
3	The percentage increase in the median remuneration of employees in the financial year;	19%	
4	The number of permanent employees on the rolls of company;	158 permanent employees	
5	The explanation on the relationship between average increase in remuneration and company performance;	The increase in median remuneration of around 19% is in line with the other Industries with matching business and work areas	



6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	The aggregate remuneration of Key Managerial Personnel is Rs.182 Lakhs which is 1.13% of the Company's total turnover of Rs.16067 Lakhs. As per the Company's Remuneration Policy, the compensation of the Key Managerial Personnel is based on performance, industry and working of the Company and its goal.	
7	Variation in	<b>31.03.2017</b>	<b>31.03.2016</b>
	Market Capitalization	Rs. 29.87 Crores	Rs.24.40 Crores
	Price Earnings Ratio	17.46	16.23
	Percentage Increase/decrease of the market quotations	4.46%	
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average increase in salaries of employees other than managerial personnel in 2016-17 was 19%. The managerial remuneration was increased by 43% in 2016-17. The managerial remuneration was increased after taking into consideration the duties and responsibilities of the Key Managerial Remuneration and the industry trend.	
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the remuneration policy for Directors, Key Managerial Personnel and other employees.	
10	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	No employee received remuneration in excess of the highest-paid director	
11	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, the remuneration is as per the remuneration policy of the company.	

**For and on behalf of the Board  
For Shetron Limited**

**Place : Bangalore  
Date : 30<sup>th</sup> May, 2017**

**Diwakar S Shetty**  
Executive Chairman  
DIN : 00432755





## ANNEXURE - VII

### CORPORATE GOVERNANCE REPORT

This Report on Corporate Governance forms part of the Board's Report. This section, besides being in compliance of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, gives an insight into the process of functioning of the Company.

#### I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

- ♦ To adopt internal and external measure to increase the level of transparency and accountability.
- ♦ To demonstrate to stakeholders that the Company is following right governance practices.
- ♦ To respect the laws of the land and rights of stakeholders and to get respect from all concerned.
- ♦ To lead the Company towards high growth path of higher profits and revenues.

#### II. BOARD OF DIRECTORS:

##### a) Composition:

The Board of the Company consists of eminent persons with considerable professional experience and expertise in the field of manufacture of packaging materials and related industries.

The Board presently consists of 3 Executive Directors and 5 Non-Executive Directors. The Chairman of the Board is an Executive Director. As per the Corporate Governance requirements, at least, half of the Board should comprise of Independent Directors and the same has been complied with.

All Independent Directors possess the requisite qualifications and are very experienced in their own fields. None of the Directors are members of more than ten committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the Directors regarding their directorship and have been taken on record by the Board.

The name of the Directors and the details of other Chairmanship / Directorship / Committee Membership of each Director as on 31<sup>st</sup> March, 2017 is given below:

Name of Director	Category	Number of Directorships in other companies		Number of Committee Memberships in other companies *	
		Chairman	Member	Chairman	Member
Mr. Diwakar S. Shetty	Promoter/ Director - Executive	-	9	1	1
Mr. Kartik Nayak	Promoter/ Director - Executive	-	2	-	-
Mr. Praveen Mally	Promoter/ Director - Executive	-	2	-	-
Mr. B S Patil	Independent Director	-	7	-	-
Mr. Mohan Narayan Menon	Independent Director	-	4	-	-
Mrs. Yashoda Diwakar Shetty	Promoter/ Director Non- Executive	-	6	-	-
Dr. P P Shastri	Independent Director	-	1	1	2

\* Only memberships in Audit Committee and Stakeholders' Relationship Committee have been reckoned for other Committee memberships.

**b) Board Meetings and Attendance at Board Meetings:**

The Board met 4 times during the financial year 2016-17. The Board Meetings were held at regular intervals, and the gap between two meetings did not exceed the maximum time gap of 120 days.

The relevant details are as under:

SL.No.	Quarter	Date	Board Strength	No. of Directors Present
1	Q1	16-May-2016	7	5
2	Q2	29-July-2016	8	7
3	Q3	10-Nov-2016	8	8
4	Q4	10-Feb-2017	7	6

The dates for the Board Meetings are fixed after taking into account the convenience of all the Directors and sufficient notice is given to them. The Company Secretary, in consultation with the Whole Time Directors, drafts the agenda of the Meeting. Agenda papers, along with relevant details, are circulated to all Directors well in advance of the date of the Board Meeting.

Managing Director apprises the Board on the overall performance of the Company at every Board Meeting. The Board reviews the performance, sets the strategy the Company should follow and ensures financial stability. The Board takes on record the actions taken by the Company on all its decisions periodically.

The Board also takes on record the declaration made by Managing Director regarding compliances of all laws on a quarterly basis.

Normally every Director is required to attend the Meeting. Board Members have complete and unfettered access to any information within the Company. Heads of Departments are normally invited at the Board Meetings to provide necessary insights on the working of the Company and of corporate strategies.

**c) Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM):**

Sl. No.	Name	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM
1	Mr. Diwakar S. Shetty	4	4	Present
2	Mr. Kartik Nayak	4	4	Present
3	Mr. B S Patil	4	4	Absent
4	Dr. M. Mahadeviah*	4	3	Present
5	Mrs. Yashoda Diwakar Shetty	4	1	Absent
6	Dr. P P Shastri	4	3	Absent
7	Mr. Praveen Mally	4	4	Present
8	Mr. Mohan Narayan Menon**	4	3	Absent

\* Resigned w.e.f 22.12.2016

\*\* Appointed as director w.e.f 16.05.2016

**d) Independent Directors**

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013, and Rules made thereunder and meet the requirements of the SEBI (LODR) Regulations, 2015. Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under the Companies Act, 2013. On appointment, the Independent Directors are issued Letter of Appointment setting out in detail the terms of appointment, duties, responsibilities and expected time commitments, etc., which is available on the website of the Company viz. <http://www.shetrongroup.in/pdf/Letter%20of%20Appointment%20-%20Independent%20Directors.pdf>.



#### e) Familiarization Programme for Independent Directors:

Each newly appointed Director is taken through a formal induction and familiarization program including a presentation from Chairman and Managing Directors on the Company's manufacturing, marketing, finance and other important aspects. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risks involved. The details of such familiarization programme are available on the website of the Company viz. [http://www.shetrongroup.in/pdf/Familiarisation\\_Programme.pdf](http://www.shetrongroup.in/pdf/Familiarisation_Programme.pdf).

#### f) Evaluation of the Board's Performance:

The Board has adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise is carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board and its Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board. Chairman was evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders' interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

### III. BOARD COMMITTEES:

#### 1) Audit Committee:

##### a) Composition:

The Audit Committee comprised of the following Directors for the year ended 31<sup>st</sup> March, 2017:

Mr. B.S.Patil, Chairman	Independent Director
Mr. Karitk Nayak, Member	Jt.Managing Director
Mr. Praveen Mally, Member	Jt.Managing Director
Dr. PP Shastri, Member	Independent Director
Dr M Mahadeviah*	Independent Director

\*Resigned w.e.f. 22<sup>nd</sup> December, 2016

As on 31<sup>st</sup> March, 2017 the Committee comprised of two Independent Directors and two Executive Directors, all of whom are financially literate and have relevant finance / audit exposure. Statutory Auditors, Internal Auditors and Departmental Head of Finance are permanent Invitees to the Committee. The Composition of the Committee has since been reconstituted by inducting Mr. Mohan Narayan Menon in the Audit Committee to comply with Regulation 18 of the SEBI (LODR) Regulations, 2015.

The Company Secretary of the Company is the Secretary to the Committee.

The other Directors are invited to attend the Audit Committee Meetings as and when required.

#### b) Terms of Reference:

The role, powers and functions of the Audit Committee are as per Section 177 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

#### The Audit Committee has powers:

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


**Role of the Audit Committee, inter alia includes the following:-**

- To ensure the preservation of good financial practices throughout the Company.
- To monitor that internal controls are in force to ensure the integrity of the financial performance reported to the Members.
- To provide by way of regular meetings, a line of communication between the Board and the Statutory and Internal Auditors.
- To consider and recommend the appointment, remuneration and terms of appointment of the Auditors of the Company.
- To discuss the audit plans with both the Statutory and Internal Auditors before the commencement of audit and ensure co-ordination between them.
- To review with the Management, the quarterly/ annual Financial Statements of the Indian and global operations of the Company and Auditors' report thereon before submission to the Board for approval.
- To review Management Discussion and Analysis of financial condition and results of operations.
- To review statement of significant Related Party Transactions.
- To scrutinise inter-corporate loans and investments.
- To discuss with the Statutory Auditors their concerns, if any, arising from their audits.
- To review the Auditors' Management Letters and the Management's responses.
- To review reports of the Internal Auditors and Management's responses thereto.
- To consider the findings of internal investigations and Management's responses thereto.
- To review and monitor the independence and performance of the Statutory and Internal Auditors and the adequacy of the Internal Control System.
- To discuss with the Internal Auditors any significant findings and follow up thereon including internal control weaknesses, if any.
- To review the adequacy of the Internal Audit function.
- To discuss with Statutory Auditor before the commencement of the audit, the nature and scope of the audit as well as post audit discussion to ascertain any areas of concern.
- To review the functioning of the Whistle Blower Policy.
- To review and evaluate the Company's internal financial control and risk management system. In particular, it periodically reviews:
  - ✓ Procedures for identifying business risks (including financial risks) and controlling their financial impact on the Company;
  - ✓ Company's policies for preventing or detecting fraud;
  - ✓ Company's policies for ensuring compliance with the relevant regulatory and legal requirements and their operational effectiveness.

**c) Meeting and Attendance:**

During the year under review, the Audit Committee met 4 times on 16-May-2016, 29-July-2016, 10-Nov-2016 and on 10-Feb-2017 and not more than four months lapsed between two consecutive meetings of the Audit Committee. The necessary quorum was present for all the meetings.

The details are as follows:

Sl. No	Name	No. of Audit Committee Meetings held	No. of Audit Committee Meetings attended
1	Mr. B.S.Patil, Chairman	4	4
2	Mr. Kartik Nayak, Member	4	4
3	Mr. Praveen Mally, Member*	3	3
4	Dr. PP Shastri, Member	4	3
5	Dr. M. Mahadeviah**	3	3

\* Appointed w.e.f. 29.07.2016

\*\* Resigned w.e.f. 22.12.2016



## 2) Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee is constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

### a) Composition:

The Committee comprised of the following Directors for the year ended 31<sup>st</sup> March, 2017:

Mr. B.S.Patil, Chairman	Independent Director
Mr. Diwakar S Shetty, Member	Executive Chairman
Mr. Kartik Nayak, Member	Joint Managing Director

### b) Terms of Reference:

**The Committee deals with the following matters:**

- Consider and resolve the grievances of shareholders;
- Redress the shareholders' and investors' complaints such as those relating to transfer of shares, non-receipt of annual reports, non receipt of dividend declared etc.;
- Approval of registration of transfer of shares;
- Review the performance of the Register and Share Transfer Agents;

### c) Meetings and Attendance:

During the year under review, the Committee met 4 times on 16-May-2016, 29-July-2016, 10-Nov-2016 and on 10-Feb-2017.

