



# Shetron Limited

THE NAME BEHIND THE NAMES

To,  
Department of Corporate Services (Listing)  
BSE Limited  
25th Floor,  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Fort Mumbai - 400 001

Date: 31<sup>st</sup> August ,2020

Dear Sirs,

**Sub: AGM Notice and submission of Annual Report for the Financial Year 2019-20**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Please find enclosed the copy of Annual Report of 40<sup>th</sup> Annual General Meeting of the Company to be held on **Wednesday 23<sup>rd</sup> September, 2020 at 11.30 a.m. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")** to transact the business as set out in the Notice of the AGM dated 10<sup>th</sup> August 2020.

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

  
Jagruti Mursenia  
Company Secretary  
Membership No.: A35339



• Factory & Regd. Off : Plot No.1, Bommasandra Industrial Area, Hosur Road, Bangalore-560 099, INDIA. • Tel : +91-80-49064300 • Fax : +91-80-27832293  
• E-mail : [roblr@shetrongroup.com](mailto:roblr@shetrongroup.com), • Website : [www.shetrongroup.com](http://www.shetrongroup.com),  
CIN: L21014KA1980PLC003842



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[www.tuv.com](http://www.tuv.com)  
ID 9105016400



40<sup>th</sup>  
ANNUAL REPORT  
2019-20

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**SHETRON  
LIMITED**





## SHETRON LIMITED

### BOARD OF DIRECTORS

|   |                               |                       |
|---|-------------------------------|-----------------------|
| : | Mr. Divakar S. Shetty         | Executive Chairman    |
| : | Mr. Kartik Nayak              | Jt. Managing Director |
| : | Mr. Praveen Mally             | Jt. Managing Director |
| : | Mr. B.S. Patil                | Independent Director  |
| : | Dr. P P Shastri               | Independent Director  |
| : | Mr. Mohan Narayan Menon       | Independent Director  |
| : | Dr. Jyoti Gopalkrishna Baliga | Independent Director  |

### KEY MANAGERIAL PERSONNEL

|   |                       |                                          |
|---|-----------------------|------------------------------------------|
| : | Mr. Vilas Dingre      | Chief Financial Officer                  |
| : | Mrs. Jagruti Mursenia | Company Secretary and Compliance Officer |

### SHARES OF THE COMPANY ARE LISTED AT

|   |                                                                             |
|---|-----------------------------------------------------------------------------|
| : | BSE LIMITED<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai - 400 001 |
|---|-----------------------------------------------------------------------------|

### STATUTORY AUDITORS

|   |                                                                                                                         |
|---|-------------------------------------------------------------------------------------------------------------------------|
| : | MESSRS NARESH AND CO.<br>Chartered Accountants<br>#23, Amarjyothi Layout, Sanjay Nagar Main Road<br>Bengaluru - 560 094 |
|---|-------------------------------------------------------------------------------------------------------------------------|

### SECRETARIAL AUDITOR

|   |                                                                                                                                                               |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| : | MR. VIJAYAKRISHNA K T<br>Practising Company Secretary<br># 496/4, II Floor, 10 <sup>th</sup> Cross, Near Bashyam Circle,<br>Sadashivnagar, Bengaluru- 560 080 |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------|

### BANKERS

|   |                                                                          |
|---|--------------------------------------------------------------------------|
| : | Cosmos Co-operative Bank Limited<br>State Bank of India<br>Bank of India |
|---|--------------------------------------------------------------------------|

### REGISTRAR AND TRANSFER AGENT

|   |                                                                                                                                                            |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| : | Integrated Registry Management Services Private Limited<br>No.30, Ramana Residency, 4 <sup>th</sup> Cross,<br>Sampige Road, Malleswaram, Bengaluru-560 003 |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------|

### REGISTERED OFFICE

|   |                                                                            |
|---|----------------------------------------------------------------------------|
| : | Plot No.1, Bommasandra Industrial Area,<br>Hosur Road, Bengaluru - 560 099 |
|---|----------------------------------------------------------------------------|

### FACTORIES

|   |                                                                                                 |
|---|-------------------------------------------------------------------------------------------------|
| : | i. Plot No.1, Bommasandra Industrial Area<br>Hosur Road, Bengaluru - 560 099                    |
|   | ii. Mumbai-Nasik Highway, Post Vasind,<br>Taluk Shahapur, Dist. Thane,<br>Maharashtra - 421 604 |



## 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, Government of India ("MCA") has, by its Circular dated 21<sup>st</sup> April, 2011 announced a "Green Initiative" in the Corporate Governance by allowing paperless compliance by companies. In terms of the said Circular, service of notice/documents by a Company to its Shareholders required to be made under the provisions of the Companies Act, 2013 can be made through the electronic mode.

In line with the above initiative of the MCA, the Company proposes to send documents such as the Notice of the Annual General Meeting, Audited Financial Statements, Board's Report, Auditors' Report, Postal Ballots etc., henceforth to all its esteemed shareholders, including your good self, in electronic form, through e-mail. Please note that these documents will also be available on the Company's **website : [www.shetrongroup.com](http://www.shetrongroup.com)**.

To facilitate the same, we request you to furnish your e-mail ID, quoting your folio number/DPID/Client ID to our Registrar and Share Transfer Agent at the following address:

**Integrated Registry Management Services Private Limited**

**No. 30, Ramana Residency 4th Cross,**

**Sampige Road Malleswaram,**

**Bangalore - 560 003**

**Phone :+91-80-23460815-18,**

**Fax :+91-80-23460819**

**E-mail : [irg@integratedindia.in](mailto:irg@integratedindia.in)**

Yours Faithfully

**For Shetron Limited**

**Kartik Nayak**

Joint Managing Director

DIN: 00477686



**SHETRON LIMITED**  
THE NAME BEHIND THE NAMES

## AGM NOTICE

Notice is hereby given that the **40<sup>th</sup> Annual General Meeting** of the Members of Shetron Limited will be held on Wednesday, the **23<sup>rd</sup> day of September, 2020** at **11:30 A.M.** IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1) **ADOPTION OF FINANCIAL STATEMENTS :**

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2020 together with the reports of the Board of Directors and of the Auditors thereon.

- 2) To appoint Mr. Kartik Manohar Nayak (DIN: 00477686), who retires by rotation as per the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for reappointment.

### SPECIAL BUSINESS :

3) **FIXATION OF THE REMUNERATION OF THE COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2020-21:**

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 to Messrs Bhat & Co, Proprietorship, Mr. Vishwanath Bhat, Proprietor (Membership No.: 22986) Cost Accountants, Cost Auditors of the Company for the Financial Year 2020-21.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all the acts, deeds and things which are necessary, in this regard."

Place : Bengaluru

Date : 10<sup>th</sup> August, 2020

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

**Jagruti Mursenia**  
Company Secretary  
M.No. ACS : 35339

**NOTES:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the General Meetings of the Companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at **www.shetrongroup.com**. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at **www.bseindia.com**. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. **www.evotingindia.com**.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. The Register of members and share transfer books of the Company will remain closed from Thursday, 17<sup>th</sup> September, 2020 to Wednesday, 23<sup>rd</sup> September, 2020 (both days inclusive) for the purpose of Annual General Meeting.
9. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
10. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares are held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode.
12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
13. In line with MCA Circulars, the Annual Report for the financial year 2019-20 along with Notice of 40<sup>th</sup> AGM of the Company *inter alia* indicating the process and manner of e-Voting are being sent only by electronic mode to those members whose email IDs are registered with the Company/Depository Participant(s) for communication.
14. The Shares of the Company are traded compulsorily in dematerialized form as per the directions of the Stock Exchange. Accordingly, members who have not opted for dematerialization of shares are once again reminded to take steps to dematerialize their holdings. Further, the members may note that as per SEBI (LODR) (Fourth Amendment) Regulations, 2018, with effect from April 1, 2019, except in case of transmission or transposition of securities, no transfer of securities shall be processed unless the securities are held in the dematerialized form.



Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so that they will be able to transfer them freely and participate in corporate actions.

15. Members holding the shares in physical form are requested to communicate the changes, if any, in their addresses, bank account details and other necessary details to the Company's Registrar and Share Transfer Agent, Integrated Registry Management Services Private Limited, 30, Ramana Residency, IV Cross, Sampige Road, Malleswaram, Bengaluru-560 003. Members holding the shares in dematerialized form are requested to communicate such changes to the concerned Depository Participant.
16. Members who are yet to register their e-mail address are requested to register the same with the Depository through their Depository Participants in respect of shares held in dematerialized form. Members holding the shares in physical form may register their e-mail address by writing to the Company's Registrar and Share Transfer Agent.
17. Brief resume and other information in respect of director seeking re-appointment at the annual general meeting as required under regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

**Process for those members whose email ids are not registered:**

- (i) For members holding shares in Physical mode - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company / RTA** email id : investor@shetrongroup.com / irg@integratedindia.in.
- (ii) Members holding shares in Demat mode- please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company / RTA email id investor@shetrongroup.com / irg@integratedindia.in.
- (iii) CDSL have already sent SMS to Shareholders, to register their Email id with the Company or with respective Depository Participant and reminder email has been circulated to shareholders who have earlier opted no to download e mail address to RTA.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on 20<sup>th</sup> September 2020 at 9:00 a.m. and ends on 22<sup>nd</sup> September 2020 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16<sup>th</sup> September 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID.
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

|                                                      | <b>For Shareholders holding shares in Demat Form and Physical Form</b>                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>PAN</b>                                           | <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>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul> |
| <b>Dividend Bank Details<br/>Date of Birth (DOB)</b> | <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 (v).</li> </ul>                      |





- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant **Shetron Limited** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at ([investor@shetrongroup.com](mailto:investor@shetrongroup.com)).
6. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at ([investor@shetrongroup.com](mailto:investor@shetrongroup.com)). These queries will be replied by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting on first come first serve basis.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.



2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- 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 linked in the login 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investor@shetrongroup.com](mailto:investor@shetrongroup.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same. 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) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

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

Place : Bengaluru  
Date : 10<sup>th</sup> August, 2020

**Jagruti Mursenia**  
Company Secretary  
M.No. ACS : 35339



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

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the businesses mentioned under Item No. 3:

**Item No. 3: Fixation of the Remuneration of the Cost Auditors of the Company for the Financial Year 2020-21**

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 has approved the appointment of Mr. Vishwanath Bhat, Proprietor, Messrs 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 2020-21, at a remuneration of Rs.75,000/- plus applicable taxes.

Mr. Vishwanath Bhat has furnished a certificate regarding his 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. 3 of the Notice for fixation of the remuneration payable to the Cost Auditors for the Financial Year 2020-21.

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.3 of the accompanying Notice.

The Board recommends the resolution at Item No. 3 for approval of the members.

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

**Place : Bengaluru**  
**Date : 10<sup>th</sup> August, 2020**

**Jagruti Mursenia**  
**Company Secretary**  
**M.No. ACS : 35339**



## ANNEXURE TO NOTICE

### APPOINTMENT OF DIRECTORS

Details of Directors seeking appointment/re-appointment/retiring by rotation (In pursuance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015):

|                                                                   |                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name</b>                                                       | Mr. Kartik Nayak                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Age</b>                                                        | 53 Years                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Date of Appointment</b>                                        | 1st September 2008                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Expertise in specific functional areas</b>                     | His visionary leadership and innate ability to work through complexity and focus on core issues, helped bring about transformational changes in the expansion activities especially in the Metal Cans and Twist Off Caps division. The Company is benefited by his extensive experience in the field of packaging and his continued services to the Company would be of great value. |
| <b>Qualification</b>                                              | B.E. M.S.(USA)                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Number of Shares held in the equity capital of the company</b> | 28700                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Directorship held in other Public and Private Companies</b>    | Sansha System Limited                                                                                                                                                                                                                                                                                                                                                                |





## BOARD'S REPORT

Your Directors are pleased to present the Fortieth 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, 2020:

### FINANCIAL HIGHLIGHTS :

The Company's financial performance for the year under review and the previous year are furnished below:

| Particulars                             | 2019-20<br>₹ in Lakhs | 2018-19<br>₹ in Lakhs |
|-----------------------------------------|-----------------------|-----------------------|
| Gross Sales and Other Income            | 16,399                | 16,662                |
| Profit before Interest and Depreciation | 1,863                 | 2,068                 |
| Finance Cost                            | 1,192                 | 1,144                 |
| Depreciation                            | 558                   | 593                   |
| Profit before Tax                       | 113                   | 331                   |
| Less: Provision for Tax                 | 25                    | 60                    |
| Less: Deferred Tax                      | -                     | 51                    |
| Profit after tax                        | 88                    | 220                   |
| Other Comprehensive Income              | -20                   | -20                   |
| Total Comprehensive Income              | 68                    | 200                   |

### DIVIDEND:

With a view to enhance the value of Shares and to utilize the surplus funds, the Board has decided to plough back the profits and hence, has not recommended dividend for the current year.

### TRANSFER TO RESERVES:

The Company proposes to retain the entire amount of Rs 68 Lakhs in the Profit and Loss account.

### CHANGE IN NATURE OF BUSINESS:

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

### OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

Your Company's turnover was Rs. 16,399 Lakhs in FY 2019-20 in comparison to Rs 16662 Lakhs in FY 2018-19 which is 1.58% lower than PY 2018-19. Your Company's export turnover increased by Rs. 860 lakhs i.e. Rs. 4320 Lakhs achieved in FY 2019-20 in comparison with Rs. 3456 lakhs in FY 2018-19.