### d) Details regarding number of complaints received and resolved are as under:

Sl. No.	Nature of Correspondence	Received	Replied / Resolved	Pending
1	No. of Requests for Change of Address & bank Mandate	-	-	-
2	Letters received from SEBI/NSDL/ Stock Exchanges	-	-	-
3	Requests For stop Transfer	-	-	-
4	Non Receipt of Share Certificate / Credit for Demat of Shares/ Dividend/ Annual Report	-	-	-
5	Requests for issues of Duplicate Share Certificate and Dividend warrants	-	-	-
6	Legal Cases/ Cases before consumer forum	-	-	-
7	Investors Request for Information	-	-	-
	<b>Total</b>	-	-	-

SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year. For any clarification / complaint the shareholders may contact Mr. Gagandeep Singh, Asst. Company Secretary at the Registered Office of the Company.



### 3) Nomination and Remuneration Committee:

#### a) Composition:

The Committee comprises of the following members:

Sl.No.	Name of Member	Category
1	Mr. B S Patil, Chairman	Independent/Non-executive
2	Dr. P P Shastri, Member	Independent/Non-executive
3	Dr. M Mahadeviah, Member*	Independent/Non-executive
4	Mr. Diwakar S Shetty, Member	Executive Chairman

\* Resigned w.e.f. 22.12.2016

#### b) Terms of Reference:

The terms of reference of the Committee are:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan.
- To assist the Board in fulfilling responsibilities.
- To implement and monitor policies and processes regarding principles of corporate governance

#### c) Meetings and Attendance:

During the year under review, the Committee met one time on 16- May-2016.

The attendance of the members of the Nomination and Remuneration Committee is as under:

Sl.No.	Name of Member	Meeting/ Attendance
1	Mr. B S Patil, Chairman	Present
2	Dr. M Mahadeviah, Member*	Present
3	Mr. Diwakar S Shetty, Member	Present
4	Dr. P P Shastri, Member	Present

\* Resigned w.e.f. 22.12.2016

#### d) Compensation Policy for Board and Senior Management

Based on the recommendations of the Nomination and Remuneration Committee, the Board has approved the Remuneration Policy for Directors, KMPs and all other employees of the Company.

As part of the policy, the Company strives to ensure that:

- a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- b. relationship between remuneration and performance is clear and meets appropriate performance benchmarks;
- c. remuneration to Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.



#### 4) Independent Directors' Meeting:

In compliance with the provisions of Section 149(8) read along with Schedule IV of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, a meeting of the Independent Directors of the Company was held on 16-May-2016 without the attendance of Non-Independent Directors and members of the Management. All Independent Directors were present at the said meeting, to discuss the following matters;

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

#### IV. REMUNERATION PAID TO DIRECTORS:

The remuneration of the Directors is decided by the Board of Directors as per the remuneration policy of the Company within the ceiling approved by the Shareholders.

##### a. Executive Directors:

Name	Position	Salary & Allowances (Rs.)	Employer Contribution to Provident Fund (Rs.)
Mr. Diwakar S. Shetty	Executive Chairman	Rs. 72,75,000	-
Mr. Kartik Nayak	Jt.Managing Director	Rs. 56,29,032	-
Mr. Praveen Mally	Jt.Managing Director	Rs. 52,50,000	-

##### b. Non-Executive Directors:

The resident non-executive Directors of the Company have received only sitting fee for attending the Board and Committee meetings.

The details of sitting fees paid to Non-Executive Directors during the year for attending the Board Meetings and Audit Committee meetings are given below:

Sl. No.	Name of the Director	Sitting fees paid (₹)
1	Mr. B.S Patil	1,50,000
2	Dr. M. Mahadeviah	1,10,000
3	Mrs. Yashoda Diwakar Shetty	30,000
4	Dr. P P Shastri	1,10,000
5	Mr. Mohan Narayan Menon	80,000

There were no pecuniary relationships or transactions of the non-executive Directors vis-à-vis the Company during the Financial Year ended 31st March, 2017.

##### c. Details of shareholding of Directors as on 31<sup>st</sup> March, 2017:

As on 31<sup>st</sup> March, 2017, the Company had three Executive Directors and four Non-Executive Directors. Of the three Executive Directors, Mr. Diwakar S Shetty holds 4,75,620 Equity Shares in the Company, Mr. Kartik Nayak holds 28,700 Equity Shares in the Company and Mr. Praveen Mally holds 44,095 Equity Shares in the Company. Among the non-executive Directors Mrs. Yashoda Diwakar Shetty holds 3,08,640 Equity Shares in the Company. The other non-executive Directors do not hold any shares in the Company.

#### V. DISCLOSURES:

##### 1. Materially Significant Related Party Transactions:

All the transactions entered into with the Related Parties as defined under the Companies Act, 2013 and the SEBI (LODR) Regulations 2015, during the financial year were in the ordinary course of business and at arm's length pricing basis. There were no materially significant transactions with the related parties during the financial year which were in conflict with the interests of the Company. Suitable disclosure as required by the Accounting Standards (AS 18) has been made in the notes to the Financial Statements.



The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with the Related Party Transactions pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations. The same is available on the website of the Company <http://www.shetrongroup.in/pdf/Related%20Party%20Transaction%20Policy.pdf>.

## **2. Statutory compliance, penalties and strictures:**

There were no cases of non-compliance by the Company with Stock Exchange or the SEBI regulations nor any cases of penalties or strictures imposed on the Company by any Stock Exchange or SEBI or any statutory authorities for any violation on any matter related to the capital market during the last three years.

## **3. Whistle Blower Policy / Vigil Mechanism:**

Pursuant to Section 177(9) and sub Section (10) of the Companies Act, 2013, and the SEBI (LODR) Regulations, 2015, the Company has adopted a revised Whistle Blower policy, which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no Director or employee of the Company has been denied access to the Audit Committee. The policy on Vigil Mechanism and Whistle Blower Policy is available on the website of the Company <http://www.shetrongroup.in/pdf/Vilgil%20Mechanism%20&%20Whistleblower%20Policy.pdf>.

## **4. Governance Codes:**

### **i. Code of Business Conduct:**

The Board has adopted and approved the Code of Business Conduct. The Board members and Senior Managers observe the highest standards of ethical conduct and integrity and work to the best of their ability and judgment. The said code had been communicated to all the Board members and senior managers and the compliance of the same has been affirmed by them. The Company has posted the code of business conduct on its website <http://www.shetrongroup.in/pdf/Code%20of%20Business%20Conduct%20&%20Ethics%20Policy.pdf>.

A declaration signed by the Managing Director affirming the compliance of the code of business conduct by the Board members and senior managers is given below:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Managers affirmation that they have complied with the code of business conduct for Directors and Senior Managers in respect of financial year 2016-17.

**Kartik Nayak**  
Jt. Managing Director  
DIN: 00477686

### **ii. Code of conduct for prevention/prohibition of Insider Trading:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated employees have confirmed compliance with the Code.

## **5. Listing Regulations Compliance:**

The Company complies with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **6. CEO/CFO Certification:**

As per the requirements of the SEBI (LODR) Regulations, 2015, a Certificate duly signed by Executive Chairman and Whole Time Director of the Company was placed at the Board Meeting of the Company held on 30<sup>th</sup> May, 2017. A copy of the certificate is annexed to this Annual Report.





## VI. MEANS OF COMMUNICATION:

The Company has always promptly reported all material information including quarterly financial results, press releases issued by the Company, etc. to the Stock Exchange where the securities of the Company are listed. The quarterly results and other information were communicated to the shareholders by way of advertisement in a national daily and in vernacular language newspaper.

The Company's website address is: [www.shetrongroup.in](http://www.shetrongroup.in). The website contains basic information about the Company and such other details as required under the SEBI (LODR) Regulations, 2015 and other applicable and mandatory regulations. The Company ensures periodical updation of its website. The Company has designated the email-id [investors@shetrongroup.com](mailto:investors@shetrongroup.com) to enable the shareholders to register their grievances.

## VII. GENERAL SHAREHOLDER INFORMATION:

The required information is provided in 'Shareholders' Information' Section.

### 1. Shareholders' Information :

Sl. No.	Particulars	Details
1	Date, Time and Venue of the 37 <sup>th</sup> Annual General Meeting	28 <sup>th</sup> September, 2017 at 10.00 a.m. at Woodlands Hotel, Bangalore.
2	Date of Book Closure	22 <sup>nd</sup> September, 2017 to 28 <sup>th</sup> September, 2017 (Both days inclusive)
3	Financial Year	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017
4	Listing on Stock Exchange	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, India.
5	Listing Fees	Paid for all the above Stock Exchanges as per the Listing Regulations.
6	ISIN No:	INE 278C01010EQ
7	Corporate Identification Number (CIN)	L21014KA1980PLC003842
8	Registered Office	Plot No: 1, Bommasandra Industrial Area, Hosur Road, Bangalore -560099
9	Share Transfer Agent (For Electronic and Physical Transfers)	Integrated Registry Management Services Private Limited No: 30, Ramana Residency, 4 <sup>th</sup> Cross, Sampige Road, Malleshwaram, Bangalore 560 003 Tel: +91-80-23460815-818, Fax: +91-80-23460819 E-mail: <a href="mailto:irg@integratedindia.in">irg@integratedindia.in</a>
10	Compliance Officer	Mr. Gagandeep Singh Compliance Officer, Plot No: 1, Bommasandra Industrial Area, Hosur Road, Bangalore –560099
11	For Financial Queries	Mr. Vilas Dingre Chief Financial Officer , Plot No: 1, Bommasandra Industrial Area, Hosur Road, Bangalore –560099
12	For Shareholder's Queries	Integrated Registry Management Services Private Limited, No: 30, Ramana Residency, 4 <sup>th</sup> Cross , Sampige Road, Malleshwaram, Bangalore 560 003 Tel: +91-80-23460815-818 Fax: +91-80-23460819 E-mail: <a href="mailto:irg@integratedindia.in">irg@integratedindia.in</a>
13	Plant location	1. Plot No: 1, Bommasandra Industrial Area, Hosur Road, Bangalore –560099 2. Village Khativali, Mumbai Nasik Highway, Post- Vasind, Taluk- Shahapur, Dist- Thane, Maharashtra- 421604



## 2. Change of Address:

Members holding Equity Share in physical form are requested to notify the change of address / dividend mandate, if any, to the Company's Share Transfer Agent, at the address mentioned above. Members holding Equity Share in Dematerialized form are requested to notify the change of address / dividend mandate, if any, to their respective DPs.

## 3. Share Transfer System:

Shares sent for physical transfer or dematerialization requests are generally registered and returned within a period of 15 days from the date of receipt of completed and validly executed documents. During the year ending 31<sup>st</sup> March, 2017, the Share Transfer Committee met 4 times.

## 4. Dematerialization of Equity Shares:

Trading in Equity Shares of the Company became mandatory in dematerialized form with effect from 29<sup>th</sup> January, 2001 to facilitate trading in demat form, in India, there are two depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreement with both these depositories. Shareholders can open account with any of the Depository participants registered with any of these depositories.

As of date 31-March-2017 (approx.) 87,60,175 shares of the 90,03,300 Equity Shares (97.30%) of the Company are in the dematerialized form.

## 5. Shareholders' Correspondence:

The Company has attended to all the investors' grievances /queries /information requests except for the cases where we are constrained because of some pending legal proceeding or court / statutory orders.

We endeavor to reply to all letters received from the shareholders within a week of receipt.

All correspondence may please be addressed to the Share Transfer Agents at the address given above. In case any shareholder is not satisfied with response or do not get any response within reasonable period, they shall approach the Investor Relation Officer or the Compliance Officer at the address given above.

## 6. General Body Meetings:

The 37<sup>th</sup> Annual General Meeting of the Company, for the Financial Year 2016-17, would be held on 28<sup>th</sup> September, 2017 at 10.00 a.m. at Woodlands Hotel, No.5, Dr. Raja Ram Mohan Roy Road, Bengaluru- 560025.

Meeting	Day, Date and Time of the Meeting	Venue	Special Resolutions Passed
36 <sup>th</sup> AGM	18 <sup>th</sup> July, 2016 at 10.00 AM	Koramangala Club, Bangalore	♦ Approval for continuation of Mr. Diwakar S Shetty as Whole Time Director after attaining age of 70 years.
			♦ Appointment of Mr. Kartik Nayak as Joint Managing Director
			♦ Appointment of Mr. Praveen Mally as Joint Managing Director
35 <sup>th</sup> AGM	16 <sup>th</sup> September, 2015 at 10.00 AM	Koramangala Club, Bangalore	♦ Increase the borrowing power of the Company upto 200 crores.
			♦ Creation of charges upto 200 crores.
			♦ Amendment to Articles of Association of the Company
34 <sup>th</sup> AGM	29 <sup>th</sup> September, 2014 at 10.00 AM	Koramangala Club, Bangalore	♦ No Special Resolutions were passed in this meeting.

There were no resolutions passed through Postal Ballot during the financial year.

**7. Market Price Data:**

High, Low and Volume during each month in the last financial year (reported at the BSE Limited):

Sl. No.	Month	High (Rs.)	Low (Rs.)	Volume of shares traded
1	March 2017	49.5	40.5	1,57,929
2	February 2017	63.9	42	3,49,118
3	January 2017	62.1	36.1	8,04,936
4	December 2016	44	33.55	94,057
5	November 2016	48.8	30.1	1,00,918
6	October 2016	47.8	33.2	93,708
7	September 2016	40.3	32.4	1,50,896
8	August 2016	38.4	32	79,452
9	July 2016	40.95	31	1,18,178
10	June 2016	36.25	24.3	85,819
11	May 2016	31.3	26.9	57,102
12	April 2016	33.35	28.7	61,265

**8. Distribution of Shareholding as on 31<sup>st</sup> March, 2017:**

Category	No. of Share holders	Percentage	No. of shares	Percentage
Up to 5000	4457	97.63	1356557	15.07
5001 - 10000	46	1.01	323159	3.59
10001 -20000	26	0.57	363702	4.04
20001 - 30000	3	0.07	81100	0.90
30001 - 40000	5	0.11	185441	2.06
40001 - 50000	9	0.20	397175	4.41
50001 - 100000	6	0.13	477225	5.30
100001 and above	13	0.28	5818941	64.63
<b>Total</b>	<b>4565</b>	<b>100.00</b>	<b>9003300</b>	<b>100.00</b>

Shareholding Pattern as on 31<sup>st</sup> March, 2017:

	Category	No of Shares Held	Percentage of Shareholding
<b>A</b>	<b>Promoter's holding</b>		
1	Promoters		
	- Indian Promoters	5482922	60.90
	- Foreign Promoters	81633	0.91
2	Persons acting in Concert	-	-
	<b>Sub - Total</b>	<b>5564555</b>	<b>61.81</b>
<b>B</b>	<b>Non-Promoters Holding</b>		
<b>3</b>	<b>Institutional Investors</b>		
A	Mutual Funds and UTI	100	0.00
B	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-government Institutions)	-	-
C	FII's	-	-
	<b>Sub - Total</b>	<b>100</b>	<b>0.00</b>
<b>4</b>	<b>Non-Institutional investors</b>		
A (i)	Individual- i) individual shareholders holding nominal share capital up to Rs. 2 Lakhs	1845054	20.49
A (ii)	ii) individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	1098234	12.2
B	NBFCs registered with RBI	500	0.01
D	Any other	494857	5.5
	<b>Sub - Total</b>	<b>3438645</b>	<b>38.19</b>
	<b>GRAND TOTAL</b>	<b>9003300</b>	<b>100.00</b>

For and on behalf of the Board  
For Shetron Limited

Place : Bangalore  
Date : 30<sup>th</sup> May, 2017

Diwakar S Shetty  
Executive Chairman  
DIN : 00432755

**ANNEXURE - VIII****Form AOC-I**

**(Pursuant to first proviso to sub-Section (3) of Section 129 read with Rule 5 of  
Companies (Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of subsidiaries/associate  
companies/joint ventures**

**Part "A": Subsidiaries**

(₹ in Lakhs)

	<b>Shetron Metropak Private Limited</b>
Reporting period	01-Apr-2016 to 31-Mar-2017
Share capital	389
Reserves & surplus	(112)
Total assets	660
Total Liabilities	383
Investments	0
Turnover	182
Profit/ (Loss) before taxation	(14)
Provision for taxation	0
Profit/ (Loss) after taxation	(14)
Proposed Dividend	0
% of shareholding	100 %

**For and on behalf of the Board  
For Shetron Limited**

**Place : Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**Diwakar S Shetty**  
Executive Chairman  
DIN : 00432755



## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

**The Board of Directors**  
**Shetron Limited**  
Bangalore

We have examined all relevant records of M/s. Shetron Limited, for the purpose of certifying compliance of the conditions of Corporate Governance pursuant with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the financial year ending March 31, 2017.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Regulation.

On the basis of our findings recorded in the annexed report from the examination of the records produced and explanations and information furnished to us, in our opinion the Company has complied with the conditions of corporate governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as on March 31, 2017.

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

**Place: Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**S.N.Mishra**  
Company Secretary  
C. P. No. : 4684  
FCS No. : 6143



## **CEO CERTIFICATION**

The Board of Directors  
Shetron Limited

I, the undersigned, in my capacity as Executive Chairman and Whole Time Director of the Company hereby certify that, to the best of my knowledge and belief:

- a) I have reviewed the financial statements and the cash flow statement for the financial year ended 31<sup>st</sup> March, 2017 and that to the best of my knowledge and belief:
  - i. These statements do not contain any materially untrue statements or omit any material facts or contain 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) There are, to the best of my knowledge and belief, no transactions entered into by the Directors and Senior Management Personnel during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. I have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which I was aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d) I have also indicated to the Auditors and the Audit Committee.
  - i. Significant changes in Internal Controls with respect to financial reporting during the year.
  - ii. Significant changes in accounting policies during the Year and these have been disclosed in the notes to the financial statements.
  - iii. Instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

**Place : Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**Diwakar S Shetty**  
Executive Chairman  
DIN : 00432755



## INDEPENDENT AUDITORS' REPORT

**To the members of  
Shetron Limited, Bangalore**

### **Report on the Financial Statements**

We have audited the accompanying Standalone Financial Statements of Shetron Limited ("the Company") which comprise the Balance Sheet as at 31 March, 2017 and the Statement of Profit and Loss and Cash flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 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 financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its profits for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.





2. As required by Section 143 (3) of the Act, we report that:

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to adequacy of internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer 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, 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, if any, on its financial position in its financial statements -;
  - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
  - iii. There has been no delay in transferring amounts, if any, required to be transferred, to the Investor Education and Protection Fund by the Company
  - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the company.

For Pal and Shanbhogue  
Chartered Accountants  
FRN : 002528S

**Place : Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**K.R.SHANBHOGUE**  
Partner  
(Membership No. 018578)



## Annexure to Independent Auditors' Report of Shetron Limited

(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 all fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. All title deeds relating to immovable properties of the Company are held in the name of the Company.

(ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of such verification is reasonable.

(b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act during the year under review.

(iv) The company has not granted any loans or provided guarantees, and security for which section 185 and 186 of the Companies Act, 2013 are applicable during the year under review. The investments made during the year were in compliance of Section 185 and 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(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, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax 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, Employees' State Insurance, Income-tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax and other material statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, Wealth tax, Sales tax, Value added tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute except the following:-

Name of Statute	Nature of Dues	Amount Rs Lakhs	Period to which it relates	Forum where pending
Customs Act	Customs Duty	33.00	2016-17	Commissioner of Customs (Appeals) Bangalore.



(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers or financial institutions or Government. The Company did not have any outstanding to debentures holders during the year.

(xi) The Company has not raised moneys by way of further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, terms loans raised have been applied by the company for the purpose for which they were obtained.

(x) According to the information and explanations given to us, no instances of material fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) The company had paid/provided managerial remuneration with requisite approvals, if any, under Section 197 read with Schedule V of the Companies Act 2013.

(xii) The Company is not a Nidhi company and hence the provisions of Clause (xii) of CARO 2016 are not applicable.

(xiii) All transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act 2013 wherever applicable and the details of all those transactions have been disclosed in Financial Statements and other documents as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Pal and Shanbhogue  
Chartered Accountants  
FRN : 002528S

**Place : Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**K.R.SHANBHOGUE**  
Partner  
(Membership No. 018578)



**Annexure - B to the Independent Auditor's Report of even date on the Standalone Financial Statements of Shetron Limited 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 Shetron Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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 March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute.

For Pal and Shanbhogue  
Chartered Accountants  
FRN : 002528S

Place : Bangalore  
Date : 30<sup>th</sup> May, 2017

**K.R.SHANBHOGUE**  
Partner  
(Membership No. 018578)



### Balance Sheet as at 31<sup>st</sup> March 2017

Particulars	Note No.	As at 31 <sup>st</sup> Mar 2017 ₹ in Lakhs	As at 31 <sup>st</sup> Mar 2016 ₹ in Lakhs
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	900	900
(b) Reserves and surplus	2	3,424	3,253
		<b>4,324</b>	<b>4,153</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	3	4,018	5,146
(b) Deferred tax liabilities (net)	4	579	549
		<b>4,597</b>	<b>5,695</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	5	3,330	3,528
(b) Trade payables	6	3,078	2,460
(c) Other current liabilities	7	1,614	1,225
(d) Short-term provisions	8	239	188
		<b>8,261</b>	<b>7,401</b>
<b>TOTAL</b>		<b>17,182</b>	<b>17,249</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	5,534	5,982
(ii) Capital work-in-progress		351	305
		<b>5,885</b>	<b>6,287</b>
(b) Non-current investments	10	424	418
(c) Long-term loans and advances	11	852	1,369
(d) Other non-current assets	12	634	634
		<b>7,795</b>	<b>8,708</b>
<b>2 Current assets</b>			
(a) Inventories	13	3,529	3,255
(b) Trade receivables	14	3,264	2,866
(c) Cash and cash equivalents	15	1,100	947
(d) Short-term loans and advances	16	1,357	1,341
(e) Other Current assets	17	137	132
		<b>9,387</b>	<b>8,541</b>
<b>TOTAL</b>		<b>17,182</b>	<b>17,249</b>

In terms of our report attached.