It is quite unfortunate and sad that Corona Virus caused significant health concerns across the Globe and resulted in multiple deaths. Social distancing being the only and the first compulsory remedy, entire World was forced to observe Lockdown. Thanks to early initiatives taken, India declared Lockdown from 24<sup>th</sup> March 2020. As your Company comes under the purview of essential services, your Company had dispensed operations for a period of one week, post which the operations were commenced with 50% work force on each shift (i.e., on double shift basis) resulting at 60%-70% production capacity. Therefore, there has been no adverse impact on your business due to this pandemic.

Disclosure of material impact of COVID-19 pandemic with reference to Notification SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20<sup>th</sup> May 2020 under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was made to the Stock Exchange.



## BUSINESS PERSPECTIVE:

Metal containers are anticipated to expand over the forecast period owing to nutrition retaining properties of metal containers and increasing health awareness in consumers. Metal Packaging market worldwide is projected to grow by US \$ 32.8 Billion, driven by a compounded growth of 3.1%. Aluminum and steel metals are the two most important types of metals, which are 100% recyclable and also protect food from contamination. The trend of stainless steel in the metal packaging market will witness more growth in the upcoming years, due to the incoming demand from the F&B industry.

The global disposable batteries market is expected to grow at ~5.20% CAGR during the forecast period. of 2018-2023. Dry cell batteries are the most important and the biggest segment of the primary battery market. The use of electronic gadgets has witnessed a steep surge, creating a favorable environment for the growth of the disposable batteries market. Batteries are central to the use of many consumer electronics goods. Dry cell batteries experience huge demand from rural areas where continuous and unlimited electric supplies are not available. According to an association of Indian Dry cell manufacturers (AIDCM), the rural accounted for majority of the volume sales share of the Indian dry cell battery market. The factors like increase in disposable income and growth in comfortable level with the use of various, rapidly increasing, battery operated gadgets will strengthen the India's historically depressed per capita consumption. The increase in lead pollution and the economic slowdown in the automotive sector pose hindrances to market growth. In addition, the growth of the lead-acid battery market is also being challenged by the increasing adoption of dry batteries.

The global packaging market size during the COVID-19 pandemic is projected to grow from USD 909.2 billion in 2019 to USD 1,012.6 billion by 2021, at a Compound Annual Growth Rate (CAGR) of 5.5% as the most likely outcome during the forecast period, with the best-case scenario reflecting 9.2% growth and the worst-case scenario at 2.2% growth. The major drivers for the packaging industry include the increased demand for FMCG and pharmaceutical packaging, rising e-commerce sales due to lockdown.

The highlights of the industry trend, the outlook and the opportunities ahead for the Company are exhibited in detail in the **Management Discussion and Analysis Report**.

## EXPORTS:

In the year 2019-20, the export turnover was Rs.4320 Lakhs as compared to the previous year exports of Rs.3456 Lakhs, representing an increase of 25 % over the previous year.

## SUBSIDIARY:

Shetron Metropak Private Limited, Wholly owned Subsidiary was amalgamated with your Company pursuant to Scheme of Amalgamation approved by the National Company Law Tribunal, Bengaluru Bench vide its order dated 27<sup>th</sup> June, 2019. Necessary compliances are being made to receive the final decree.

As on date your Company does not have any subsidiary company.

The Company has no associate companies within the meaning of Section 2(6) of the Companies Act, 2013.

## 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.

The economy has been affected all over world due to COVID-19 Pandemic. Due to relaxation on various fronts by the Government in the recent past, operations are expected to be normalized in the coming months. However, impact of COVID-19 will affect the profit margin and percentage of such margin will depend on the period required for restoration of normalcy in all the relevant areas and blooming of the economy in the coming days, particularly in the field of metal packing related industries. Effects of COVID-19 being unclear, it will be extremely difficult to predict market behavior as of now.

## SHARE CAPITAL:

During the financial year Authorized Share Capital of Subsidiary Company Shetron Metro Pack Private Limited was merged into the Authorized Share Capital of Holding Company. As on March 31, 2020, the Authorized Share Capital of the Company was Rs. 30,00,00,000/- (Rupees Thirty Crores Only) and the Paid up Share Capital was Rs. 9,00,33,000/- (Rupees Nine Crores Thirty Three Thousand Only).



### CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL :

Members of the Company's Board of Directors are eminent persons of proven competence and integrity. Besides experience, strong financial acumen, strategic astuteness and leadership qualities and they have a significant degree of commitment to the Company and devote adequate time to the meetings and preparation.

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Kartik Manahor Nayak, Jt. Managing Director, retires at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

Based on the recommendations of the Nomination and Remuneration Committee, the Board at its Meeting held on 17<sup>th</sup> April, 2019 and 25<sup>th</sup> July, 2019:

- (a) re-appointed Mr. Babugowda Sanganagowda Patil (DIN: 00061959) as an Independent Director of the Company for a second term of 3 Years i.e 17<sup>th</sup> September 2019 to 16<sup>th</sup> September 2022 .
- (b) re-appointed Mr. Divakar Sanku Shetty ( DIN: 00432755)) as Executive Chairman and Whole Time Director of the Company for a period of 5 Years i.e. 16<sup>th</sup> May, 2019 to 15<sup>th</sup> May, 2024
- (c) re-appointed Mr. Kartik Nayak (DIN: 00477686) as Joint Managing Director of the Company for a period of 4 Years i.e. 16<sup>th</sup> May, 2019 to 15<sup>th</sup> May, 2023,
- (d) re-appointed Mr. Praveen Mally (DIN: 00798354) as Joint Managing Director of the Company for a period of 3 Years i.e. 16<sup>th</sup> May, 2019 to 15<sup>th</sup> May, 2022,
- (e) appointed Dr. Jyoti Baliga (DIN: 00484000) as Independent Woman Director for a period of Three (3) years with effect from 25<sup>th</sup> July, 2019 to 24<sup>th</sup> July, 2022.

Subsequently, approvals from Shareholders were obtained in the previous Annual General Meeting held on 17<sup>th</sup> September, 2020.

### BOARD MEETINGS :

During the year under review, the Board of Directors met five (5) times i.e. on 17-April-2019, 20-May-2019, 25-July-2019, 21-October-2019 and 28-January-2020.

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. The Agenda of the Meetings were circulated to Directors in advance. Minutes of the Meetings of the Board of Directors were circulated amongst the Directors for their perusal.

Our definition of 'Independence' of Directors is derived from Regulation 16(b) of the Listing Regulations and Section 149(6) of the Companies Act, 2013. The Company has received necessary declarations from each Independent Director of the Company that they fulfill the requirements as stipulated in Section 149 (6) of the Companies Act, 2013 read with the SEBI (LODR) Regulations, 2015 ('the Listing Regulations').

Further pursuant to Clause VII (1) of Schedule IV of the Companies Act, 2013, the Independent Directors had a separate meeting on 24<sup>th</sup> June, 2020.

SEBI (LODR)(Amendment) Regulations, 2018 has changed the evaluation criteria of Independent Directors from April 1, 2019. As per the amendment, evaluation of Independent Directors by the entire Board shall include:

- (a) Performance of Directors and
- (b) Fulfilment of independence criteria as specified in Listing Regulations and their independence from the management.

Board has evaluated the Independent Directors and confirms that all the Independent Directors of the Company fulfilled the independence criteria as specified in Listing Regulations and their independence from the management.

Details on terms of appointment of Independent Directors and the familiarization program have been displayed on website of the Company at [http://shetrongroup.in/pdf/Familiarisation\\_Programme.pdf](http://shetrongroup.in/pdf/Familiarisation_Programme.pdf)



## 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 the Company's website at, <http://shetrongroup.in/pdf/Nomination%20&%20Remuneration%20Policy.pdf>

The Company affirms 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 :

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 Management and the relevant Board Committees, including the Audit Committee, your Board is of the opinion that the Company's internal financial controls were adequate during the financial year 2019-20.

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 Listing Regulations, 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.

## 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 - 1**) is furnished and the same is published on the website of the Company.

## DETAILS OF INTERNAL FINANCIAL CONTROLS REALTED TO FINANCIAL STATEMENTS:

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. There are in accordance with generally accepted accounting principles in India.





### **COMPLIANCE WITH THE APPLICABLE SECRETARIAL STANDARDS :**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

### **ADDITIONAL DISCLOSURES :**

In line with the requirements of the 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 ongoing basis. The policy for risk management is available on the Company's website at, <http://shetrongroup.in/pdf/Risk%20Management%20Policy.pdf>

### **DEPOSITS:**

In terms of the provision of Sections 73, 74 & 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.

### **AWARDS & LAURELS:**

Your Company was awarded the Bronze winner by the Canmaker magazine for the year 2019-20 in the Ends, Caps & Closures category.

### **FRAUD REPORTED BY THE AUDITORS DURING THE YEAR:**

Not applicable as there were no such instances during the year.

### **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 - 2)** and is attached to this report.

The Company endeavour to support the environment by adopting environment-friendly practices in the working patterns. The efforts in this direction centre around making efficient use of natural resources, elimination of waste and promoting recycling of resources.

### **STATUTORY AUDITORS:**

Messrs Naresh & Co, Chartered Accountants, (Firm Registration No. 011293S) were appointed as the Statutory Auditors at the Annual General Meeting held in the year 2017 and hold office for a term of 5 years, till the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2022. Consequent to the amendments to the Companies Act, 2013, ratification of appointment of the statutory auditor at every Annual General Meeting is no longer required.

### **COST AUDITORS:**

As per the requirement of the Central Government and pursuant to the provisions of 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 all product line. 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 2020-21.

As required under the Companies Act, 2013, a resolution seeking approval of Members 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. Vijayakrishna K T, Practising Company Secretary was



appointed to undertake the Secretarial Audit. The Report of the Secretarial Audit for the year ended 31<sup>st</sup> March, 2020 is attached to the Board's Report (**Annexure - 3**).

#### **AUDITORS' REPORT AND SECRETARIAL AUDIT REPORT:**

There were no qualifications, reservations or adverse remarks made either by the Statutory Auditors or by the Secretarial Auditor in their respective reports and their reports are annexed.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility are not applicable to the Company.

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

Your Company has taken adequate steps to adhere to all the stipulations laid down in Regulation 27 of the Listing Regulations. A report on compliance of the code is annexed herewith (**Annexure - 4**).

Certificate from Practising Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under Regulation 27 of the Listing Regulations, 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 the Board, as may be required, 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 are displayed on the Company's website <http://shetrongroup.in/pdf/Realted%20Party%20Transaction%20Policy.pdf>.

All Related Party Transactions entered during the year were in the Ordinary Course of 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. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in (**Annexure- 5**) in Form No. AOC-2 and the same forms part of this report.

Details of contracts / arrangements / transactions with related parties are given in the notes to the financial statements.

#### **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.

- |                                                                            |   |     |
|----------------------------------------------------------------------------|---|-----|
| (a). number of complaints filed during the financial year(19-20)           | - | Nil |
| (b). number of complaints disposed of during the financial year(19-20)     | - | Nil |
| (c). number of complaints pending as on end of the financial year. (19-20) | - | Nil |



## 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 environment 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 - 6)**.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report as required, is annexed as **(Annexure- 7)**.

## ANNEXURES FORMING A PART THE BOARD' REPORT

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report:

| Annexure | Particulars                                                            |
|----------|------------------------------------------------------------------------|
| 1        | Extract of the Annual Return in Form MGT-9                             |
| 2        | Particulars of Conservation of Energy, Technology and Foreign Exchange |
| 3        | Secretarial Audit Report                                               |
| 4        | Corporate Governance Report                                            |
| 5        | Related Party Transactions                                             |
| 6        | Managerial Remuneration and Particulars of Employees                   |
| 7        | Management Discussion And Analysis Report                              |

## 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.

**Place : Bengaluru**

**Date : 24<sup>th</sup> June, 2020**

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

**Divakar S Shetty**  
Executive Chairman  
DIN: 00432755  
[Address: Divya Bunglow,  
Dr. R.S. Jain Marg,  
Gandhigram Road,  
Juhu, Mumbai 400049]



## ANNEXURE – 1 TO BOARD'S REPORT

### FORM NO. - MGT 9 EXTRACT OF ANNUAL RETURN As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (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, 4th Cross, Sampige Road, Malleshwaram, Bangalore 560 003<br>Tel: +91-80-23460815-818 Fax: +91-80-23460819<br>E-mail: <a href="mailto:irg@integratedindia.in">irg@integratedindia.in</a> |