**For and on behalf of the Board of Directors**

As per our report of even date

**For PAL & SHANBHOGUE**

Chartered Accountants

(FRN 002528S)

Place : Bangalore

**DIWAKAR S SHETTY****KARTIK NAYAK****PRAVEEN MALLY****K.R. SHANBHOGUE**Date : 30<sup>th</sup> May, 2017

Executive Chairman

Jt. Managing Director

Jt. Managing Director

Partner MN 018578


**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

Particulars	Note No.	For the year ended 31 <sup>st</sup> Mar 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> Mar 2016 ₹ in Lakhs
<b>A CONTINUING OPERATIONS</b>			
1 Sales (Gross)		16067	17104
Less: Excise duty		1193	1325
Sales (Net)		14874	15779
2 Other income	18	71	62
3 <b>Total revenue (1+2)</b>		14945	15841
4 <b>Expenses</b>			
(a) Cost of materials consumed	19	9844	10799
(b) Changes in inventories of finished goods and work-in-progress		(86)	11
(c) Employee benefits expense	20	1323	1116
(d) Finance costs	21	1375	1632
(e) Depreciation and amortisation expense		753	751
(f) Other expenses	22	1487	1307
<b>Total expenses</b>		14696	15616
5 <b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		249	225
6 Exceptional items		-	-
7 <b>Profit / (Loss) before extraordinary items and tax (5 + 6)</b>		249	225
8 Extraordinary items		-	-
9 <b>Profit / (Loss) before tax (7 + 8)</b>		249	225
10 <b>Tax expense:</b>			
(a) Current tax expense for current year		48	45
(b) Deferred tax		30	30
		78	75
11 <b>Profit / (Loss) from continuing operations (9 +10)</b>		171	150
12 <b>Earnings per share</b>			
No of Equity Share with face value of Rs.10 each		89,99,800	89,99,800
Basic and Diluted Earnings per share Rs.		1.90	1.66
<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.  
**For and on behalf of the Board of Directors**

As per our report of even date  
**For PAL & SHANBHOGUE**  
Chartered Accountants  
(FRN 002528S)

Place : Bangalore      **DIWAKAR S SHETTY**      **KARTIK NAYAK**      **PRAVEEN MALLY**      **K.R.SHANBHOGUE**  
Date : 30<sup>th</sup> May, 2017      Executive Chairman      Jt. Managing Director      Jt. Managing Director      Partner MN 018578



## NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

### 1. Share Capital:

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
<b>Authorised Capital</b> 2,50,00,000 Equity shares of Rs.10/- each	<b>2,500</b>	2,500
<b><u>Issued, Subscribed and Paid up Share Capital</u></b>		
90,03,300 Equity shares of Rs.10/- in each fully paid	<b>900</b>	900
Less: Forfeited Shares	<b>(0.35)</b>	(0.35)
<b>Total</b>	<b>900</b>	900

There is no class of shares other than the equity shares. There is no change in the outstanding shares at the beginning or at the end of the period. The Company is a holding company of M/s.Shetron Metropak Private Limited. The other disclosure requirements of Schedule III of the Companies Act 2013 regarding share capital are not applicable to the company. The following shareholders hold more than 5% of value of shares.

No. of shares and %age

Name of the Shareholder	31.03.2017		31.03.2016	
	No.	%	No.	%
Shetron Enterprises Private Limited	<b>17,13,617</b>	<b>19.03%</b>	16,97,717	18.86%
Konjal Machiery Pvt Ltd	<b>8,58,055</b>	<b>9.53%</b>	8,58,055	9.53%
Bunts Properties Private Limited	<b>8,48,857</b>	<b>9.43%</b>	8,48,857	9.43%
Mr. Diwakar S Shetty	<b>4,75,620</b>	<b>5.28%</b>	3,84,242	4.27%

### 2 Reserves and Surplus

There is no change in any of amount of reserves outstanding at the beginning and at the end of the year except in Profit and Loss Account.

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Capital Reserve	<b>15</b>	15
Share Premium	<b>2,111</b>	2,111
General Reserves	<b>205</b>	205
Contingency Reserve	<b>600</b>	600
<b>Profit and Loss Account</b>		
Opening Balance	<b>321</b>	171
Add; Profit / (Loss) for the year	<b>171</b>	150
Closing Balance	<b>493</b>	321
	<b>3,424</b>	<b>3,253</b>





### 3. Long Term Borrowings

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Deffered Sales Tax	49	66
Loan From Related Party	921	921
Term Loan from Cosmos Co-operative Bank Limited	4,276	5,149
Car Loan	141	21
	<b>5,387</b>	<b>6,157</b>
Less: Maturities within one year	<b>1,369</b>	<b>1,011</b>
<b>Total</b>	<b>4,018</b>	<b>5,146</b>

- Term Loans from Banks are guaranteed by two promoter directors and one of their relatives
- Deferred Sales tax is payable over period of 15 years. Loan from related parties are not subjected to any repayment terms. Term Loans are repayable over a period of 7 years from the date of disbursement. Car Loan is payable over a period of five years from the date of disbursement.
- Term Loans from Cosmos Co Operative Bank Limited are secured by first charge by way of equitable mortgage on the company's immovable property situated at Bangalore and first charge on the Plant and Machinery of the company.
- Car Loan is secured by hypothecation of vehicles acquired under the scheme.

### 4. Deferred Tax

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
<b>a Depreciation Difference between Books and Income Tax</b>		
Opening Balance	820	865
Provision for the year	(50)	(45)
<b>Closing Balance</b>	<b>770</b>	<b>820</b>
<b>b Unabsorbed Depreciation and Losses</b>		
Opening Balance	(271)	(346)
Provision for the year	80	75
<b>Closing Balance</b>	<b>(191)</b>	<b>(271)</b>
<b>c Aggregate of a and b above</b>		
Opening Balance	549	519
Provision for the year	30	30
<b>Closing Balance</b>	<b>579</b>	<b>549</b>

**5. Short Term Borrowings**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Demand Loan from Banks	2,688	2,834
Bill Discounting with Can Bank Factors	642	694
<b>Total</b>	<b>3,330</b>	<b>3,528</b>

The Short Term Borrowings are under consortium banking arrangement with Bank of India, State Bank of India and Cosmos Co-operative Bank Limited. The limits are secured by first pari-passu charge on hypothecation of stocks, Book Debts and other current assets of the company and exclusive first charge on company's immovable property situated at Asangaon, Maharashtra ( applicable to SBI and BOI) and second pari-pasu charge on the fixed assets of the company ( including second charge by way of equitable mortgage of the immovable properties in Bangalore). Short term borrowings are guaranteed by three promoter directors and bill discounting with Canbank Factors are secured by Sales Invoices and guaranteed by Directors.

**6. Trade Payables**

Trade Payables include a sum of Rs.54.80 Lakhs (P.Y. Rs.50.50 Lakhs) due to SMEs to the extent such parties have been identified from available information. The amount outstanding for more than 30 days as on 31.03.2017 is Rs. Nil (P.Y.Rs.22.12) Lakhs. Trade payables are subject to confirmation from parties.

**7. Other Current Liabilities**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Deposits Payable	5	5
ESI Payable	4	4
Interest Accrued but not Due	42	60
LIP,PT, Service Tax Payable	1	1
PF Payable	10	8
TDS Payable	15	7
Expenses Payable	168	129
Term Loan Maturities within one Year	1,369	1,011
<b>Total</b>	<b>1,614</b>	<b>1,225</b>

**8. Short Term Provisions**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Provision for Employee Benefits	120	117
Provision for Taxation	115	67
Provision for excise duty on FG	4	4
<b>Total</b>	<b>239</b>	<b>188</b>



9) FIXED ASSETS ( AT COST ) : ₹ in Lakhs

Particulars	GROSS BLOCK AT COST				DEPRECIATION			NET BLOCK	
	As on 01.04.16	ADDITION	Deletions	As on 31.03.17	As on 01.04.16	For the year	Deletions	As on 31.03.17	As on 31.03.16
Leasehold Land & Development	81	0	0	81	0	0	0	81	81
Buildings	2267	0	0	2266	1006	70	0	1191	1260
Plant & Machinery	12958	135	20	13073	8405	648	20	4040	4553
Furniture, Fixture & Equipments	226	5	0	232	190	13	0	28	36
Vehicles*	143	171	30	284	92	22	24	194	51
<b>TOTAL</b>	<b>15675</b>	<b>310</b>	<b>50</b>	<b>15936</b>	<b>9694</b>	<b>753</b>	<b>43</b>	<b>5534</b>	<b>5982</b>

**10. Non-Current Investments**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
* Shares in subsidiary company (unquoted)	413	412
** Other Shares (unquoted)	11	6
<b>Total</b>	<b>424</b>	<b>418</b>

\* 38,99,999 equity shares of M/s. Shetron Metropak Private Limited of Rs.10 each and \*\* 20,000 equity shares of M/s Kalyan Janatha Sahakari Bank of Rs.25/- each and 6000 equity shares of M/s.Cosmos Co-operative Bank Limited of Rs.100 each.

**11. Long Term Loans and Advances**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Advances for value to be received	852	1,369
<b>Total</b>	<b>852</b>	<b>1,369</b>

Advances are unsecured. Advances includes advances to related parties Rs. NIL (P.Y.Rs.250 Lakhs) and others which in the opinion of the management will realise the values stated in the Balance Sheet In the Long Term. However, the company as a prudent measure, has created a contingency reserve to the extent of Rs.600 Lakhs (both for Long term advances and Other Non Current assets put together) for any possible erosion in values. Advances are subject to confirmation from parties.

**12. Other Non Current Assets**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Trade Receivables	634	634
<b>Total</b>	<b>634</b>	<b>634</b>

Trade Receivables are unsecured but considered good. Trade receivables are subject to confirmation from parties. In the opinion of the management the company will realise values stated in the Balance Sheet in the long term.

**13. Inventories (As taken, certified and valued by management)**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Finished Goods	27	30
Raw Material	2,542	2,261
Stores and Spares	241	332
Work in Progress	719	632
<b>Total</b>	<b>3,529</b>	<b>3,255</b>

**Inventories are valued as follows:-**

- |                      |  |
|----------------------|--|
| a. Stores and Spares | at Cost on FIFO method of valuation              |
| b. Raw Materials     | at Cost on FIFO method of valuation              |
| c. Work in Progress  | at Cost*   |
| d. Finished Goods    | at Cost*/ net realisable value whichever is less |

\* Cost includes direct labour, applicable overheads and excise duty in case of finished goods.

**14. Trade Receivables**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Outstanding for a period exceeding six months	-	-
Other Debts	3,264	2,866
	3,264	2,866

Trade receivables are unsecured and considered good and subject to confirmation from parties.

**15. Cash and Cash Equivalents**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Bank Balances	631	535
Cash On Hand	-	3
Margin Money Deposit with Bank	436	377
Fixed Deposit with Bank	33	32
<b>Total</b>	<b>1,100</b>	<b>947</b>

**16. Short Term Loans and Advances (Unsecured and considered good)**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Advance Custom Duty	30	4
Advance for Goods*	738	637
Advance Income Tax	157	107
Cenvat Recoverable	175	254
Advance to Employees	8	5
VAT Recoverable	249	334
<b>Total</b>	<b>1,357</b>	<b>1,341</b>

\*Advance for goods are subject to confirmation from parties.