#### 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. SHARE HOLDING PATTERN :**

**A. CATEGORY WISE SHAREHOLDING :**

| Category of Shareholders                                 | No. of Shares held at the beginning of the year [As on 01-April-2019] |          |         |                   | No. of Shares held at the end of the year [As on 31-March-2020] |          |         |                   | % 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                                        | 1732494                                                               | -        | 1732494 | 19.24             | 1743485                                                         | -        | 1743485 | 19.36             | 0.12                     |
| b) Central Govt. or State Govt.                          | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| c) Bodies Corporate                                      | 4054167                                                               | -        | 4054167 | 45.03             | 4054167                                                         | -        | 4054167 | 45.03             | -                        |
| d) Bank/FI                                               | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| e) Any other                                             | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| <b>SUB TOTAL:(A) (1)</b>                                 | 5786661                                                               | -        | 5786661 | 64.27             | 5797652                                                         | -        | 5797652 | 64.39             | 0.12                     |
| <b>(2) Foreign</b>                                       |                                                                       |          | -       | -                 |                                                                 |          | -       | -                 | -                        |
| a) NRI- Individuals                                      | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| b) Other Individuals                                     |                                                                       | -        |         |                   |                                                                 | -        |         |                   |                          |
| c) Bodies Corp.                                          | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| d) Banks/FI                                              | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| e) Any other...                                          | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| <b>SUB TOTAL (A) (2)</b>                                 | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| <b>Total Shareholding of Promoter A)= ((A)(1)+(A)(2)</b> | 5786661                                                               | -        | 5786661 | 64.27             | 5797652                                                         | -        | 5797652 | 64.39             | 0.12                     |
| <b>B. PUBLIC SHARE HOLDING</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.                                           | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| e) Venture Capital Fund                                  | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| f) Insurance Companies                                   | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |
| g) FIIS                                                  | -                                                                     | -        | -       | -                 | -                                                               | -        | -       | -                 | -                        |



|                                                                                    |                |               |                |               |                |               |                |               |              |
|------------------------------------------------------------------------------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|--------------|
| h) Foreign Venture Capital Funds                                                   | -              | -             | -              | -             | -              | -             | -              | -             | -            |
| i) Others (specify)                                                                | -              | -             | -              | -             | -              | -             | -              | -             | -            |
| <b>SUB TOTAL (B)(1):</b>                                                           | <b>0</b>       | <b>100</b>    | <b>100</b>     | <b>0.00</b>   | <b>0</b>       | <b>100</b>    | <b>100</b>     | <b>0</b>      | <b>0.00</b>  |
| <b>(2) Non Institutions</b>                                                        |                |               |                |               |                |               |                |               |              |
| <b>a) Bodies corporates</b>                                                        |                |               |                |               |                |               |                |               |              |
| i) Indian                                                                          | 62431          | 1400          | 63831          | 0.71          | 46459          | 1400          | 47859          | 0.53          | -0.18        |
| ii) Overseas                                                                       | -              | -             | -              | -             | -              | -             | -              | -             | -            |
| <b>b) Individuals</b>                                                              |                |               |                |               |                |               |                |               |              |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs          | 1276048        | 164435        | 1440483        | 16.00         | 1262041        | 160900        | 1422941        | 15.80         | -0.19        |
| ii) Individuals shareholders holding nominal share capital in excess of Rs.2 lakhs | 1464267        | 0             | 1464267        | 16.26         | 1619495        | 0             | 1619495        | 17.99         | 1.72         |
| <b>c) Others (specify)</b>                                                         |                |               |                |               |                |               |                |               |              |
| NRI                                                                                | 203192         | 37790         | 240982         | 2.68          | 77236          | 37290         | 114526         | 1.27          | -1.40        |
| Clearing Member                                                                    | 6976           | -             | 6976           | 0.08          | 727            | -             | 727            | 0.01          | -0.07        |
| <b>SUB TOTAL (B)(2):</b>                                                           | <b>3012914</b> | <b>203625</b> | <b>3216539</b> | <b>35.73</b>  | <b>3005958</b> | <b>199590</b> | <b>3205548</b> | <b>35.60</b>  | <b>-0.12</b> |
| <b>Total Public Shareholding (B)= (B) (1)+(B)(2)</b>                               | <b>3012914</b> | <b>203725</b> | <b>3216639</b> | <b>35.73</b>  | <b>3005958</b> | <b>199690</b> | <b>3205648</b> | <b>35.60</b>  | <b>-0.12</b> |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                             |                |               |                |               |                |               |                |               |              |
| <b>Grand Total (A+B+C)</b>                                                         | <b>8799575</b> | <b>203725</b> | <b>9003300</b> | <b>100.00</b> | <b>8803610</b> | <b>199690</b> | <b>9003300</b> | <b>100.00</b> | <b>-</b>     |



## B) SHAREHOLDING OF PROMOTER

| Sl. No. | Shareholder's Name                                | Shareholding at the beginning of the year 01.04.2019 |                                  |                                                  | Shareholding at the end of the year 31.03.2020 |                                  |                                                  | % 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 Private Limited               | 1713617                                              | 19.03                            | 5.84                                             | 1713617                                        | 19.03                            | 5.84                                             | 0.00                                     |
| 2       | Konjal Machines Private Limited                   | 858055                                               | 9.53                             | -                                                | 858055                                         | 9.53                             | -                                                | -                                        |
| 3       | *Bunts Properties Private Limited                 | 1133057                                              | 12.58                            | -                                                | 1133057                                        | 12.58                            | -                                                | -                                        |
| 4       | Divakar S.Shetty                                  | 475079                                               | 5.28                             | 86.27                                            | 486070                                         | 5.40                             | 84.14                                            | 0.12                                     |
| 5       | Yashoda Divakar Shetty                            | 308640                                               | 3.43                             | -                                                | 308640                                         | 3.43                             | -                                                | -                                        |
| 6       | Raksha Praveen Mally                              | 299020                                               | 3.32                             | -                                                | 299020                                         | 3.32                             | -                                                | -                                        |
| 7       | Niksha Kartik Nayak                               | 297010                                               | 3.30                             | -                                                | 297010                                         | 3.30                             | -                                                | -                                        |
| 8       | Daksharaj D Shetty                                | 276250                                               | 3.07                             | -                                                | 276250                                         | 3.07                             | -                                                | -                                        |
| 9       | Fibre foils Limited                               | 45158                                                | 0.50                             | -                                                | 45158                                          | 0.50                             | -                                                | -                                        |
| 10      | Praveen Vittal Mally                              | 44095                                                | 0.49                             | 100.00                                           | 44095                                          | 0.49                             | 100.00                                           | 0.00                                     |
| 11      | Kartik Manohar Nayak                              | 28700                                                | 0.32                             | 100.00                                           | 28700                                          | 0.32                             | 100.00                                           | 0.00                                     |
| 12      | Dhanika Kartik Nayak                              | 3700                                                 | 0.04                             | -                                                | 3700                                           | 0.04                             | -                                                | -                                        |
| 13      | Green Ecological Managed Services Private Limited | 304280                                               | 3.38                             | -                                                | 304280                                         | 3.38                             | -                                                | 3.38                                     |
|         | <b>Total</b>                                      | <b>5786661</b>                                       | <b>64.27</b>                     | <b>-</b>                                         | <b>5797652</b>                                 | <b>64.39</b>                     | <b>-</b>                                         | <b>0.12</b>                              |

Note-\*( 284200 shares held in the name of Kishore Construction Company Pvt. Ltd was transferred to Bunts Properties Private Limited due to DP change)

**C) CHANGE IN PROMOTERS' SHAREHOLDING :**

| Sl. No. | Shareholder's Name<br>Mr. /Ms. / M/s | Shareholding at the beginning of the year<br>01.04.2019 |                                  | Date       | Increase / Decrease in Share Holding | Reason | Cumulative Shareholding during the year<br>31.03.2020 |                                  |
|---------|--------------------------------------|---------------------------------------------------------|----------------------------------|------------|--------------------------------------|--------|-------------------------------------------------------|----------------------------------|
|         |                                      | No. of Shares                                           | % of total Shares of the company |            |                                      |        | No. of Shares                                         | % of total Shares of the company |
| 1       | Divakar S Shetty                     | 475079                                                  | 5.28                             | 10.06.2019 | Increase                             | Bought | 475230                                                | 5.28                             |
|         |                                      |                                                         |                                  | 11.06.2019 | Increase                             | Bought | 475231                                                | 5.28                             |
|         |                                      |                                                         |                                  | 17.06.2019 | Increase                             | Bought | 476731                                                | 5.30                             |
|         |                                      |                                                         |                                  | 18.06.2019 | Increase                             | Bought | 477731                                                | 5.31                             |
|         |                                      |                                                         |                                  | 20.06.2019 | Increase                             | Bought | 477861                                                | 5.31                             |
|         |                                      |                                                         |                                  | 27.06.2019 | Increase                             | Bought | 478462                                                | 5.31                             |
|         |                                      |                                                         |                                  | 28.06.2019 | Increase                             | Bought | 478966                                                | 5.32                             |
|         |                                      |                                                         |                                  | 01.08.2019 | Increase                             | Bought | 478968                                                | 5.32                             |
|         |                                      |                                                         |                                  | 02.08.2019 | Increase                             | Bought | 479968                                                | 5.32                             |
|         |                                      |                                                         |                                  | 07.08.2019 | Increase                             | Bought | 480268                                                | 5.33                             |
|         |                                      |                                                         |                                  | 14.08.2019 | Increase                             | Bought | 480570                                                | 5.34                             |
|         |                                      |                                                         |                                  | 16.08.2019 | Increase                             | Bought | 481070                                                | 5.34                             |
|         |                                      |                                                         |                                  | 21.08.2019 | Increase                             | Bought | 482070                                                | 5.34                             |
|         |                                      |                                                         |                                  | 26.08.2019 | Increase                             | Bought | 483070                                                | 5.37                             |
|         |                                      |                                                         |                                  | 27.08.2019 | Increase                             | Bought | 484070                                                | 5.38                             |
|         |                                      |                                                         |                                  | 28.08.2019 | Increase                             | Bought | 485070                                                | 5.39                             |
|         |                                      |                                                         |                                  | 20.03.2020 | Increase                             | Bought | 486070                                                | 5.40                             |
|         |                                      |                                                         |                                  | 31-03-2019 | -                                    | -      | 486070                                                | 5.40                             |

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

| Sl. No. | Name of the Shareholder<br>Mr. /Ms. / M/s | Shareholding at the beginning of the year<br>01.04.2019 |                                  | Date       | Increase / Decrease in Share Holding | Reason | Cumulative Shareholding during the year<br>31.03.2020 |                                  |
|---------|-------------------------------------------|---------------------------------------------------------|----------------------------------|------------|--------------------------------------|--------|-------------------------------------------------------|----------------------------------|
|         |                                           | No. of Shares                                           | % of total Shares of the company |            |                                      |        | No. of Shares                                         | % of total Shares of the company |
| 1       | HITESH RAMJI JAVERI                       | 280000                                                  | 3.11                             | 26.07.2019 | +1844                                | Bought | 281844                                                | 3.13                             |
|         |                                           |                                                         |                                  | 02.08.2019 | +1975                                | Bought | 283819                                                | 3.15                             |
|         |                                           |                                                         |                                  | 11.10.2019 | +3146                                | Bought | 286965                                                | 3.19                             |
|         |                                           |                                                         |                                  | 18.10.2019 | +43035                               | Bought | 330000                                                | 3.67                             |
|         |                                           |                                                         |                                  | 25.10.2019 | +74356                               | Bought | 404356                                                | 4.49                             |
|         |                                           |                                                         |                                  | 08.11.2019 | +2200                                | Bought | 406556                                                | 4.52                             |



|   |                          |        |      |                   |             |                                       |               |             |
|---|--------------------------|--------|------|-------------------|-------------|---------------------------------------|---------------|-------------|
|   |                          |        |      | 07.02.2020        | +2463       | Bought                                | 409019        | 4.54        |
|   |                          |        |      | <b>31.03.2020</b> |             |                                       | <b>409019</b> | <b>4.54</b> |
| 2 | HARSHA<br>HITESH JAVERI  | 196088 | 2.18 | 26.07.2019        | +3912       | Bought                                | 200000        | 2.22        |
|   |                          |        |      | 25.10.2019        | +32489      | Bought                                | 232489        | 2.58        |
|   |                          |        |      | <b>31.03.2020</b> |             |                                       | <b>232489</b> | <b>2.58</b> |
| 3 | MAHENDRA<br>GIRDHARILAL  | 95303  | 1.06 | 05.07.2019        | +1000       | Bought                                | 96303         | 1.07        |
|   |                          |        |      | 12.07.2019        | +120        | Bought                                | 96423         | 1.07        |
|   |                          |        |      | 26.07.2019        | +500        | Bought                                | 96923         | 1.08        |
|   |                          |        |      | 20.09.2019        | +2802       | Bought                                | 99725         | 1.11        |
|   |                          |        |      | 27.09.2019        | +6661       | Bought                                | 106386        | 1.18        |
|   |                          |        |      | 04.10.2019        | +963        | Bought                                | 107349        | 1.19        |
|   |                          |        |      | 08.11.2019        | +890        | Bought                                | 108239        | 1.20        |
|   |                          |        |      | 15.11.2019        | +1645       | Bought                                | 109884        | 1.22        |
|   |                          |        |      | 29.11.2019        | +3218       | Bought                                | 113102        | 1.26        |
|   |                          |        |      | 13.12.2019        | +1000       | Bought                                | 114102        | 1.27        |
|   |                          |        |      | 27.12.2019        | +239        | Bought                                | 114341        | 1.27        |
|   |                          |        |      | 31.12.2019        | +950        | Bought                                | 115291        | 1.28        |
|   |                          |        |      | 10.01.2020        | +1497       | Bought                                | 116788        | 1.30        |
|   |                          |        |      | 17.01.2020        | +7317       | Bought                                | 124105        | 1.38        |
|   |                          |        |      | 31.01.2020        | +530        | Bought                                | 124635        | 1.38        |
|   |                          |        |      | 14.02.2020        | +1179       | Bought                                | 125814        | 1.40        |
|   |                          |        |      | 21.02.2020        | +480        | Bought                                | 126294        | 1.40        |
|   |                          |        |      | 28.02.2020        | +867        | Bought                                | 127161        | 1.41        |
|   |                          |        |      | 27.03.2020        | +711        | Bought                                | 127872        | 1.42        |
|   |                          |        |      | <b>31.03.2020</b> | <b>+100</b> | <b>Bought</b>                         | <b>127972</b> | <b>1.42</b> |
| 4 | ANIL<br>BHAVANJI<br>SHAH | 124219 | 1.38 | 31.03.2020        | -           | Nil<br>Movement<br>during the<br>Year | 124219        | 1.38        |
| 5 | RAMACHANDRA<br>BHAT      | 109382 | 1.21 | 29.06.2019        | +2755       | Bought                                | 112137        | 1.25        |
|   |                          |        |      | 30.08.2019        | +4100       | Bought                                | 116237        | 1.29        |
|   |                          |        |      | 06.09.2019        | +500        | Bought                                | 116737        | 1.30        |
|   |                          |        |      | 04.10.2019        | +3          | Bought                                | 116740        | 1.30        |
|   |                          |        |      | 11.10.2019        | -600        | Sold                                  | 116140        | 1.29        |
|   |                          |        |      | 06.12.2019        | +1132       | Bought                                | 117272        | 1.30        |
|   |                          |        |      | <b>31.03.2020</b> |             |                                       | <b>117272</b> | <b>1.30</b> |