**17. Other Current Assets**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Deposits	88	77
Interest Receivable	8	9
Prepaid Expenses	41	46
<b>Total</b>	<b>137</b>	<b>132</b>

**18. Other Income**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Dividend	1	1
Export Incentive	10	10
Interest Received	33	38
Miscellaneous Income	16	6
Profit on sale of Fixed assets	4	
Rent Received	7	7
<b>Total</b>	<b>71</b>	<b>62</b>

**19. Cost of Material Consumed**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Exchange Flucutation	(91)	96
Power and Fuel	435	445
Raw Materials	9,394	10,127
Carrage Inward	106	131
<b>Total</b>	<b>9,844</b>	<b>10,799</b>

\*Raw material consumed are classified under the broad head Tin Plates, Inks and Sizing Materials

**20. Employees Benefit Expenses**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
PF and Other Funds	102	86
Salaries and Wages	1,171	986
Staff Welfare Expenses	50	44
<b>Total</b>	<b>1,323</b>	<b>1,116</b>

**21. Finance Cost**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Interest	1,089	1,303
Other Finance Cost	286	329
<b>Total</b>	<b>1,375</b>	<b>1,632</b>

**22. Other Expenses**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Administrative Expenses	402	364
Business Promotion	10	14
Commission Paid	50	47
Discount / Rebat	35	7
Insurnce	19	10
Job Charges	72	88
Loss on Sale of Fixed Assets	2	-
Other Expenses	19	7
Packing Forwarding	560	527
Rates and Taxes	164	40
Rent	14	12
Repairs Buildings	6	77
Repairs Machinery	124	98
Repairs Others	10	16
<b>Total</b>	<b>1,487</b>	<b>1,307</b>

Adminstrative Expenses include Audit Fees for Statutory auditor of Rs. 11.35 Lakhs (Previous year Rs. 11.10 Lakhs)

**23. Contingent Liabilities (not provided for in the accounts)**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Guarantees for Customs Duty	450	450
Guarantees for Financial Institutions/Banks as security	-	500
Export Obligations under EPCG scheme	278	139
Disputed Income Tax	-	49
Sales tax	-	25
Customs demand	-	33

**24. LC Obligations**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Letters of Credit and guarantee established and bills discounted under LC and others	3,826	3,476

**25. Value of Imports (CIF)/Exports (FOB)**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Raw Materials	4,099	4,767
Components and Spare Parts	231	292
FOB Value of exports	1,785	2,164
Expenditure in Foreign Currency	20	17

Other disclosures relating to dividend and foreign currency are not applicable to the company.

**26. Raw Material Consumption**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Value		
Imported	4,445	5,582
Indigenous	4,857	4,642
<b>Total</b>	<b>9,302</b>	<b>10,224</b>
%age		
Imported	48%	55%
Indigenous	52%	45%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**27 Related Party Disclosures****I. Controlling Companies****NIL****NIL****II. List of Related Parties**

Fibre Foils Limited	Related Party	Related Party
Sansha Systems Limited	Related Party	Related Party
Shetron Enterprise Private Limited	Related Party	Related Party
Shetron Metropak Private Limited	Related Party	Related Party
Bunts Properties Private Limited	Related Party	Related Party
Mr.D.S.Shetty	Key Managerial Personnel	Key Managerial Personnel
Mr.Kartik Nayak	Key Managerial Personnel	Key Managerial Personnel
Mr.Praveen Mally	Key Managerial Personnel	Key Managerial Personnel

**III. Transactions with related parties****₹ in Lakhs**

<b>Particulars</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
Sales	16	99
Labour Job	242	288
Purchases	135	42
Rent Paid	2	2
Unsecured Loan received	-	50
Shared Services received	7	7
Payment to Key Management Personnel	182	71
<b>Status of outstanding Balances</b>		
Amount Receivable	452	1,074
Amount Payable	431	639

**28. Disclosure Relating to Demonetisation****₹ in Lakhs**

<b>PARTICULARS</b>	<b>Specified Bank Notes</b>	<b>Other Denomination Notes</b>	<b>Total</b>
<b>Closing Balance of Cash in hand as on 8-11-2016</b>	13.81	0.68	14.49
Add: Permitted Receipts	-	11.68	11.68
Less: Permitted Payments	-	9.48	9.48
Amount Deposited in Banks	13.81	-	13.81
<b>Closing Cash in hand as on 31-12-16</b>	-	2.88	2.88




**Segment Disclosure:**

The primary Segment based on the business segment. The secondary segment is based on the geographical location of the customers.

**a Primary Segment Information:**

The company's line of business is "Metal Packaging" which constitutes a segment in itself. Hence no separate disclosure is reported Secondary segment information

Geographical Segment	₹ in Lakhs	
	31.03.2017	31.03.2016
India	13925	14820
Asia	1208	797
America	43	18
Africa	891	1469
<b>Total</b>	<b>16067</b>	<b>17104</b>

Figures for the previous year have been regrouped wherever necessary to confirm to the classification for the current year.

**Significant Accounting Policies:**
**1. Basis for preparation of financial statements**

The financial statements are prepared in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards specified by the Institute of Chartered Accountants of India under Section 211(3C) of the Companies Act.

**2. Method of Accounting**

The company is following accrual basis of accounting.

**3. Fixed Assets & Depreciation**

Fixed Assets are stated at cost inclusive of finance charges on borrowed funds attributable to acquisition of Fixed Assets for the period up to the date of commencement of commercial production. Assets acquired under Hire Purchase Scheme are capitalized with the value of assets and finance charges are accounted as and when paid.

Depreciation on fixed assets are charged on straight line method at rates specified in the Companies Act 2013.

**4. Borrowing Cost**

Borrowing cost incurred for the acquisition of qualifying assets are recognized as part of cost of such assets when it is probable that they will result in future economic benefits to the company, while other borrowing cost are expensed.

**5. Investments**

Investments are stated at cost and are long term in nature. Diminution in the value of investments are provided for, if, such diminution is permanent.

**6. Inventories**

Inventories are valued as follows:

- |                      |  |
|----------------------|--|
| a. Stores and Spares | at cost on FIFO method of valuation              |
| b. Raw Materials     | at cost on FIFO method of valuation              |
| c. Work in progress  | at cost*   |
| d. Finished Goods    | at cost*/ net realisable value whichever is less |

\*Cost includes material, direct labour and other applicable overheads and excise duty in respect of Finished goods.

**7. Transactions in Foreign Currency**

Transactions in Foreign Currency are stated at rates prevailing on the transaction date. Monetary items like receivables/ payables in foreign currencies are stated at exchange rates prevailing as at the Balance Sheet date and the gain/loss arising there from are charged to the Profit & Loss account.

**8. Deferred Revenue Expenditure**

Debenture issue/Pre-operative expenses are amortised over a period of 5 years.

**9. Income**

- a. Sale of Goods: Sale of Finished goods are net of returns and price variation, if any.
- b. Sale of Scrap: The scrap is accounted in the books on the basis of actual sales. The unsold scrap is Not valued.

**10. Retirement Benefits HR**

Liability towards Gratuity to employees is funded through a scheme administered by Life Insurance Corporation of India and the contributions made to the fund are absorbed in the accounts. The contributions to the Provident fund and other defined contributions schemes are absorbed in the accounts. Liability towards Leave salary benefits is determined on the basis of actual cos of the Company.

**AS-15(Revised 2005) for year ended 31/03/2017****SHETRON LIMITED EMPLOYEES GRATUITY FUND TRUST**

1. Assumption	As On	
	31/03/2016	31/03/2017
Discount Rate	8%	8%
Salary Escalation	7%	7%

**2. Table Showing changes in present value of obligation as on 31/03/2017**

		Amount in ₹
Present value of obligations as at beginning of year		8772302
Interest cost		701784
C u r r e n t	S e r v i c e	C o s t
634489		
Benefits Paid		(281086)
Actuarial (gain)/ loss on obligations		342899
Present value of obligations as at end of year		10170388

**3. Table showing changes in the fair value of plan assets As on 31/03/2017**

		Amount in ₹
Fair value of plan assets at beginning of year		2533773
Expected return on plan assets		231131
Contributions		679545
Benefits Paid		(281086)
Actuarial gain/(loss) on Plan assets		NIL

**4. Table showing fair value of plan assets**

Amount in ₹

Fair value of plan assets at beginning of year	2533773
Actual return on plan assets	231131
Contributions	679545
Benefits Paid	(281086)
Fair value of plan assets at the end of year	
3163363	
Funded	status
(7007025)	

**5. Actuarial Gain/Loss recognized As on 31/03/2017**

Amount in ₹

Actuarial (gain)/ loss on obligations	(342899)
Actuarial (gain)/ loss for the year - plan assets	NIL
Total (gain)/ loss for the year	(342899)
Actuarial (gain)/ loss recognized in the year	

**6. The amounts to be recognized in the balance sheet and statements of profit and loss**

Amount in ₹

Present value of obligations as at the end of year	10170388
Fair value of plan assets as at the end of the year	3163363
Funded status	(7007025)
Net asset/(liability) recognized in balance sheet	(7007025)

**7. Expenses Recognised in statement of Profit and loss**

Amount in ₹

Current Service cost	634489
Interest Cost	701784
Expected return on plan assets	(231132)
Net Actuarial (gain)/ loss recognized in the year	342899
Expenses recognised in statement of Profit and loss	1448041

**Note :** The above report is not certification under AS-15 revised 2005 read with Actuaries Act, 2006. It is simply a report generated to help companies for proper accounting of employee's liabilities.

**11. Provisions and Contingencies**

A provision is recognised when the Company has a present legal or constructive obligation as a past event and it is probable that an out flow of resources will be required to settle the obligation in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on estimate required to settle the obligation. Contingent liabilities are not recognised but are disclosed in the notes to financial statements.

Signatures to notes of accounts  
**For PAL & SHANBHOGUE**  
Chartered Accountants  
FRN 002528S

**DIWAKAR S SHETTY**  
Executive Chairman

**KARTIK NAYAK**  
Jt. Managing Director

**PRAVEEN MALLY**  
Jt. Managing Director

**K.R. SHANBHOGUE**  
Partner MN 018578

Place : Bangalore  
Date : 30<sup>th</sup> May, 2017



### CASH FLOW STATEMENT FOR YEAR ENDED 31.03.2017

Particulars	As at 31 <sup>st</sup> Mar 17 ₹ in Lakhs		As at 31 <sup>st</sup> Mar 16 ₹ in Lakhs	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:-</b>				
<b>NET LOSS / PROFIT BEFORE TAX .</b>	<b>249</b>		225	
Adjustments for:				
Depreciation	753		751	
Interest	1,375		1,632	
<b>Operating Profit before Working Capital changes</b>	<b>2,377</b>		<b>2,608</b>	
Adjustments for:				
Trade and Other receivables	(398)		610	
Inventories	(274)		113	
Current Liabilities	860		(200)	
Loans and Advances	496		286	
<b>Cash Generated from Operations</b>	<b>3,060</b>		<b>3,417</b>	
Interest Paid	(1,375)		(1,632)	
Direct Taxes Paid	(48)		(45)	
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>1,637</b>		<b>1,740</b>	
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>1,637</b>		1,740
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:-</b>				
Purchase of Fixed Assets (including Capital Advances)	(356)		(116)	
Sale of Fixed Assets	6		(0)	
Purchase of Investments	(6)		(285)	
		<b>(356)</b>		(401)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:-</b>				
Change in Long Term Borrowings	(1,128)		(1,053)	
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(1,128)</b>		(1,053)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>153</b>		286
CASH AND CASH EQUIVALENTS AS AT (CLOSING BALANCE)	<b>1,100</b>		947	
CASH AND CASH EQUIVALENTS AS AT (OPENING BALANCE)	<b>947</b>	<b>153</b>	661	286

As per our report of even date  
**For PAL & SHANBHOGUE**  
Chartered Accountants  
(FRN 002528S)

Place : Bangalore      **DIWAKAR S SHETTY**      **KARTIK NAYAK**      **PRAVEEN MALLY**      **K.R.SHANBHOGUE**  
Date : 30<sup>th</sup> May, 2017      Executive Chairman      Jt. Managing Director      Jt. Managing Director      Partner MN 018578



## CONSOLIDATED INDEPENDENT AUDITORS' REPORT

**To the members of  
Shetron Limited, Bangalore**

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Shetron Limited ("the Company") which comprise the Balance Sheet as at 31 March, 2017 and the Statement of Profit and Loss and Cash flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its profits for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1.As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143 (3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) With respect to adequacy of internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer 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, 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, if any, on its financial position in its financial statements -;
- ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
- iii. There has been no delay in transferring amounts, if any, required to be transferred, to the Investor Education and Protection Fund by the Company
- iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the company.

For Pal and Shanbhogue  
Chartered Accountants  
FRN 002528S

**Place : Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**K.R.SHANBHOGUE**  
Partner  
(Membership No. 018578)



## Annexure to Independent Auditors' Report on Consolidated Financial Statements of Shetron Limited

- (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 all fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. All title deeds relating to immovable properties of the Company are held in the name of the Company.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures for the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act during the year under review.
- (iv) The company has not granted any loans or provided guarantees, and security for which section 185 and 186 of the Companies Act, 2013 are applicable during the year under review. The investments made during the year were in compliance of Section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (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, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax 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, Employees' State Insurance, Income-tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax and other material statutory dues were in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Wealth tax, Sales tax, Value added tax, Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute except the following:-

Name of Statute	Nature of Dues	Amount ₹ Lakhs	Period to which it relates	Forum where pending
Customs Act	Customs Duty	33.00	2016-17	Commissioner of Customs (Appeals) Bangalore.



- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers or financial institutions or Government. The Company did not have any outstanding to debenture holders during the year.
- (xi) The Company has not raised moneys by way of further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, term loans raised have been applied by the company for the purpose for which they were obtained.
- (x) According to the information and explanations given to us, no instances of material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) The company had paid/provided managerial remuneration with requisite approvals, if any, under Section 197 read with Schedule V of the Companies Act 2013.
- (xii) The Company is not a Nidhi company and hence the provisions of Clause (xii) of CARO 2016 are not applicable.
- (xiii) All transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act 2013 wherever applicable and the details of all those transactions have been disclosed in Financial Statements and other documents as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Pal and Shanbhogue  
Chartered Accountants  
FRN 002528S

**Place: Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**K.R.SHANBHOGUE**  
Partner  
(Membership No. 018578)





## **Annexure - B to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Shetron Limited 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 Shetron Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the consolidated 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated 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 March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute.

For Pal and Shanbhogue  
Chartered Accountants  
FRN 002528S

**Place: Bangalore**  
**Date : 30<sup>th</sup> May, 2017**

**K.R.SHANBHOGUE**  
Partner  
(Membership No. 018578)



## Consolidated Balance Sheet as at 31<sup>st</sup> March 2017

Particulars	Note No.	As at 31 <sup>st</sup> Mar 2017 ₹ in Lakhs	As at 31 <sup>st</sup> Mar 2016 ₹ in Lakhs
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	900	900
(b) Reserves and surplus	2	3,491	3,335
<b>TOTAL</b>		<b>4,391</b>	<b>4,235</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	3	4,020	5,148
(b) Deferred tax liabilities (net)	4	579	549
		<b>4,599</b>	<b>5,697</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	5	3,330	3,528
(b) Trade payables	6	3,078	2,460
(c) Other current liabilities	7	1,619	1,291
(d) Short-term provisions	8	239	188
Minority Interest		-	2
		<b>8,266</b>	<b>7,469</b>
<b>TOTAL</b>		<b>17,256</b>	<b>17,401</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	5,940	6,465
(ii) Intangible assets (Goodwill on Consolidation)		203	207
(iii) Capital work-in-progress		351	306
		<b>6,494</b>	<b>6,978</b>
(b) Non-current investments	10	11	6
(c) Long-term loans and advances	11	852	1,369
(d) Other non-current assets	12	634	634
		<b>7,991</b>	<b>8,987</b>
<b>2 Current assets</b>			
(a) Inventories	13	3,548	3,296
(b) Trade receivables	14	2,888	2,297
(c) Cash and cash equivalents	15	1,102	951
(d) Short-term loans and advances	16	1,585	1,734
(e) Other Current assets	17	142	136
		<b>9,265</b>	<b>8,414</b>
See accompanying notes forming part of the financial statements			
<b>TOTAL</b>		<b>17,256</b>	<b>17,401</b>

In terms of our report attached.  
For and on behalf of the Board of Directors

As per our report of even date  
**For PAL & SHANBHOGUE**  
Chartered Accountants  
(FRN 002528S)

Place : Bangalore    **DIWAKAR S SHETTY**    **KARTIK NAYAK**    **PRAVEEN MALLY**    **K.R.SHANBHOGUE**  
Date : 30<sup>th</sup> May, 2017    Executive Chairman    Jt. Managing Director    Jt. Managing Director    Partner MN 018578


**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

Particulars	Note No.	For the year ended 31 <sup>st</sup> Mar 2017 ₹ in Lakhs	For the year ended 31 <sup>st</sup> Mar 2016 ₹ in Lakhs
<b>A CONTINUING OPERATIONS</b>			
Sales (Gross)		16,067	17,104
1 Less: Excise duty		1,193	1,325
Sales (Net)		14,874	15,779
2 Other income	18	64	57
3 Total revenue (1+2)		14,938	15,836
4 Expenses			
(a) Cost of materials consumed	19	9,743	10,608
(b) Changes in inventories of finished goods and work-in-progress		(86)	11
(c) Employee benefits expense	20	1,344	1,138
(d) Finance costs	21	1,377	1,652
(e) Depreciation and amortisation expense		830	828
(f) Other expenses	22	1,496	1,322
Total expenses		14,704	15,559
5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		234	277
6 Exceptional items		-	-
7 Profit / (Loss) before extraordinary items and tax (5 + 6)		234	277
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7 + 8)		234	277
10 Tax expense:			
(a) Current tax expense for current year		48	45
(b) Deferred tax		30	30
		78	75
11 Profit / (Loss) from continuing operations (9 +10)		156	202
Share of Minority Interest		-	-
Profit / (Loss) for the Year Before Minority Interest		156	202
Less: Pre acquisition Profit and Minority Interest		-	6
Profit / (Loss) for the Year		156	196
12 Earnings per share			
No of Equity Share with face value of Rs.10 each		8,999,800	8,999,800
Basic and Diluted Earnings per share Rs.		1.73	2.18
See accompanying notes forming part of the financial statements			

In terms of our report attached.  
For and on behalf of the Board of Directors

As per our report of even date  
**For PAL & SHANBHOGUE**  
Chartered Accountants  
(FRN 002528S)

Place : Bangalore      **DIWAKAR S SHETTY**      **KARTIK NAYAK**      **PRAVEEN MALLY**      **K.R.SHANBHOGUE**  
Date : 30<sup>th</sup> May, 2017      Executive Chairman      Jt. Managing Director      Jt. Managing Director      Partner MN 018578



## CONSOLIDATED NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017

### 1. Share Capital:

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
<b>Authorised Capital</b> 2,50,00,000 Equity shares of Rs.10/- each	<b>2,500</b>	2,500
<b>Issued, Subscribed and Paid up Share Capital</b>		
90,03,300 Equity shares of Rs.10/- in each fully paid	<b>900</b>	900
Less: Forfeited Shares	<b>(0.35)</b>	(0.35)
<b>Total</b>	<b>900</b>	<b>900</b>

There is no class of shares other than the equity shares. There is no change in the outstanding shares at the beginning or at the end of the period. The Company is a holding company of M/s.Shetron Metropak Private Limited. The other disclosure requirements of Schedule III of the Companies Act 2013 regarding share capital are not applicable to the company. The following shareholders hold more than 5% of value of shares.

No. of Shares and %age

Name of the Shareholder	31.03.2017		31.03.2016	
	No.	%	No.	%
Shetron Enterprises Private Limited	<b>17,13,617</b>	<b>19.03%</b>	16,97,717	18.86%
Konjal Machines Private Limited	<b>8,58,055</b>	<b>9.53%</b>	8,58,055	9.53%
Bunts Properties Private Limited	<b>8,48,857</b>	<b>9.43%</b>	8,48,857	9.43%
Mr. Diwakar S Shetty	<b>4,75,620</b>	<b>5.28%</b>	3,84,242	4.27%

### 2 Reserves and Surplus

There is no change in any of amount of reserves outstanding at the beginning and at the end of the year except in Profit and Loss Account.

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Capital Reserve	<b>15</b>	15
Share Premium	<b>2,111</b>	2,111
General Reserves	<b>205</b>	205
Contingency Reserve	<b>600</b>	600
<b>Profit and Loss Account</b>		
Opening Balance	<b>404</b>	207
Add; Profit (Loss) for the year	<b>156</b>	197
Closing Balance	<b>560</b>	404
<b>TOTAL</b>	<b>3,491</b>	3,335

**3. Long Term Borrowings**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Deffered Sales Tax	49	66
Loan From Related Party	923	923
Term Loan from Cosmos Co-operative Bank Limited/ Institutions*	4,276	5,209
Car Loan	141	21
	<b>5,389</b>	6,219
<b>Less: Maturities within one year</b>	<b>1,369</b>	1,071
<b>Total</b>	<b>4,020</b>	5,148

- Term Loans from Banks are guaranteed by two promoter directors and one of their relatives
- Deferred Sales tax is payable over period of 15 years. Loan from related parties are not subjected to any repayment terms. Term Loans are repayable over a period of 7 years from the date of disbursement. Car Loan is payable over a period of five years from the date of disbursement.
- Term Loans from Cosmos Cooperative Bank Limited are secured by first charge by way of equitable mortgage on the company's immovable property situated at Bangalore and first charge on the Plant and Machinery of the company.  
\* includes term loan from financial institution for subsidiary Rs.170 Lakhs (P.Y. Rs.268 Lakhs) secured by first charge on fixed assets of subsidiary and corporate guarantee of Shetron Limited.
- Car Loan is secured by hypothecation of vehicles acquired under the scheme.

**4. Deferred Tax**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
<b>a Depreciation Difference between Books and Income Tax</b>		
Opening Balance	820	865
Provision for the year	(50)	(45)
<b>Closing Balance</b>	<b>770</b>	820
<b>b Unabsorbed Depreciation and Losses</b>		
Opening Balance	(271)	(346)
Provision for the year	80	75
<b>Closing Balance</b>	<b>(191)</b>	(271)
<b>c Aggregate of a and b above</b>		
Opening Balance	549	519
Provision for the year	30	30
<b>Closing Balance</b>	<b>579</b>	549



### 5. Short Term Borrowings

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Demand Loan from Banks	2,688	2,834
Bill Discounting with Can Bank Factors	642	694
<b>Closing Balance</b>	<b>3,330</b>	<b>3,528</b>

The Short Term Borrowings are under consortium banking arrangement with Bank of India, State Bank of India and Cosmos Co-operative Bank Limited. The limits are secured by first pari-passu charge on hypothecation of stocks, Book Debts and other current assets of the company and exclusive first charge on company's immovable property situated at Asangaon, Maharashtra ( applicable to SBI and BOI) and second pari-pasu charge on the fixed assets of the company ( including second charge by way of equitable mortgage of the immovable properties in Bangalore). Short term borrowings are guaranteed by three promoter directors and bill discounting with Canbank Factors are secured by Sales Invoices and guaranteed by Directors.