|    |                      |        |      |                   |          |                                            |               |             |
|----|----------------------|--------|------|-------------------|----------|--------------------------------------------|---------------|-------------|
| 6  | DHEERAJ KUMAR LOHIA  | 108940 | 1.21 | 13.09.2019        | +3000    | Bought                                     | 111940        | 1.24        |
|    |                      |        |      | 27.09.2019        | +3431    | Bought                                     | 115371        | 1.28        |
|    |                      |        |      | <b>31.03.2020</b> |          |                                            | <b>115371</b> | <b>1.28</b> |
| 7  | MITALI HITESH JAVERI | 88888  | 0.99 | 26.07.2019        | +18612   | Bought                                     | 107500        | 1.19        |
|    |                      |        |      | 04.10.2019        | +3128    | Bought                                     | 110628        | 1.23        |
|    |                      |        |      | <b>31.03.2020</b> |          |                                            | <b>110628</b> | <b>1.23</b> |
| 8  | AMI HITESH JAVERI    | 88888  | 0.99 | 26.07.2019        | +18612   | Bought                                     | 107500        | 1.19        |
|    |                      |        |      | 02.08.2019        | +1       | Bought                                     | 107501        | 1.19        |
|    |                      |        |      | <b>31.03.2020</b> |          |                                            | <b>107501</b> | <b>1.19</b> |
| 9  | REKHA R BHAT         | 80837  | 0.90 | 26.04.2019        | +759     | Bought                                     | 81596         | 0.91        |
|    |                      |        |      | 10.05.2019        | +139     | Bought                                     | 81735         | 0.91        |
|    |                      |        |      | 17.05.2019        | +1953    | Bought                                     | 83688         | 0.93        |
|    |                      |        |      | 24.05.2019        | +1300    | Bought                                     | 84988         | 0.94        |
|    |                      |        |      | 14.06.2019        | +917     | Bought                                     | 85905         | 0.95        |
|    |                      |        |      | 29.06.2019        | +200     | Bought                                     | 86105         | 0.96        |
|    |                      |        |      | 02.08.2019        | +250     | Bought                                     | 86355         | 0.96        |
|    |                      |        |      | 25.10.2019        | -400     | Sold                                       | 85955         | 0.95        |
|    |                      |        |      | 21.02.2020        | +110     | Bought                                     | 86065         | 0.96        |
|    |                      |        |      | 06.03.2020        | +300     | Bought                                     | 86365         | 0.96        |
|    |                      |        |      | <b>31.03.2020</b> |          |                                            | <b>86365</b>  | <b>0.96</b> |
| 10 | ASHISH CHUGH         | 45561  | 0.51 | -                 | -        | NIL MOVE-<br>MENT<br>DURING<br>THE<br>YEAR | 45561         | 0.51        |
|    |                      |        |      | <b>31.03.2020</b> | <b>0</b> |                                            | <b>45561</b>  | <b>0.51</b> |



**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 |
| <b>1</b> | <b>Divakar S. Shetty</b>                                                                                                                                              |                                     |                                  |                                         |                                  |
|          | At the beginning of the year                                                                                                                                          | 475079                              | 5.28                             |                                         |                                  |
|          | 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) |                                     |                                  |                                         |                                  |
|          | 10-06-2019-BOUGHT                                                                                                                                                     | +151                                |                                  | 475230                                  | 5.28                             |
|          | 11-06-2019-BOUGHT                                                                                                                                                     | +501                                |                                  | 475231                                  | 5.28                             |
|          | 17-06-2019-BOUGHT                                                                                                                                                     | +1000                               |                                  | 476731                                  | 5.30                             |
|          | 18-06-2019--BOUGHT                                                                                                                                                    | +1000                               |                                  | 477731                                  | 5.31                             |
|          | 20-06-2019-BOUGHT                                                                                                                                                     | +130                                |                                  | 477861                                  | 5.31                             |
|          | 27-06-2019-BOUGHT                                                                                                                                                     | +601                                |                                  | 478462                                  | 5.31                             |
|          | 28-06-2019-BOUGHT                                                                                                                                                     | +504                                |                                  | 478966                                  | 5.32                             |
|          | 01-08-2019-BOUGHT                                                                                                                                                     | +002                                |                                  | 478968                                  | 5.32                             |
|          | 02-08-2019-BOUGHT                                                                                                                                                     | +1000                               |                                  | 479968                                  | 5.33                             |
|          | 07-08-2019-BOUGHT                                                                                                                                                     | +300                                |                                  | 480268                                  | 5.33                             |
|          | 14-08-2019-BOUGHT                                                                                                                                                     | +302                                |                                  | 480570                                  | 5.34                             |
|          | 16-08-2019-BOUGHT                                                                                                                                                     | +500                                |                                  | 481070                                  | 5.34                             |
|          | 21-08-2019-BOUGHT                                                                                                                                                     | +1000                               |                                  | 482070                                  | 5.35                             |
|          | 26-08-2019-BOUGHT                                                                                                                                                     | +1000                               |                                  | 483070                                  | 5.37                             |
|          | 27-08-2019-BOUGHT                                                                                                                                                     | +1000                               |                                  | 484070                                  | 5.38                             |
|          | 28-08-2019-BOUGHT                                                                                                                                                     | +1000                               |                                  | 485070                                  | 5.39                             |
|          | 20-03-2020-BOUGHT                                                                                                                                                     | +1000                               |                                  | 486070                                  | 5.40                             |
|          | 31-03-2019                                                                                                                                                            |                                     |                                  | 486070                                  | 5.40                             |
|          | <b>At the end of the year</b>                                                                                                                                         |                                     |                                  | <b>486070</b>                           | <b>5.40</b>                      |



|          |                                                             |       |      |       |      |
|----------|-------------------------------------------------------------|-------|------|-------|------|
| <b>2</b> | <b>Kartik Manohar Nayak-<br/>Joint Managing Director</b>    |       |      |       |      |
|          | At the beginning of the year                                | 28700 | 0.32 |       |      |
|          | At the end of the year                                      |       |      | 28700 | 0.32 |
| <b>3</b> | <b>Praveen Mally -<br/>Joint Managing Director</b>          |       |      |       |      |
|          | At the beginning of the year                                | 44095 | 0.49 |       |      |
|          | At the end of the year                                      |       |      | 44095 | 0.49 |
| <b>4</b> | <b>B S Patil -<br/>Independent Director</b>                 |       |      |       |      |
|          | At the beginning of the year                                | NIL   | NIL  |       |      |
|          | At the end of the year                                      |       |      | NIL   | NIL  |
| <b>5</b> | <b>P P Shastri -<br/>Independent Director</b>               |       |      |       |      |
|          | At the beginning of the year                                | NIL   | NIL  |       |      |
|          | At the end of the year                                      |       |      | NIL   | NIL  |
| <b>6</b> | <b>Mohan Narayan Menon-<br/>Independent Director</b>        |       |      |       |      |
|          | At the beginning of the year                                | NIL   | NIL  |       |      |
|          | At the end of the year                                      |       |      | NIL   | NIL  |
| <b>7</b> | <b>Jyoti Gopalkrishna Baliga-<br/>Independent Director*</b> |       |      |       |      |
|          | At the beginning of the year                                | NIL   | NIL  |       |      |
|          | At the end of the year                                      |       |      | NIL   | NIL  |

**\*Note:- Mrs. Jyoti Gopalkrishna Baliga appointed w.e.f. 25.07.2019**



**IV) INDEBTEDNESS :**

(₹ in Lakhs)

| Particulars                                                | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|------------------------------------------------------------|-------------------------------------|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                     |                    |          |                       |
| i) Principal Amount                                        | 3001                                | 921                | -        | 3922                  |
| ii) Interest due but not paid                              | -                                   | -                  | -        | -                     |
| iii) Interest accrued but not due                          | -                                   | -                  | -        | -                     |
| <b>Total (i+ii+iii)</b>                                    | <b>3001</b>                         | <b>921</b>         | <b>-</b> | <b>3922</b>           |
| <b>Change in Indebtedness during the financial year</b>    |                                     |                    |          |                       |
| * Addition                                                 | 2141                                | 614                | -        | 2755                  |
| * Reduction                                                | 2634                                | 11                 | -        | 2645                  |
| <b>Net Change</b>                                          | <b>(493)</b>                        | <b>603</b>         | <b>-</b> | <b>110</b>            |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                    |          |                       |
| i) Principal Amount                                        | 2508                                | 1524               | -        | 4032                  |
| ii) Interest due but not paid                              | 0                                   | -                  | -        | -                     |
| iii) Interest accrued but not due                          |                                     |                    |          |                       |
| <b>Total (i+ii+iii)</b>                                    | <b>2508</b>                         | <b>1524</b>        | <b>-</b> | <b>4032</b>           |

**V. 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/WT/ Manager |                  |                   | Total Amount       |
|---------|-------------------------------------------------------------------------------------|------------------------|------------------|-------------------|--------------------|
|         |                                                                                     | Mr. Divakar 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 | 78,00,000              | 60,00,000        | 60,00,000         | 1,98,00,000        |
|         | (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<br>- as % of profit<br>- others, specify.                                | -                      | -                | -                 | -                  |
| 5       | Others, please specify                                                              | -                      | -                | -                 | -                  |
|         | <b>Total (A)</b>                                                                    | <b>78,00,000</b>       | <b>60,00,000</b> | <b>60,00,000</b>  | <b>1,98,00,000</b> |

**B. REMUNERATION TO OTHER DIRECTORS:**

(Amount in ₹)

| Sl. No. | Particulars of Remuneration                  | Name of Director |                 |                         |                               | Total Amount    |
|---------|----------------------------------------------|------------------|-----------------|-------------------------|-------------------------------|-----------------|
|         |                                              | Mr. B S Patil    | Dr. P P Shastri | Mr. Mohan Narayan Menon | Dr. Jyoti Gopalkrishna Baliga |                 |
| 1       | <b>Independent Directors</b>                 |                  |                 |                         |                               |                 |
|         | Fee for attending board / committee meetings | 2,10,000         | 2,10,000        | 1,70,000                | 90,000                        | 6,80,000        |
|         | Commission                                   | -                | -               | -                       | -                             | -               |
|         | Others, please specify                       | -                | -               | -                       | -                             | -               |
|         | <b>Total (1)</b>                             | <b>2,10,000</b>  | <b>2,10,000</b> | <b>1,70,000</b>         | <b>90,000</b>                 | <b>6,80,000</b> |
| 2       | <b>Other Non-Executive Directors</b>         | -                | -               | -                       | -                             | -               |
|         | Fee for attending board /committee meetings  | -                | -               | -                       | -                             | -               |
|         | Commission                                   | -                | -               | -                       | -                             | -               |
|         | Others, please specify                       | -                | -               | -                       | -                             | -               |
|         | <b>Total (2)</b>                             | <b>-</b>         | <b>-</b>        | <b>-</b>                | <b>-</b>                      | <b>-</b>        |
|         | <b>Total (B)=(1+2)</b>                       | <b>2,10,000</b>  | <b>2,10,000</b> | <b>1,70,000</b>         | <b>90,000</b>                 | <b>6,80,000</b> |
|         | Total Managerial Remuneration                | <b>2,10,000</b>  | <b>2,10,000</b> | <b>1,70,000</b>         | <b>90,000</b>                 | <b>6,80,000</b> |

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

| SN | Particulars of Remuneration                                                         |     |                        |                  |                  |
|----|-------------------------------------------------------------------------------------|-----|------------------------|------------------|------------------|
|    |                                                                                     | CEO | CS                     | CFO              | Total            |
|    |                                                                                     |     | Mrs. Jagruti Mursenia* | Mr. Vilas Dingre |                  |
| 1  | Gross salary                                                                        | -   | Rs.                    | Rs.              | Rs.              |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -   | 5,16,792               | 10,80,600        | 15,97,392        |
|    | (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</b>                                                                        | -   | <b>5,16,792</b>        | <b>10,80,600</b> | <b>15,97,392</b> |

\*Mrs. Jagruti Mursenia was appointed as Company Secretary of the Company w.e.f. 02nd May, 2019.

**VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE**

Place : Bengaluru

Date : 24<sup>th</sup> June, 2020

For and on behalf of the Board  
For Shetron Limited

Divakar S Shetty  
Executive Chairman  
DIN: 00432755

[Address: Divya Bunglow,  
Dr. R.S. Jain Marg,  
Gandhigram Road,  
Juhu, Mumbai 400049]

**ANNEXURE - 2 TO THE BOARD'S REPORT****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.

**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 4219 lakhs
- b) Foreign Exchange outgo : Rs 5086 Lakhs

**Place : Bengaluru****Date : 24<sup>th</sup> June, 2020****For and on behalf of the Board  
For Shetron Limited****Divakar S Shetty  
Executive Chairman****DIN: 00432755****[Address: Divya Bunglow,  
Dr. R.S. Jain Marg,  
Gandhigram Road,  
Juhu, Mumbai 400049]**





## ANNEXURE - 3 TO THE BOARD'S REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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**

I 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 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 31st March, 2020 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 31st March, 2020 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Depositories Act, 1996 and the 'Regulations and Bye-laws' framed there under;
- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (j) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
  - (l) Circulars/Guidelines issued thereunder;



- vi. There were no industry specific laws applicable to the Company from the list provided by the Institute of Company Secretaries of India:
- vii. The other following general laws as may be applicable to the Company, wherever applicable:
  - (1) Employer/Employee Related laws & Rules:
    - i. Industries (Development & Regulation) Act, 1951
    - ii. The Factories Act, 1948
    - iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
    - iv. The Apprentices Act, 1961
    - v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
    - vi. The Employees State Insurance Act, 1948
    - vii. The Workmen's Compensation Act, 1923
    - viii. The Maternity Benefits Act, 1961
    - ix. The Payment of Gratuity Act, 1972
    - x. The Payment of Bonus Act, 1965
    - xi. The Industrial Disputes Act, 1947
    - xii. The Trade Unions Act, 1926
    - xiii. The Payment of Wages Act, 1936
    - xiv. The Minimum Wages Act, 1948
    - xv. The Child Labour (Regulation & Abolition) Act, 1970
    - xvi. The Contract Labour (Regulation & Abolition) Act, 1970
    - xvii. The Industrial Employment (Standing Orders) Act, 1946
    - xviii. Equal Remuneration Act, 1976
    - xix. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979
    - xx. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
    - xxi. Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996
    - xxii. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013
    - xxiii. Dangerous Machines (Regulation) Act, 1983
    - xxiv. Indian Boilers Act, 1923
    - xxv. The Industrial Establishments (National and Festival Holidays) Act, 1963
    - xxvi. The Labour Welfare Fund Act, 1965
    - xxvii. The Karnataka Daily Wage Employees Welfare Act, 2012
    - xxviii. For majority of Central Labour Laws the State has introduced Rules [names of each of the Rules is not included here]
  - (2) Environment Related Acts & Rules:
    - i. The Environment Protection Act, 1986
    - ii. The Water (Prevention & Control of Pollution) Act, 1974
    - iii. The Air (Prevention & Control of Pollution) Act, 1981
    - iv. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
    - v. The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999.



(3) Economic/Commercial Laws & Rules:

- i. The Competition Act, 2002
- ii. The Indian Contract Act, 1872
- iii. The Sales of Goods Act, 1930
- iv. The Forward Contracts (Regulation) Act, 1952
- v. The Indian Stamp Act, 1899
- vi. The Transfer of Property Act, 1882

I have also examined compliances with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2.

I further state that during the period under review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable labour laws, environmental laws and other applicable laws as mentioned above. Certain non material findings made during the course of the audit relating to the provisions of Companies Act, Labour Laws were addressed suitably by the Management.

Further, I report that with regard to financial and taxation matters, I have relied up on the Audit Reports, Limited Review Reports and the Internal Audit Reports provided by the Statutory/Internal Auditors, as the case may be.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure

I further report that the Company has received the order from Hon'ble National Company Law Tribunal, Bengaluru Bench for the Amalgamation of the Wholly Owned Subsidiary namely Shetron Metropak Private Limited with the Company and as per the information/documents provided before me, it has complied with the post merger compliances except for the payment of stamp duty and obtaining the final decree which is under process.

I further report that I could not physically verify few documents/registers/returns due to Lockdown situation in relation to outbreak of Pandemic Covid-19 and I have relied up on the soft copies/information shared with me.

**Place: Bengaluru**

**Date: 24<sup>th</sup> June, 2020**

**Vijayakrishna K T**

FCS No.: 1788

C P No.: 980

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



### **Annexure to the Secretarial Audit Report**

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 Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Customs Act, Goods and Services Tax Act.
4. Where ever required, the Company has represented about the compliance of Laws, Rules and Regulations and happening of events etc. as applicable from time to time.
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: Bengaluru**  
**Date: 24<sup>th</sup> June, 2020**

**Vijayakrishna K T**  
FCS No.: 1788  
C P No.: 980



## **ANNEXURE - 4 TO THE BOARD'S REPORT**

### **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.

The Board of Shetron consists of eminent members, who bring in the needed skills, experience and competence for efficient function of the Board and its Committees.

The Board ensures to work under proper guidelines of the Statutory Authorities and due compliance of Corporate Governance.

The names of the Directors and the details of other Chairmanship / Directorship / Committee Membership of each Director as on 31<sup>st</sup> March 2020 are given below. The table below shows key skills/expertise/competence board of directors.

| Name of Director               | Expertise in specific functional areas                                                                           | Listed Company                                                                                                                                                  | Number of Directorships in other companies |        | Number of Committee Memberships in other companies * |        |
|--------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------|------------------------------------------------------|--------|
|                                |                                                                                                                  |                                                                                                                                                                 | Chairman                                   | Member | Chairman                                             | Member |
| <b>Mr. Divakar S. Shetty</b>   | Financial Know how, Diversity, Leadership, Statutory Compliance and Good Ethical Governance                      | •Shetron Limited- Executive Director (Promoter/ Director)                                                                                                       | 1                                          | 8      | -                                                    | 1      |
| <b>Mr. Kartik Nayak</b>        | Financial Know how, Diversity, Leadership, Sales and Marketing, Statutory Compliance and Good Ethical Governance | •Shetron Limited- Executive Director (Promoter/ Director)                                                                                                       | -                                          | 1      | -                                                    | -      |
| <b>Mr. Praveen Mally</b>       | Financial Know how, Diversity, Leadership, Sales and Marketing, Statutory Compliance and Good Ethical Governance | •Shetron Limited- Executive Director (Promoter/ Director)                                                                                                       | -                                          | 1      | -                                                    | 1      |
| <b>Mr. B S Patil</b>           | Financial Know how, Diversity, Leadership, Statutory Compliance and Good Ethical Governance, Legal               | •Shetron Limited- Non-Executive - Independent Director<br><br>•Suprajit Engineering Limited- Non-Executive - Independent Director (retirement w.e.f 02.02.2020) | -                                          | 6      | -                                                    | -      |
| <b>Mr. Mohan Narayan Menon</b> | Financial Know how, Diversity, Leadership, Sales and Marketing                                                   | •Shetron Limited- Non-Executive - Independent Director                                                                                                          | -                                          | 3      | -                                                    | 1      |



|                                              |                                                                                                                                 |                                                                                                                                                                                   |   |   |   |   |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| <b>Dr. Jyoti<br/>Gopalkrishna<br/>Baliga</b> | Financial Know how,<br>Diversity, Leadership,<br>Sales and Marketing,<br>Statutory Compliance<br>and Good Ethical<br>Governance | • Shetron Limited-<br>Non-Executive<br>Independent Director                                                                                                                       | - | - | - | - |
| <b>Dr. P P Shastri</b>                       | Financial Know how,<br>Diversity, Leadership,<br>Statutory Compliance<br>and Good Ethical<br>Governance, Legal                  | • Shetron Limited-<br>Non-Executive<br>Independent Director<br><br>• SVC Industries<br>Limited- Non-<br>Executive -<br>Independent<br>Director<br>(resigned<br>w.e.f. 13.01.2020) | - | - | - | - |

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

#### 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.

As at the financial year ended 31<sup>st</sup> March, 2020, the Board of the Company had an optimum combination of 3 Executive Directors and 4 Non-Executive Directors. 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 is a Director in more than eight (8) Listed Companies or ten (10) Public Limited Companies or acts as an Independent Director in more than seven (7) Listed Companies. The Executive Chairman and Joint Managing Directors do not serve as Independent Director on any Listed Company. Further, none of the Directors acts as members of more than 10 (ten) Committees or Chairman of more than 5 (five) Committees in public limited companies in which they are Directors. Necessary disclosures have been obtained from all the Directors regarding their directorships and have been taken on record by the Board.

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

The Board met 5 (five) times during the financial year 2019-20. The Board Meetings were held at regular intervals, and the gap between two meetings did not exceed the maximum time gap of 120 days.





| SL.No. | Quarter | Date         | Board Strength | No. of Directors Present |
|--------|---------|--------------|----------------|--------------------------|
| 1      | Q1      | 17-Apr-2019  | 8              | 5                        |
| 2      | Q1      | 20-May-2019  | 7              | 6                        |
| 3      | Q2      | 25-July-2019 | 7              | 7                        |
| 4      | Q3      | 21-Oct-2019  | 7              | 5                        |
| 5      | Q4      | 28-Jan-2020  | 7              | 7                        |

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 the Directors well in advance of the date of the Board Meeting.

The Joint Managing Directors apprise the Board on the overall performance of the Company at every Board Meeting. The Board reviews performance, sets the strategy that 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 the Executive Chairman regarding compliances of all laws on a quarterly basis.

Normally every Director is required to attend the meeting. Directors/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 in 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. Divakar S. Shetty            | 5                          | 5                              | Present                    |
| 2       | Mr. Kartik Nayak                 | 5                          | 4                              | Present                    |
| 3       | Mr. B S Patil                    | 5                          | 5                              | Present                    |
| 4       | Dr. P P Shastri                  | 5                          | 5                              | Absent                     |
| 5       | Mr. Praveen Mally                | 5                          | 5                              | Present                    |
| 6       | Mr. Mohan Narayan Menon          | 5                          | 4                              | Absent                     |
| 7       | Dr. Jyoti Gopalkrishna Baliga*** | 5                          | 3                              | Absent                     |

\*\*\* Dr. Jyoti Baliga appointed w.e.f. 25<sup>th</sup> July 2019

**d) Independent Directors:**

The Board confirms that 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 Listing Regulations and are Independent of the Management of the Company. All the Independent Directors have registered in the data bank of Independent Directors as required by Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019. 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://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 the Chairman and Joint 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://shetrongroup.in/pdf/Familiarisation\\_Programme.pdf](http://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 & 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 who were 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.

**(h) Declaration under Schedule V, Part C, Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018**

All the Directors have confirmed that they are neither debarred nor disqualified from being appointed or continuing as Director by the Securities and Exchange Board of India /the Ministry of Corporate Affairs or any such statutory authority. The Company has obtained a Certificate from Mr. Vijayakrishna K.T., Practising Company Secretary, Bengaluru to this effect.

**III. BOARD COMMITTEES:**

**1) Audit Committee:**

**a) Composition:**

The Audit Committee comprised of the following Directors for the year ended 31st March, 2020:

|                                 |                      |
|---------------------------------|----------------------|
| Mr. B.S. Patil, Chairman        | Independent Director |
| Mr. Divakar Shetty, Member      | Executive Chairman   |
| Dr. PP Shastri, Member          | Independent Director |
| Mr. Mohan Narayan Menon, Member | Independent Director |

As on 31st March, 2020 the Committee comprised of three Independent Directors and one Executive Director, 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 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 Listing Regulations.

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 & 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 Auditor 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.
- ✦ To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing.



**c) Meeting and Attendance:**

During the year under review, the Audit Committee met 4 (four) times on 20-May-2019, 25-July-2019, 21-Oct-2019 and on 28-Jan-2020 and not more than 120 days 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. Divakar Shetty, Member      | 4                                    | 4                                        |
| 3      | Dr. PP Shastri, Member          | 4                                    | 4                                        |
| 4      | Mr. Mohan Narayan Menon, Member | 4                                    | 3                                        |

**2) Stakeholders' Relationship Committee :**

The Stakeholders' Relationship Committee is constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations.

**a) Composition :**

The Committee comprised of the following Directors for the year ended 31<sup>st</sup> March, 2020:

**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;
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;



**c) 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                                   | Nil      | Nil                | Nil      |
| 2       | Letters received from SEBI/NSDL/ Stock Exchanges                                       | Nil      | Nil                | Nil      |
| 3       | Requests For stop Transfer                                                             | Nil      | Nil                | Nil      |
| 4       | Non Receipt of Share Certificate / Credit for Demat of Shares/ Dividend/ Annual Report | Nil      | Nil                | Nil      |
| 5       | Requests for issues of Duplicate Share Certificate and Dividend warrants               | Nil      | Nil                | Nil      |
| 6       | Legal Cases/ Cases before consumer forum                                               | Nil      | Nil                | Nil      |
| 7       | Investors Request for Information                                                      | Nil      | Nil                | Nil      |
|         | <b>Total</b>                                                                           | <b>0</b> | <b>0</b>           | <b>0</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 the 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 Mrs. Jagruti Mursenia, Company Secretary and Compliance Officer at the Registered Office of the Company.

**d) Meetings and Attendance :**

During the year under review, the Committee met 1 (one) time on 21st October 2019.