### 6 Trade Payables

Trade Payables include a sum of Rs. 54.80 Lakhs (P.Y. Rs.50.50 Lakhs) due to SMEs to the extent such parties have been identified from available information. There is no interest payable to SMEs. Other information relating to SMEs are not applicable to the company. Trade payables are subject to confirmation from parties.

### 7. Other Current Liabilities

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Deposits Payable	6	5
Service Tax Payable	3	-
ESI Payable	4	4
Interest Accrued but not Due	42	60
LIP,PT, Service Tax Payable	1	1
PF Payable	10	9
TDS Payable	16	13
Expenses Payable	168	128
Term Loan Maturities within one Year	1,369	1,071
<b>Total</b>	<b>1,619</b>	<b>1,291</b>

### 8. Short Term Provisions

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Provision for Employee Benefits	120	117
Provision for Taxation	115	67
Provision for excise duty on FG	4	4
<b>Total</b>	<b>239</b>	<b>188</b>



## 9) FIXED ASSETS ( AT COST) (Consolidated)

₹ in Lakhs

Particulars	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK	
	As on 01.04.16	ADDITION	Deletions	As on 31.03.17	For the year	Deletions	As on 31.03.17	As on 31.03.16
Leasehold Land & Development	81	-	-	81	-	-	81	81
Buildings	2,266	-	-	2,266	70	-	1,190	1,260
Plant & Machinery	13,979	135	20	14,094	725	20	9,648	5,036
Furniture, Fixture & Equipments	228	5	-	233	13	-	30	38
Vehicles*	143	171	30	284	22	24	193	50
<b>TOTAL</b>	<b>16,697</b>	<b>311</b>	<b>50</b>	<b>16,958</b>	<b>830</b>	<b>44</b>	<b>11,018</b>	<b>6,465</b>



**10. Non-Current Investments**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
* Other Shares (unquoted)	11	6
<b>Total</b>	<b>11</b>	<b>6</b>

\* 20,000 equity shares of M/s Kalyan Janatha Sahakari Bank of Rs.25/- each and 6000 equity shares of M/s.Cosmos Co-operative Bank Limited of Rs.100 each.

**11. Long Term Loans and Advances**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Advances for value to be received	852	1,369
<b>Total</b>	<b>852</b>	<b>1,369</b>

Advances are unsecured. Advances includes advances to related parties Rs.Nil Lakhs. (P.Y.Rs.250 Lakhs) and others which in the opinion of the management will realise the values stated in the Balance Sheet In the Long Term. However, the company as a prudent measure, has created a contingency reserve to the extent of Rs.600 Lakhs (both for Long term advances and Other Non Current assets put together) for any possible erosion in values. Advances are subject to confirmation from parties.

**12. Other Non Current Assets**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Trade Receivables	634	634
<b>Total</b>	<b>634</b>	<b>634</b>

Trade Receivables are unsecured but considered good. Trade receivables are subject to confirmation from parties. In the opinion of the management the company will realise values stated in the Balace Sheet in the long term.

**13. Inventories (As taken,certified and valued by management)**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Finished Goods	27	30
Raw Material	2,542	2,302
Stores and Spares	241	332
Work in Progress	738	632
<b>Total</b>	<b>3,548</b>	<b>3,296</b>

**Inventories are valued as follows:-**

- |                      |  |
|----------------------|--|
| a. Stores and Spares | at Cost on FIFO method of valuation              |
| b. Raw Materials     | at Cost on FIFO method of valuation              |
| c. Work in Progress  | at Cost*   |
| d. Finished Goods    | at Cost*/ net realisable value whichever is less |

\* Cost includes direct labour, applicable overheads and excise duty in case of finished goods.

**14. Trade Receivables**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Outstanding for a period exceeding six months	-	-
Other Debts	2,888	2,297
<b>Total</b>	<b>2,888</b>	<b>2,297</b>

Trade receivables are unsecured and considered good and subject to confirmation from parties.

**15. Cash and Cash Equivalents**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Bank Balances	633	536
Cash On Hand	-	2
Margin Money Deposit with Bank	436	378
Fixed Deposit with Bank	33	35
<b>Total</b>	<b>1,102</b>	<b>951</b>

**16. Short Term Loans and Advances (Unsecured and considered good)**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Advance Custom Duty	30	4
Advance for Goods*	738	799
Advance Income Tax	162	114
Cenvat Recoverable	348	428
Advance to Employees	8	5
VAT Recoverable	299	384
<b>Total</b>	<b>1,585</b>	<b>1,734</b>

\*Advance for goods are subject to confirmation from parties.

**17. Other Current Assets**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Deposits	93	81
Interest Receivable	8	9
Prepaid Expenses	41	46
<b>Total</b>	<b>142</b>	<b>136</b>

**18. Other Income**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Dividend	1	1
Export Incentive	10	10
Interest Received	33	38
Miscellaneous Income	16	8
Profit on Sale of Assets	4	-
<b>Total</b>	<b>64</b>	<b>57</b>

**19. Cost of Material Consumed**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Exchange Flucutation	(91)	96
Power and Fuel	454	470
Raw Materials*	9,274	9,911
Carrage Inward	106	131
<b>Total</b>	<b>9,743</b>	<b>10,608</b>

\*Raw material consumed are classified under the broad head " Tin Plates, Inks and Sizing Materials

**20. Employees Benefit Expenses**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
PF and Other Funds	102	86
Salaries and Wages	1,192	1,008
Staff Welfare Expenses	50	44
<b>Total</b>	<b>1,344</b>	<b>1,138</b>

**21. Finance Cost**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Interest	1,091	1,324
Other Finance Cost	286	328
<b>Total</b>	<b>1,377</b>	<b>1,652</b>

**22. Other Expenses**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Administrative Expenses	405	367
Business Promotion	10	14
Commission Paid	50	47
Discount/Rebate	35	7
Insurance	20	11
Job Charges	72	88
Loss on Sale of Fixed Assets	2	-
Other Expenses	19	8
Packing & Forwarding	560	526
Rates and Taxes	164	41
Rent	14	12
Repairs Buildings	6	77
Repairs Machinery	129	106
Repairs Others	10	18
<b>Total</b>	<b>1,496</b>	<b>1,322</b>

Administrative Expenses includes audit Fees for Statutory Auditors of Rs. 12.20 Lakhs ( PY Rs. 12.85 Lakhs)

**23. Contingent Liabilities (not provided for in the accounts)**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Guarantees for Customs Duty	450	450
Export Obligations under EPCG scheme	278	139
Disputed Income Tax	-	49
Sales Tax	-	25
Customs Demand	-	33

**24. LC Obligations**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Letters of Credit and guarantee established and bills discounted under LC and others	3,826	3,476

**25. Value of Imports (CIF)/Exports (FOB)**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
Raw Materials	4,099	4,767
Components and Spare Parts	231	292
FOB Value of exports	1,785	2,164
Expenditure in Foreign Currency	20	17

Other disclosures relating to dividend and foreign currency are not applicable to the company.

**26. Raw Material Consumption**

₹ in Lakhs

Particulars	31.03.2017	31.03.2016
<b>Value</b>		
Imported	4,475	5,582
Indigenous	4,708	4,425
<b>Total</b>	<b>9,183</b>	<b>10,007</b>
<b>%age</b>		
Imported	49%	56%
Indigenous	51%	44%
<b>Total</b>	<b>100%</b>	<b>100%</b>


**27 Related Party Disclosures**
**I. Controlling Companies**
**NIL**
**II. List of Related Parties**

Fibre Foils Limited	Related Party
Sansha Systems Limited	Related Party
Shetron Enterprise Private Limited	Related Party
Shetron Metropak Private Limited	Related Party
Bunts Properties Private Limited	Related Party
Mr.D.S.Shetty	Key Managerial Personnel
Mr.Kartik Nayak	Key Managerial Personnel
Mr. Praveen Mally	Key Managerial Personnel

**III. Transactions with related parties**
**₹ in Lakhs**

Particulars	31.03.2017	31.03.2016
Sales	16	99
Purchases	60	42
Rent Paid	135	2
Unsecured Loan received	2	50
Payment to Key Management Personnel	182	71
<b>Status of outstanding Balances</b>		
Amount Receivable	78	481
Amount Payable	431	639

**28. Disclosure Relating to Demonetisation**
**₹ in Lakhs**

PARTICULARS	Specified Bank Notes	Other Denomination Notes	Total
<b>Closing Balance of Cash in hand as on 8-11-2016</b>	13.81	0.68	14.49
Add: Permitted Receipts	-	11.68	11.68
Less: Permitted Payments	-	9.48	9.48
Amount Deposited in Banks	13.81	-	13.81
<b>Closing Cash In hand as on 31-12-16</b>	-	<b>2.88</b>	<b>2.88</b>

**Segment Disclosure:**

The primary Segment based on the business segment. The secondary segment is based on the geographical location of the customers.

**a Primary Segment Information:**

The company's line of business is "Metal Packaging" which constitutes a segment in itself. Hence no separate disclosure is reported Secondary segment information.

₹ in Lakhs

Geographical Segment	31.03.2017	31.03.2016
India	13925	14820
Asia	1208	797
America	43	18
Africa	891	1469
<b>Total</b>	<b>16067</b>	<b>17104</b>

Figures for the previous year have been regrouped wherever necessary to confirm to the classification for the current year.

**Significant Accounting Policies:****1. Basis for preparation of financial statements**

The financial statements are prepared in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards specified by the Institute of Chartered Accountants of India under Section 211(3C) of the Companies Act.

**2. Method of Accounting**

The company is following accrual basis of accounting.

**3. Fixed Assets & Depreciation**

Fixed Assets are stated at cost inclusive of finance charges on borrowed funds attributable to acquisition of Fixed Assets for the period up to the date of commencement of commercial production. Assets acquired under Hire Purchase Scheme are capitalized with the value of assets and finance charges are accounted as and when paid.

Depreciation on fixed assets are charged on straight line method at rates specified in the Companies Act 2013.

**4. Borrowing Cost**

Borrowing cost incurred for the acquisition of qualifying assets are recognized as part of cost of such assets when it is probable that they will result in future economic benefits to the company, while other borrowing cost are expensed.

**5. Investments**

Investments are stated at cost and are long term in nature. Diminution in the value of investments are provided for, if, such diminution is permanent.

**6. Inventories**

**Inventories are valued as follows:**

- |                      |  |
|----------------------|--|
| a. Stores and Spares | at cost on FIFO method of valuation              |
| b. Raw Materials     | at cost on FIFO method of valuation              |
| c. Work in progress  | at cost*   |
| d. Finished Goods    | at cost*/ net realisable value whichever is less |

\*Cost includes material, direct labour and other applicable overheads and excise duty in respect of Finished goods.

**7. Transactions in Foreign Currency**

Transactions in Foreign Currency are stated at rates prevailing on the transaction date. Monetary items like receivables/ payables in foreign currencies are stated at exchange rates prevailing as at the Balance Sheet date and the gain/loss arising there from are charged to the Profit & Loss account.