The attendance of the members of the Stakeholders' Relationship Committee is as under:

| Sl. No | Name                       | No. of Stakeholders' Relationship Committee | No. of Stakeholders' Relationship Committee attended |
|--------|----------------------------|---------------------------------------------|------------------------------------------------------|
| 1      | Mr. B.S. Patil, Chairman   | 1                                           | 1                                                    |
| 2      | Mr. Divakar Shetty, Member | 1                                           | 1                                                    |
| 3      | Mr. Kartik Nayak, Member   | 1                                           | -                                                    |

**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      | Mr. Mohan Menon , Member     | Independent/Non-executive |
| 4      | Mr. Divakar S Shetty, Member | Executive Chairman        |


**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
- To recommend to the Board on all Remuneration payable, in whatever form, to the Directors, Key Managerial Personnel and Senior Management.
- To implement and monitor policies and processes regarding principles of corporate governance

**c. Meetings and Attendance :**

During the year under review, the Committee met 2 (two) times on 17-April-2019 and 25-July-2019. The attendance of the members of the Nomination and Remuneration Committee is as under:

| Sl. No | Name                            | No. of Nomination and Remuneration Committee Meetings held | No. of Nomination and Remuneration Committee Meetings attended |
|--------|---------------------------------|------------------------------------------------------------|----------------------------------------------------------------|
| 1      | Mr. B.S. Patil, Chairman        | 2                                                          | 2                                                              |
| 2      | Mr. Divakar Shetty, Member      | 2                                                          | 2                                                              |
| 3      | Dr. PP Shastri, Member          | 2                                                          | 2                                                              |
| 4      | Mr. Mohan Narayan Menon, Member | 2                                                          | 2                                                              |

**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) **Borrowing Committee:**

##### a) **Composition:**

The Committee constituted on 28 Jan 2020 and comprised of the following Directors for the year ended 31<sup>st</sup> March, 2020 :

|                                 |                         |
|---------------------------------|-------------------------|
| Mr. Divakar S Shetty, Chairman  | Executive Chairman      |
| Mr. B.S. Patil, Chairman Member | Independent Director    |
| Mr. Praveen Mally Member        | Joint Managing Director |
| Mr. Kartik Nayak, Member        | Joint Managing Director |

##### b) **Terms of Reference :**

The terms of reference of the Committee are:

exercise of powers vested in the Board by virtue of provisions of Companies Act, 1956 contained in Section 179 of sub-section (3) clause (d) read with proviso to the said sub-section (3) and in section 179 Board hereby delegates the powers of the Board to borrow moneys (Borrowing Powers) to a committee to be called 'Borrowing Committee' of 4 directors, which committee be and is hereby constituted to exercise the Borrowing powers of the Board.

##### c) **Meetings and Attendance :**

During the year under review, the Committee met 1 (one) times on 21<sup>st</sup> May 2020.

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

| Sl. No | Name                            | No. of Nomination and Remuneration Committee Meetings held | No. of Nomination and Remuneration Committee Meetings attended |
|--------|---------------------------------|------------------------------------------------------------|----------------------------------------------------------------|
| 1      | Mr. Divakar S Shetty, Chairman  | 1                                                          | 1                                                              |
| 2      | Mr. B.S. Patil, Chairman Member | 1                                                          | -                                                              |
| 3      | Mr. Praveen Mally Member        | 1                                                          | 1                                                              |
| 4      | Mr. Kartik Nayak, Member        | 1                                                          | -                                                              |

#### 5) **Independent Directors':**

In compliance with the provisions of Section 149(8) read along with Schedule IV of the Companies Act, 2013 and the Listing Regulations, 1 (one) meeting of the Independent Directors of the Company was held on 24 June 2020 without the attendance of Non-Independent Directors and members of Management. However, wherever necessary, with the consent of all the Independent Directors, the Executive Directors were called for any representation/discussion. All the 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. Divakar S. Shetty | Executive Chairman    | Rs. 78,00,000             | -                                             |
| Mr. Kartik Nayak      | Jt. Managing Director | Rs. 60,00,000             | -                                             |
| Mr. Praveen Mally     | Jt. Managing Director | Rs. 60,00,000             | -                                             |

**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 fee paid (₹) |
|---------|-------------------------|----------------------|
| 1       | Mr. B.S Patil           | 2,10,000             |
| 2       | Dr. P P Shastri         | 2,10,000             |
| 3       | Mr. Mohan Narayan Menon | 1,70,000             |
| 4       | Dr. Jyoti Baliga        | 90,000               |

There were no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company during the Financial Year ended 31<sup>st</sup> March, 2020.

**c. Details of shareholding of Directors as on 31<sup>st</sup> March 2020:**

As on 31<sup>st</sup> March 2020, the Company had three Executive Directors and four Non-Executive Directors. Of the three Executive Directors, Mr. Divakar S Shetty holds 4,86,070 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. The other Non-Executive Directors does 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 Listing Regulation, 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://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 (10) of the Companies Act, 2013, and the Listing Regulations, 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://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://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 2020-21.

**Date : 24<sup>th</sup> June 2020**

**Place : Bangalore**

**Kartik Nayak**

Jt. Managing Director

#### 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 Board Directors and the designated employees have confirmed compliance with the code.

### 5. Listing Regulations Compliance :

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

### 6. CEO/CFO Certification :

As per the requirement of the Listing 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 24th June 2020. A copy of the certificate is annexed to this Annual Report.



## 7. Sexual Harrassment (Prevention, Prohibition and Redressal) Act, 2013 :

Disclosures relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the Board's Report forming part of 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.com](http://www.shetrongroup.com). 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 :

| SI No: | Particulars                                                         | Details                                                                                                                                                                                                                                                                               |
|--------|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Date, Time and Venue of the 40 <sup>th</sup> Annual General Meeting | 23 <sup>rd</sup> September, 2020 at 11.30 A.M. The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.                |
| 2      | Date of Book Closure                                                | 17 <sup>th</sup> September 2020 to 23 <sup>rd</sup> September 2020 (both days inclusive)                                                                                                                                                                                              |
| 3      | Financial Year                                                      | 1 <sup>st</sup> April 2019 to 31 <sup>st</sup> March 2020                                                                                                                                                                                                                             |
| 4      | Listing on Stock Exchange                                           | BSE Limited<br>Phiroze Jeejeebhoy Towers, Dalal Street,<br>Mumbai - 400 001, India.                                                                                                                                                                                                   |
| 5      | Listing Fees                                                        | Paid for all the above Stock Exchanges as per the Listing Regulations.                                                                                                                                                                                                                |
| 6      | ISIN                                                                | INE 278C01010EQ                                                                                                                                                                                                                                                                       |
| 7      | Corporate Identification Number (CIN)                               | L21014KA1980PLC003842                                                                                                                                                                                                                                                                 |
| 8      | Registered Office                                                   | Plot No: 1. Bommasandra Industrial Area,<br>Hosur Road, Bangalore -560099                                                                                                                                                                                                             |
| 9      | Share Transfer Agent<br>(For Electronic and Physical Transfers)     | Integrated Registry Management Services<br>Private Limited, No: 30 Ramana Residency,<br>4th Cross , Sampige Road, Malleshwaram,<br>Bangalore - 560 003 Tel: +91-80-23460815-818<br>Fax: +91-80-23460819<br>E-mail: <a href="mailto:irg@integratedindia.in">irg@integratedindia.in</a> |
| 10     | Compliance Officer                                                  | <b>Mrs. Jagruti Mursenia</b><br>Compliance Officer,<br>Plot No: 1. Bommasandra Industrial Area,<br>Hosur Road, Bangalore -560099                                                                                                                                                      |



|    |                           |                                                                                                                                                                                                                                             |
|----|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11 | For Financial Queries     | Mr. Vilas Dingre<br>Chief Financial Officer<br>Plot No: 1. Bommasandra Industrial Area,<br>Hosur Road, Bangalore -560099                                                                                                                    |
| 12 | For Shareholder's Queries | Integrated Registry Management<br>Services Private Limited,<br>No: 30 Ramana Residency, 4th Cross,<br>Sampige Road, Malleshwaram,<br>Bangalore - 560 003 Tel: +91-80-23460815-818<br>Fax: +91-80-23460819<br>E-mail: irg@integratedindia.in |

## 2. Change of Address:

Members holding Equity Shares 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 Shares in Dematerialized form are requested to notify the change of address / dividend mandate, if any, to their respective DPs.

## 3. Share Transfer System:

Equity 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 ended 31st March, 2020 the Share Transfer Committee met 4 times. The system is further audited by a Practising Company Secretary and the required certificates/ reports to this effect as also those related to dematerialisation, reconciliation of Shares etc. are issued and filed with the Stock Exchanges where the Company's shares are listed.

## 4. Dematerialization of Equity Shares:

Trading in Equity Shares of the Company became mandatory in dematerialized form with effect from 29th 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 participant registered with any of these depositories.

**As of date 31-March-2020 (approx.) 8803610 Equity Shares (97.78%) out of the 90,03,300 Equity Shares 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.

The Company endeavors to reply to all communications 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:

### Annual General Meeting:

The 40th Annual General Meeting of the Company, for the Financial Year 2019-20, would be held on 23<sup>rd</sup> September 2020 The details of the previous 3 Annual General Meetings along with the Special Resolutions passed at the respective meetings are enlisted below:



| Meeting              | Day, Date and Time of the Meeting           | Venue                      | Special Resolutions Passed                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------|---------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 39 <sup>th</sup> AGM | 17 <sup>th</sup> September 2019 at 10.00 AM | Hotel Ajantha, Bangalore   | <ul style="list-style-type: none"> <li>Re-Appointment of Mr. Babugowda Sanganagowda Patil (DIN: 00061959) as an Independent Director</li> <li>Re-Appointment of Mr. Divakar Sanku Shetty (DIN: 00432755) as Executive Chairman and Whole-Time Director:</li> <li>Re-Appointment of Mr. Kartik Manohar Nayak (DIN: 00477686) as Joint Managing Director:</li> <li>Re-Appointment of Mr. Praveen Vittal Mally (DIN: 00798354) as Joint Managing Director</li> </ul> |
| 38 <sup>th</sup> AGM | 11 <sup>th</sup> September 2018 at 10.00 AM | Woodlands Hotel, Bangalore | <ul style="list-style-type: none"> <li>Re-Appointment of Dr. Narendra Mairpady (DIN: 00536905) as an Independent Director</li> </ul>                                                                                                                                                                                                                                                                                                                              |
| 37 <sup>th</sup> AGM | 28 <sup>th</sup> September 2017 at 10.00 AM | Woodlands Hotel, Bangalore | <ul style="list-style-type: none"> <li>Re-appointment of Mr. Mohan Narayan Menon (DIN: 02838483) as an Independent Director</li> </ul>                                                                                                                                                                                                                                                                                                                            |

The Resolutions passed by Postal Ballot during the last 3 years are as follows:

Date of Postal Ballot notice: 29<sup>th</sup> January, 2019

Voting Period: 23<sup>rd</sup> February, 2019 to 24<sup>th</sup> March, 2019

Date of declaration of result: 26<sup>th</sup> March, 2019

Date of Approval: 24<sup>th</sup> March, 2019

| Name of Resolution                                                                                                                                                                                                                                             | Type of Resolution | No. of votes polled | Votes cast in favour |        | Votes cast in against |       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------|----------------------|--------|-----------------------|-------|
|                                                                                                                                                                                                                                                                |                    |                     | No. of votes         | %      | No. of                | %     |
| Approval of continuation of Directorship of Mr. Babugowda Sanganagowda Patil (DIN: 00061959) as Non-Executive Independent Director of the Company, who has attained the age of 75 years, till the conclusion of 39th Annual General Meeting to be held in 2019 | Special Resolution | 5,763,019           | 5,760,765            | 99.961 | 2,254                 | 0.039 |

**7. Market Price Data:**

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

| Sl. No. | Month          | High (Rs.) | Low (Rs.) | Volume of shares traded |
|---------|----------------|------------|-----------|-------------------------|
| 1       | March 2020     | 19.4       | 14.5      | 17465                   |
| 2       | February 2020  | 22.7       | 18.2      | 9082                    |
| 3       | January 2020   | 24.2       | 19.55     | 23799                   |
| 4       | December 2019  | 22.8       | 18.85     | 15095                   |
| 5       | November 2019  | 24.9       | 21        | 22318                   |
| 6       | October 2019   | 25.4       | 20.5      | 189701                  |
| 7       | September 2019 | 23.75      | 19.5      | 53691                   |
| 8       | August 2019    | 23         | 18.3      | 23289                   |
| 9       | July 2019      | 24.9       | 19.65     | 66394                   |
| 10      | June 2019      | 27.65      | 22        | 31040                   |
| 11      | May 2019       | 32.95      | 26.95     | 16655                   |
| 12      | April 2019     | 34.75      | 26.05     | 17073                   |

**8. Distribution of Shareholding as on 31<sup>st</sup> March, 2020 :**

| Category         | No. of Share holders | Percentage    | No. of shares  | Percentage    |
|------------------|----------------------|---------------|----------------|---------------|
| Up to 5000       | 4342                 | 98.35         | 1214454        | 13.49         |
| 5001 - 10000     | 28                   | 0.63          | 205703         | 2.28          |
| 10001 - 20000    | 11                   | 0.25          | 156896         | 1.74          |
| 20001 - 30000    | 6                    | 0.14          | 151340         | 1.68          |
| 30001 - 40000    | 2                    | 0.05          | 73850          | 0.82          |
| 40001 - 50000    | 4                    | 0.09          | 178814         | 1.99          |
| 50001 - 100000   | 4                    | 0.09          | 365196         | 4.06          |
| 100001 and above | 18                   | 0.41          | 6657047        | 73.94         |
| <b>Total</b>     | <b>4415</b>          | <b>100.00</b> | <b>9003300</b> | <b>100.00</b> |