**4. Table showing fair value of plan assets**

Amount in ₹

Fair value of plan assets at beginning of year	2533773
Actual return on plan assets	231131
Contributions	679545
Benefits Paid	(281086)
Fair value of plan assets at the end of year	
3163363	
Funded	status
(7007025)	

**5. Actuarial Gain/Loss recognized as on 31/03/2017**

Amount in ₹

Actuarial (gain)/ loss on obligations	(342899)
Actuarial (gain)/ loss for the year - plan assets	NIL
Total (gain)/ loss for the year	(342899)
Actuarial (gain) / loss recognized in the year	

**6. The amounts to be recognized in the balance sheet and statements of profit and loss**

Amount in ₹

Present value of obligations as at the end of year	10170388
Fair value of plan assets as at the end of the year	3163363
Funded status	(7007025)
Net asset/(liability) recognized in balance sheet	(7007025)

**7. Expenses Recognised in statement of Profit and loss**

Amount in ₹

Current Service cost	634489
Interest Cost	701784
Expected return on plan assets	(231132)
Net Actuarial (gain)/ loss recognized in the year	342899
Expenses recognised in statement of Profit and loss	1448041

**Note:** The above report is not certification under AS-15 revised 2005 read with Actuaries Act, 2006. It is simply a report generated to help companies for proper accounting of employee's liabilities.

**11. Provisions and Contingencies**

A provision is recognised when the Company has a present legal or constructive obligation as a past event and it is probable that an out flow of resources will be required to settle the obligation in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on estimate required to settle the obligation. Contingent liabilities are not recognised but are disclosed in the notes to financial statements.

Signatures to notes of accounts  
**For PAL & SHANBHOUE**  
Chartered Accountants  
FRN 002528S

**DIWAKAR S SHETTY**  
Executive Chairman

**KARTIK NAYAK**  
Jt. Managing Director

**PRAVEEN MALLY**  
Jt. Managing Director

**K.R. SHANBHOUE**  
Partner MN 018578

Place : Bangalore  
Date : 30<sup>th</sup> May, 2017





## CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED 31.03.2017

Particulars	As at 31 <sup>st</sup> Mar 2017 ₹ in Lakhs		As at 31 <sup>st</sup> Mar 2016 ₹ in Lakhs	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:-</b>				
<b>NET LOSS / PROFIT BEFORE TAX .</b>	<b>234</b>		272	
Adjustments for:				
Depreciation	<b>830</b>		828	
Interest	<b>1,377</b>		1,652	
(Profit)/Loss on sale of Fixed Assets	<b>(2)</b>		-	
<b>Operating Profit before Working Capital changes</b>	<b>2,439</b>		<b>2,752</b>	
Adjustments for:				
Trade and Other receivables	<b>(591)</b>		570	
Inventories	<b>(252)</b>		92	
Trade and other Payables/Short Term borrowings	<b>797</b>		(431)	
Loans and Advances and other current assets	<b>660</b>		392	
<b>Cash Generated from Operations</b>	<b>3,053</b>		<b>3,375</b>	
Interest Paid	<b>(1,377)</b>		(1,652)	
Direct Taxes Paid and provisions	<b>(48)</b>		(45)	
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>1,628</b>		1,678	
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>1,628</b>		1,678
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:-</b>				
Purchase of Fixed Assets	<b>(307)</b>		(50)	
Capital Advances	<b>(45)</b>		(64)	
Sale of Fixed Assets	<b>8</b>		(166)	
Purchase of Investments	<b>(5)</b>		-	
		<b>(349)</b>		(280)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:-</b>				
Change in Long Term Borrowings	<b>(1,128)</b>		(1,113)	
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(1,128)</b>		(1,113)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>151</b>		285
CASH AND CASH EQUIVALENTS AS AT (CLOSING BALANCE)	<b>1,102</b>		951	
CASH AND CASH EQUIVALENTS AS AT (OPENING BALANCE)	<b>951</b>	<b>151</b>	666	285

As per our report of even date  
**For PAL & SHANBHOGUE**  
Chartered Accountants  
(FRN 002528S)

Place : Bangalore      **DIWAKAR S SHETTY**      **KARTIK NAYAK**      **PRAVEEN MALLY**      **K.R.SHANBHOGUE**  
Date : 30<sup>th</sup> May, 2017      Executive Chairman      Jt. Managing Director      Jt. Managing Director      Partner MN 018578

Dear Shareholder(s),

As per the new Companies Act, 2013 every Company is required to maintain its Register of Members in new format fully updated. In view of this new requirement, we request you to provide the details as sought below duly filled and signed to our Registrar & Share Transfer Agents:

**INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED**

No.30, Ramana Residency, 4th Cross, Sampige Road,  
Malleswaram, Bangalore-560 003

Important note: The shareholders holding shares in demat form are requested to update their details to their Depository Participant where they have opened their Demat Account.

Dear Sir/Madam,

I/We wish to furnish the following details for updating in the Company's Register of Members pursuant to Section 88 of the Companies Act, 2013 and Rule 3(1) of the Companies (Management & Administration) Rules, 2014.

Sl. No.	Particulars	Details
1	Folio Number	
2	Name of the Shareholder(s)	
3	Father's/Mother's/Spouse Name	
4	Occupation	
5	Nationality	
6	Address of the Shareholder(s) (Please enclose address proof - self attested copy of Passport/ Driving License/ Bank Pass Book / Telephone Bill / Bank Pass Book/ Aadhar Card)	
7	CIN (In case the shareholder is a Company)	
8	E-mail ID to which the documents/notices can be served electronically	
9	Whether you wish to received Annual Reports in hard copy via Speed post/ Registered Post/ Courier or soft copy via E-Mail	
10	PAN (If available) (Please enclose self attested copy)	
11	A. Bank Name	
	B. Full Address of the Bank	
	C. 9 digit account code number of the Bank & Branch appearing on the MICR cheque issued by the Bank. (Please attach the photocopy of a cheque or a blank cancelled cheque issued by your Bank for verifying the accuracy of the code number)	
	D. Account Type (SB/Current)	
	E. Bank Account Number	
	F. IFSC Code	

Place:

Date:

(Signature of the Shareholder)





**Form No. MGT-11 Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies(Management and Administration) Rules, 2014]

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

- Name : .....  
Address : .....  
E-mail Id: .....Signature : .....or failing him
- Name : .....  
Address : .....  
E-mail Id: .....Signature : .....or failing him
- Name : .....  
Address : .....  
E-mail Id: .....Signature : .....or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company, to be held on the Thursday, the 28<sup>th</sup> September, 2017 at 10:00 AM at Woodlands Hotel, No. 5, Rajaram Mohan Roy Road, Bengaluru 560 025 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolution	Special/ Ordinary	Optional
<b>Ordinary Business:</b>			
1	Adoption of Financial Statements for the year ended March 31, 2017	Ordinary	
2	Appointment of Mrs. Yashoda Diwakar Shetty (DIN: 00798116), who retires by rotation and offers herself for re-appointment	Ordinary	
3	Appointment of Statutory Auditors	Ordinary	
<b>Special Business:</b>			
4	Re-Appointment of Mr. Mohan Narayan Menon (DIN:02838483) as an Independent Director	Special	
5	Appointment of Dr. Narendra Maripady (DIN: 00536905) as an Independent Director	Ordinary	
6	Fixation of the remuneration of the Cost Auditors of the Company for the Financial year 2017-18	Ordinary	

Signed this.....day of.....2017

Signature of shareholder : .....

Signature of Proxy holder(s) : .....

Affix  
Revenue  
Stamp

**Note :**

- 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.
- It is optional to put a "X" in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or 'Against' column blank any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
- Please complete all details of Member(s) in the above box before submission.





**Form No. MGT-12**

**Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

**BALLOT PAPER**

37<sup>th</sup> Annual General Meeting on Thursday, 28<sup>th</sup> September, 2017 at 10.00 am

Sl. No	Particulars	Details
1	Name of the First Named Shareholder (In block letters)	
2	Postal address	
3	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	Equity

I/We hereby exercise my/our vote in respect of Ordinary/ Special resolution enumerated below by recording my/our assent or dissent to the said resolution in the following manner:

Sl No.	Item No.	No. of shares held by me	I assent to the Resolution	I dissent from the resolution
<b>Ordinary Business :</b>				
1	Adoption of Financial Statements for the year ended March 31, 2017			
2	Appointment of Mrs. Yashoda Diwakar Shetty (DIN: 00798116), who retires by rotation and offers herself for re-appointment			
3	Appointment of Statutory Auditors			
<b>Special Business:</b>				
4	Re-Appointment of Mr. Mohan Narayan Menon (DIN:02838483) as an Independent Director			
5	Appointment of Dr. Narendra Maripady (DIN: 00536905) as an Independent Director			
6	Fixation of the remuneration of the Cost Auditors of the Company for the Financial year 2017-18			

Place:

Date:

(Signature of the Shareholder/Proxy/Authorized Representative)



**INSTRUCTIONS :**

1. This ballot paper is for the members who have not voted through e-voting facility. A Member can opt for only one mode of voting i.e. either through e-voting or by ballot paper. If a Member casts votes in both the modes, then vote cast through e-voting shall prevail and Ballot paper shall be treated as invalid.
2. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholders as on the cut-off date i.e., 21<sup>st</sup> September, 2017.
3. The vote should be cast either in favour or against by putting tick (✓) mark in the column provided for assent or dissent. Ballot paper bearing tick marks in both the columns will be treated as invalid. Please do not use Pencil.
4. This form should be completed and signed by the Member/Proxy holder as per the specimen signatures registered with the Company/Depository. In case of joint holding, this form should be completed and signed by the first named member.
5. Any cutting/overwriting on this Ballot paper should be signed by the shareholder/Proxy holder.
6. There will be only one Ballot Form for every Folio/DP ID Client ID irrespective of the number of Joint Holders.
7. Unsigned, incomplete, improperly or incorrectly tick marked Ballot paper will be rejected.
8. To avoid fraudulent transactions, the identity/signature of the Members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of Members holding shares in physical form is verified as per the records of the Share Transfer Agent of the Company i.e. Integrated Registry Management Services Private Limited. Members are requested to keep the same updated.
9. Where the Ballot Form has been signed by an authorized representative of the body corporate/ trust/ society, etc. a certified copy of the relevant authorisation/board resolution to vote should accompany the Ballot Form.
10. The decision of Scrutinizer on the validity of the ballot paper and any other related matter shall be final.
11. The Scrutinizer will collate the votes downloaded from e-Voting system and votes cast through Ballot Paper to declare the final result for each of the resolutions enumerated above.
12. The results shall be declared after date of AGM of the Company. The results declared along with the Scrutinizer shall be placed on the Company's website: [www.shetrongroup.com](http://www.shetrongroup.com) and on the website of CDSL [www.evoting.csdsl.com](http://www.evoting.csdsl.com) within three (3) days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.



# SHETRON LIMITED

THE NAME BEHIND THE NAMES

CIN : L21014KA1980PLC003842

**Corporate Office :**

Plot A6, M.I.D.C, Road No. 5, Andheri (East)  
Mumbai - 400 093, INDIA  
+91 22 6139 9100 / 9199 / 2832 6228  
Fax : +91 22 2837 2145  
email : corporate@shetrongroup.com

**Registered Office :**

Plot No. 1, Bommasandra Industrial Area  
Hosur Road, Bangalore - 560 099, INDIA  
Telephone : +91 80 2783 2290 / 91 / 92  
Fax : +91 80 2783 2293  
email : investors@shetrongroup.com

website : [www.shetrongroup.com](http://www.shetrongroup.com)

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**AN ISO 9001 : 2008 CERTIFIED COMPANY**

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