Shareholding Pattern as on 31<sup>st</sup> March, 2020:

|        | Category                                                                               | No of Shares Held | Percentage of Shareholding |
|--------|----------------------------------------------------------------------------------------|-------------------|----------------------------|
| A      | Promoter's holding                                                                     |                   |                            |
| 1      | Promoters                                                                              |                   |                            |
|        | - Indian Promoters                                                                     | 57,97,652         | 64.39                      |
|        | - Foreign Promoters                                                                    | -                 | -                          |
| 2      | Persons acting in Concert                                                              | -                 | -                          |
|        | <b>Sub - Total</b>                                                                     | <b>57,97,652</b>  | <b>64.39</b>               |
| B      | <b>Non-Promoters Holding</b>                                                           |                   |                            |
| 3      | <b>Institutional Investors</b>                                                         |                   |                            |
| A      | Mutual Funds and UTI                                                                   | 100               | 0                          |
| 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</b>                   |
| 4      | <b>Non-Institutional investors</b>                                                     |                   |                            |
| A (i)  | Individual- i) individual shareholders holding nominal share capital up to Rs. 2 Lakhs | 14,90,167         | 16.55                      |
| A (ii) | ii) individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs     | 16,66,795         | 18.51                      |
| B      | NBFCs registered with RBI                                                              | 500               | 0.01                       |
| D      | Any other                                                                              | 48,086            | 0.53                       |
|        | <b>Sub - Total</b>                                                                     | <b>32,05,548</b>  | <b>35.60</b>               |
|        | <b>GRAND TOTAL</b>                                                                     | <b>90,03,300</b>  | <b>100</b>                 |

Place : Bengaluru

Date : 24<sup>th</sup> June 2020

For and on behalf of the Board  
For Shetron Limited

Divakar S Shetty  
Executive Chairman  
DIN: 00432755  
[Address: Divya Bunglow,  
Dr. R.S. Jain Marg,  
Gandhigram Road,  
Juhu, Mumbai 400049]



**ANNEXURE - 5 TO THE BOARD'S REPORT****Particulars of contracts/arrangements made with related parties****Form No. AOC-2**

**[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in subsection of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**Details of contracts or arrangements or transactions not at arm's length basis**

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2020, which were not at arm's length basis.

**Details of material contracts or arrangements or transactions at arm's length basis**

There were no material contracts or arrangements or transactions entered into during the year ended March 31, 2020 crossing the materiality threshold of 10% of the annual consolidated turnover of the Company.

**Place : Bengaluru**

**Date : 24<sup>th</sup> June 2020**

**For and on behalf of the Board**

**For Shetron Limited**

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

**[Address: Divya Bunglow,**  
**Dr. R.S. Jain Marg,**  
**Gandhigram Road,**  
**Juhu, Mumbai 400049]**



### ANNEXURE - 6 TO BOARD'S REPORT

#### STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197

#### OF THE COMPANIES ACT, 2013 AND RULE 5(1)

#### OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

|   |                                                                                                                                                                          | Director Name                                                                                                                                                                                                                                                                                                    | Ratio to median remuneration |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
|   |                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                  |                              |
| 1 | The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;                                        | Mr. Divakar S Shetty                                                                                                                                                                                                                                                                                             | 30:1                         |
|   |                                                                                                                                                                          | Mr. Kartik Nayak                                                                                                                                                                                                                                                                                                 | 23:1                         |
|   |                                                                                                                                                                          | Mr. Praveen Vittal Mally                                                                                                                                                                                                                                                                                         | 23:1                         |
|   |                                                                                                                                                                          | Mrs. Yashoda Divakar Shetty                                                                                                                                                                                                                                                                                      | -                            |
|   |                                                                                                                                                                          | Mr. B S Patil                                                                                                                                                                                                                                                                                                    | -                            |
|   |                                                                                                                                                                          | Dr. P P Shastri                                                                                                                                                                                                                                                                                                  | -                            |
|   |                                                                                                                                                                          | Mr. Mohan Narayan Menon                                                                                                                                                                                                                                                                                          | -                            |
|   |                                                                                                                                                                          | Dr. Narendra Mairpady                                                                                                                                                                                                                                                                                            | -                            |
| 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; | Director Name                                                                                                                                                                                                                                                                                                    | % of increase                |
|   |                                                                                                                                                                          | Mr. Divakar S Shetty, Executive Chairman                                                                                                                                                                                                                                                                         | -                            |
|   |                                                                                                                                                                          | Mr. Kartik Nayak, Jt. Managing Director                                                                                                                                                                                                                                                                          | -                            |
|   |                                                                                                                                                                          | Mr. Praveen Mally, Jt. Managing Director                                                                                                                                                                                                                                                                         | -                            |
|   |                                                                                                                                                                          | Dr. Jyoti Gopalkrishna Baliga Director                                                                                                                                                                                                                                                                           | -                            |
|   |                                                                                                                                                                          | Mr. B S Patil, Director                                                                                                                                                                                                                                                                                          | -                            |
|   |                                                                                                                                                                          | Dr. P P Shastri, Director                                                                                                                                                                                                                                                                                        | -                            |
|   |                                                                                                                                                                          | Mr. Mohan Menon, Director                                                                                                                                                                                                                                                                                        | -                            |
|   |                                                                                                                                                                          | Mr. Vilas Dingre, Chief Financial Officer                                                                                                                                                                                                                                                                        | -                            |
|   |                                                                                                                                                                          | Mrs. Jagruti Mursenia Company Secretary                                                                                                                                                                                                                                                                          | -                            |
|   |                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                  |                              |
| 3 | The percentage increase in the median remuneration of employees in the financial year;                                                                                   | 5.62%                                                                                                                                                                                                                                                                                                            |                              |
| 4 | The number of permanent employees on the rolls of company;                                                                                                               | 171                                                                                                                                                                                                                                                                                                              |                              |
| 5 | The explanation on the relationship between average increase in remuneration and company performance;                                                                    | The increase in median remuneration of around 5.62%..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. 214 Lakhs which is 1.30% of the Company's total turnover of Rs. 16399 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. |                              |



|    | Variation in                                                                                                                                                                                                                                                                                                                                        | 31.03.2020                                                                                                                                                                                                                                                                                            | 31.03.2019 |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| 7  | Market Capitalization                                                                                                                                                                                                                                                                                                                               | 13.10%                                                                                                                                                                                                                                                                                                | 27.64%     |
|    | Price Earnings Ratio                                                                                                                                                                                                                                                                                                                                | 19.14                                                                                                                                                                                                                                                                                                 | 13.93      |
|    | Percentage Increase/decrease of the market quotations                                                                                                                                                                                                                                                                                               | 52.61%                                                                                                                                                                                                                                                                                                |            |
|    |                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                       |            |
| 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 2019-20 was 8.00%. The managerial remuneration was not increased during the year 19-20.                                                                                                                              |            |
| 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.                                                                                                                                                                                                                               |            |

Place : Bengaluru

Date : 24<sup>th</sup> June, 2020

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

**Divakar S Shetty**  
**Executive Chairman**  
**DIN: 00432755**  
**[Address: Divya Bunglow,**  
**Dr. R.S. Jain Marg,**  
**Gandhigram Road,**  
**Juhu, Mumbai 400049]**



## **ANNEXURE – 7 TO THE BOARD'S REPORT**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Your Directors have pleasure in presenting the Management Discussion and Analysis Report for the year ended on March 31, 2020.

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

##### **GLOBAL ECONOMIC OVERVIEW:**

Global growth is projected to rise from an estimated 2.9 percent in 2019 to 3.3 percent in 2020 and 3.4 percent for 2021. The global expansion has weakened. For the emerging market and developing economy group, growth is expected to increase to 4.4 percent in 2020 and 4.6 percent in 2021. The global food & beverage metal cans market is estimated to be valued at USD 27.6 billion in 2020 and is projected to reach USD 37.0 billion by 2025, recording a CAGR of 6.1%. The high recyclable rates of aluminum and Steel and the rising number of health-conscious consumers and increasing awareness about healthy nutrients in food & beverages have led to the demand for metal cans. The rise in awareness regarding the drawbacks of using single-use plastics and government intervention in banning the use of such plastics that affect the environment adversely has significantly driven the growth of the metal packaging market for food & beverages.

The rapid increases in battery technology are gaining demand mostly from consumer electronics. The growing production including import and export of batteries worldwide offered opportunities worth \$115.62 billion in 2018, and the global battery market will prosper at a compound annual growth rate of 8.21% during the forecast period of 2019-2025.

On the contrary, due to COVID-19 has triggered the deepest global recession in decades. While the ultimate outcome is still uncertain, the pandemic will result in contractions across the vast majority of emerging market and developing economies. COVID-19 has delivered an enormous global shock, leading to steep recessions in many countries. The baseline forecast envisions a 5.2 percent contraction in global GDP in 2020-the deepest global recession in decades. GDP in the South Asia region is projected to contract by 2.7% in 2020 as pandemic mitigation measures hinder consumption and services activity and uncertainty about the course of the pandemic chills private investment. In India, growth is estimated to have slowed to 4.2% in FY 2019/20, which ended in March 2020. Output is projected to contract by 3.2% in FY 2020/21, when the impact of the pandemic will largely hit.

##### **INDIAN ECONOMIC OVERVIEW:**

India's GDP growth is seen dipping to an 11-year low of 5 per cent in the current fiscal and is forecast to slow down to 4.8 per cent for the current fiscal 2020-21, mainly due to poor showing by manufacturing and construction sectors. The estimated growth of real GVA (Gross Value Added) in 2019-20 is 4.9 per cent as against 6.6 per cent in 2018-19.

The manufacturing sector output growth will decelerate to 2 per cent in 2019-20, down from 6.9 per cent in the previous financial year.

As the COVID-19 pandemic is still evolving rapidly and showing no signs of abating as of March 31, 2020, its negative impacts on economic performance of countries and territories in Asia and the Pacific will likely be very significant.

##### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

Manufacturing has emerged as one of the high growth sectors in India. Government's 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. Transformation in the packaging industry, starting from simple packaging to creative designs is due to increase in demand for zero waste lifestyle by using plastic-free and eco-friendly alternatives. metal has become even more



popular because of its durability and sustainability properties. These qualities have been growth promoting factors for the metal packaging companies. Aluminum and steel metals are the two most important types of metals, which are 100% recyclable and also protect food from contamination. Thus, these advantages offered by metal packaging are creating new opportunities to fend off substitution by other materials. Can type is a viable option in the metal packaging market, as metal cans are unbreakable and provide longevity to products. Steel demand in India, the third largest steel consuming economy, remained strong. India became the second largest steel producer in 2019, registering 111.2 million tonnes (MT) in 2019 of production (World Steel Association, 2019). The monthly consumption of hot-rolled products in India increased by 30.7% compared to the corresponding time period one year earlier. The global metal packaging market size stood at \$130 billion in 2018, and is estimated to grow with a CAGR of 2.70% during the forecast period 2019-2025.

Metal is tapping more into beverages through can packaging compared to food. This advanced packaging is worthy of a wide range of acceptance, because it is advantageous in new category beverages such as ready-to-drink (RTD) beverages. The application of metal packaging in the beverages industry is expanding at a CAGR of 3.4% through to 2025.

The market size of the India's packaging industry is expected to touch USD 72.6 billion by FY20 on account of rising population and income levels, according to a study by ASSOCHAM-EY. The industry was USD 31.7 billion in 2015. The growth is driven by key factors such as rising population, increase in income levels and changing lifestyles.

The market of dry cell batteries in India is becoming promising day by day and has grown with a CAGR of above 4% historically. Lack of proper power facilities generates higher demand for these batteries in the rural segment of the country and due to the increasing use of portable equipment in the urban. The higher demand in the rural segment is a higher revenue generator for the dry cell market. Innovative improvements such as compact, long-lasting, disposable are relied upon to give a thriving force to the dry cell battery in the Indian market. The increasing availability and adaption of compact equipment that run on powerful dry cell batteries are driving the year on year growth of dry cell market. The business sectors also play a part in guiding the market with a strategy of providing dry cells with dedicated products like toys, remotes, clocks etc. The dominance of organized players in the market has been viewed as a driving force that has allowed the market to grow at the GAGR of above 5% till 2018-19.

A constantly expanding distribution network to meet the ever-increasing demand, the dry cell batteries are available in all kinds of local stores, malls, and available online too. The strategic product display and attractive packing makes this a low involvement purchase.

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

The Indian packaging industry, with a turnover of USD 24.6 billion and a growth rate of 13% to 15% annually, is expected to reach USD 32 billion by 2020. Packaging has an annual global turnover of about USD 550 billion, and India's share is about USD 16.5 billion per annum.

The growth of the Indian packaging industry is heavily influenced by changing demographics 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 Rigid Metal packaging is growing at the highest CAGR of 11.5%, driven by the rise in packaged and canned food sales, aerosol products, and the popularity of metal cans within the beer, cider, and carbonated drinks industries.

The competition from paper and plastic packaging poses a challenge to the metal packaging market.

Increased investments in canned packaging R&D have further propelled the growth of the market. Innovations, such as reduced surface area without affecting the volume, have resulted in lowering the cost of packaging of metal cans, thus, supporting companies in lowering packaging expenses. Consumer trends, such as smaller size consumption and multi-pack consumption, are also supporting the volume growth of the cans in the US and European regions, while similar trends have been observed in the Asia-Pacific region. The growing demand for mini-cans is expected to influence the growth of the market. Due to growing environmental awareness, consumers



are demanding metal cans as they have a lower environmental impact. High recyclability of metal is one of the key drivers of the market. The economic conditions and lower pricing of canned goods in some regions remains a key driver in the market.

#### **OUTLOOK AND CHALLENGES:**

Consumer habits, new technology and machinery changes provide exciting opportunities, along with some challenges, for the packaging market. While the overall outlook is for a robust growth, your company has been identifying challenges facing the metal packaging industry like of the growing use of HDPE (high density polyethylene) and PET bottles. For positive growth, metal packaging companies will need to keep developing new and innovative metal packaging prototypes, and continue to develop new marketing strategies, in order to broaden their share of the market. Our commitment is to offer quality products to our clients and meet their expectations; we continuously strive to bring together segments of all knowledge of new products created by new innovative technologies.

The packaging machine industry faces a unique set of challenges that stretches its engineering capabilities to the limits. Consumer goods producers are striving to evolve containers into new shapes to appeal to continually changing customer needs and tastes. Nearly every machine produced by a packaging machinery company is a one-of-a-kind creation designed to bring a package designer's creation to life, to increase production rates, or to lower costs

As evident, the industry is facing various challenges such as rapid changes in technology, shortage and rising cost of raw material, high levels of inflation, rising input costs, highly- inadequate credit flow, lack of market access, lack of exposure to best management and manufacturing practices, marketing, distribution and branding, and 100 per cent commitment to the quality standards.

#### **SEGMENTWISE PERFORMANCE:**

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

#### **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. Various Checks and balances ensure 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 and internal policies and procedures.

The internal control system is regularly reviewed by the Audit Committee and has well documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data.

#### **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 and requirement. The company firmly believes that well trained man power at every level provides the true competitive advantage in its business and hence the Company invests resources in training. The company's endeavor is to offer fair and reasonable compensation to its employees based on the market benchmarks.

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

Your Company has completed the fifteenth year of TPM (Total Productive Maintenance) programme to sensitize employees in safe and clean working environment enabling, zero accidents and breakdowns, highly skilled teams with high OEE rates and customer not clear through good quality, less cost and timely delivery.



Your Company is ISO 9001:2015 certified for Quality Management Systems (QMS). The ISO version is upgraded from ISO 9001:2008 to ISO 9001:2015 by stringent audits from TUV-Rheinland. Through this your company is committed to be competitive and efficient ensuring to achieve customer satisfaction with Continual process improvements. Your company is making continuous efforts for improvement in the processes, Quality Management Systems (QMS) and skill building.

In addition to Quality Management Systems, your Company is also ISO 22000:2005 certified for Food Safety Management Systems (FSMS) which was received in the financial year Mar-2018. This will help in maintaining and monitoring of Hazard and Critical Control Points (HACCP) during the process of manufacturing metal cans for food packaging. The certification helps to set standards for hygiene of employees and the surroundings which will impact in hygienic packaging for processed food. As the company's policy of FSMS speaks, it prevents contamination in source and ensures product safety, while also complying with the applicable statutory and regulatory requirements.

#### CAUTIONARY STATEMENT :

Statements in this report describing the company's objectives, expectations or forecasting 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, other statutes and also many exogenous variables. 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.

**SIGNIFICANT CHANGES IN KEY RATIOS :** In Accordance with SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 Amendment regulations 2018, The Company is required to give details of significant Changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios).

| S.No. | Particulars                | Ratios  |         |
|-------|----------------------------|---------|---------|
|       |                            | 2019-20 | 2018-19 |
| 1     | Debtor Turnover Ratio      | 5.65    | 5.65    |
| 2     | Inventory Turnover         | 3.78    | 3.54    |
| 3     | Interest Coverage Ratio    | 1.53    | 1.69    |
| 4     | Current Ratio              | 1.39    | 1.40    |
| 5     | Debt Equity Ratio          | 1.54    | 1.86    |
| 6     | Operating Profit Margin(%) | 11.37   | 12.41   |
| 7     | Net Profit Margin(%)       | 0.41    | 1.20    |

Place : Bengaluru

Date : 24<sup>th</sup> June 2020

For and on behalf of the Board  
For Shetron Limited

Divakar S Shetty  
Executive Chairman  
DIN: 00432755

[Address: Divya Bunglow, Dr. R.S. Jain Marg,  
Gandhigram Road, Juhu, Mumbai 400049]





**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS REQUIRED UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To  
The Members  
Shetron Limited  
Bangalore

I have examined all the relevant records of Shetron Limited ('the Company') for the purpose of certifying the compliance of the conditions of Corporate Governance by the Company for the financial year ended 31st March, 2020 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I 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 : Bengaluru**  
**Date : 24<sup>th</sup> June 2020**

**Vijayakrishna K T**  
Practising Company Secretary  
FCS-1788  
CP-980



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
***(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To  
 The Members  
**SHETRON LIMITED**  
 Plot No 1, Bommasandar Industrial Area,  
 Hosur Road, Bangalore- 560097

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SHETRON LIMITED** having **CIN L21014KA1980PLC003842** and having registered office at Plot No 1, Bommasandra Industrial Area, Hosur Road, Bangalore- 560 097 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2020 has been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of Director                 | DIN      | Date of appointment in the Company |
|---------|----------------------------------|----------|------------------------------------|
| 1       | Mr. Babugowda Sanganagowda Patil | 00061959 | 27/09/2002                         |
| 2       | Mr. Divakar Sanku Shetty         | 00432755 | 01/09/2005                         |
| 3       | Mr. Karlik Manohar Nayak         | 00477686 | 01/04/2003                         |
| 4       | Ms. Jyoti Gopalkrishna Baliga    | 00484000 | 25/07/2019                         |
| 5       | Mr. Praveen Vittal Mally         | 00798354 | 08/02/2016                         |
| 6       | Mr. Purshotam Shastri            | 02199254 | 02/02/2015                         |
| 7       | Mr. Mohan Narayan Merlon         | 02838483 | 16/05/2016                         |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place : Bengaluru  
 Date : 24<sup>th</sup> June 2020

**Vijayakrishna K T**  
 Practising Company Secretary  
 FCS-1788  
 CP-980



### **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, 2020 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 : Bengaluru**

**Date : 24<sup>th</sup> June 2020**

**Divakar S Shetty**  
**Executive Chairman**  
**DIN: 00432755**  
**[Address: Divya Bunglow,**  
**Dr. R.S. Jain Marg,**  
**Gandhigram Road,**  
**Juhu, Mumbai 400049]**



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF SHETRON LIMITED Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of **SHETRON LIMITED** (referred to as "the Company") and comprising of the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the India Accounting Standards prescribed under section 133 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2020 and its PROFIT, changes in equity and its cash flows for the year ended on that date

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Key Audit Matters

| S.No | Key Audit Matters                                                                        | Auditor's Response                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.   | The valuation of sale of assets held for disposal Rs.40 lakhs as mentioned in Note No 34 | Due to adverse market conditions the sale of some of the assets did not take place. The value of assets came down and hence re-valued based on present conditions, covid outbreak and the difference has been treated as stated in Note 34. The present values are supported by valuation of technical experts in the company. Considering the present low value appearing on the Balance Sheet, the same is close to realisable value. |

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of these Ind AS financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under.

The respective Board of Directors of the companies included in the Company are responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Ind AS financial statements by the Directors of the Company, as aforesaid. The respective Board of Directors of the Company are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report to the extent applicable based on our audit that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any derivative contracts but have provided, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.
  - iii. There were no amounts ,which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **N.NARESH AND CO**  
Chartered Accountants  
(Firm's Registration No. 011293S)  
**UDIN- 20025859AAAABJ5271**

**Place : Bengaluru**  
**Date : 24<sup>th</sup> June 2020**

**S. VENKATESAN**  
Partner  
(Membership No.:025859 )



## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SHETRON LIMITED of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause 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, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company 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. 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



**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, to the best of our information and according to the explanations given to us, 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **N. NARESH AND CO**  
Chartered Accountants  
(Firm's Registration No. 011293S)  
**UDIN- 20025859AAAABJ5271**

**Place : Bengaluru**

**Date : 24<sup>th</sup> June 2020**

**S. VENKATESAN**  
Partner  
(Membership No.:025859 )



**Annexure B to Independent Auditors' Report of Shetron Limited (on financial statements) for the Year Ended 31.3.2020.**

(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 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, GST and other material statutory dues were in arrears as at March 31, 2020 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, GST which have not been deposited with the appropriate authorities on account of any dispute

(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 **N.NARESH AND CO**  
Chartered Accountants  
(Firm's Registration No. 011293S)  
**UDIN- 20025859AAAABJ5271**

**Place : Bengaluru**  
**Date : 24<sup>th</sup> June 2020**

**S. VENKATESAN**  
Partner  
(Membership No.:025859 )



### Balance Sheet as at 31<sup>st</sup> March 2020

| Particulars                                      | Note No. | As at 31 <sup>st</sup> Mar 2020<br>₹ in Lakhs | As at 31 <sup>st</sup> Mar 2019<br>₹ in Lakhs |
|--------------------------------------------------|----------|-----------------------------------------------|-----------------------------------------------|
| <b>ASSETS</b>                                    |          |                                               |                                               |
| Non-Current Assets                               |          |                                               |                                               |
| Property, Plant & Equipment                      | 2        | 4,465                                         | 4,734                                         |
| Capital Work-in-Progress                         |          | -                                             | -                                             |
| Intangible Assets                                |          |                                               |                                               |
| Good will                                        |          | 230                                           | -                                             |
| Financial Assets                                 |          |                                               |                                               |
| Investments                                      | 3        | 11                                            | 429                                           |
| Trade Receivables                                | 4        | -                                             | -                                             |
| Income Tax Assets (Net)                          |          | -                                             | -                                             |
| Other Non-Current Assets                         | 5        | 120                                           | 120                                           |
| <b>Total Non-Current Assets</b>                  |          | <b>4,826</b>                                  | <b>5,283</b>                                  |
| <b>Current Assets</b>                            |          |                                               |                                               |
| Inventories                                      | 6        | 4,296                                         | 4,660                                         |
| Financial Assets                                 |          |                                               |                                               |
| Trade Receivables                                | 7        | 2,873                                         | 2,914                                         |
| Cash & Cash Equivalents                          | 8        | 43                                            | 62                                            |
| Bank Balances other than Cash & Cash Equivalents | 9        | 576                                           | 476                                           |
| Other Current Assets                             | 10       | 2,369                                         | 1,594                                         |
| Assets held for Disposal                         | 34       | 40                                            | 540                                           |
| <b>Total Current Assets</b>                      |          | <b>10,197</b>                                 | <b>10,246</b>                                 |
| <b>TOTAL ASSETS</b>                              |          | <b>15,023</b>                                 | <b>15,529</b>                                 |
| <b>EQUITY &amp; LIABILITIES</b>                  |          |                                               |                                               |
| <b>EQUITY</b>                                    |          |                                               |                                               |
| Equity Share Capital                             | 11       | 900                                           | 900                                           |
| Other Equity                                     | 11A      | 3306                                          | 3184                                          |
| <b>LIABILITIES</b>                               |          |                                               |                                               |
| Non-Current Liabilities                          |          |                                               |                                               |
| Financial Liabilities                            |          |                                               |                                               |
| Borrowings                                       | 12       | 3440                                          | 3590                                          |
| Other Financial Liabilities                      | 13       | 12                                            | 17                                            |
| Deferred Tax Liabilities (Net)                   | 14 & 34  | 41                                            | 542                                           |
| <b>Total Non-Current Liabilities</b>             |          | <b>7699</b>                                   | <b>8233</b>                                   |
| <b>Current Liabilities</b>                       |          |                                               |                                               |
| Financial Liabilities                            |          |                                               |                                               |
| Borrowings                                       | 15       | 3736                                          | 3655                                          |
| Trade Payables                                   | 16       | 2520                                          | 2934                                          |
| Other Financial Liabilities                      | 17       | 581                                           | 315                                           |
| Other Current Liabilities                        | 18       | 200                                           | 160                                           |
| Provisions                                       | 19       | 287                                           | 232                                           |
| <b>Total Current Liabilities</b>                 |          | <b>7324</b>                                   | <b>7296</b>                                   |
| <b>TOTAL LIABILITIES</b>                         |          | <b>15023</b>                                  | <b>15529</b>                                  |

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

As per our report of even date  
For N NARESH & CO  
Chartered Accountants  
FRN 011293S

Place : Bengaluru  
Date : 24<sup>th</sup> June, 2020  
DIVAKAR S SHETTY  
Executive Chairman  
DIN No. : 00432755

KARTIK NAYAK  
Jt. Managing Director  
DIN No. : 00477686

PRAVEEN MALLY  
Jt. Managing Director  
DIN No. : 00798354

VILAS DINGRE  
Chief Financial Officer

JAGRUTI MURSENIA  
Company Secretary

S.VENKATESAN  
Partner M.No.025859


**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

| Particulars                                                                                      | Note No. | For the year ended 31 <sup>st</sup> Mar 2020<br>₹ in Lakhs | For the year ended 31 <sup>st</sup> Mar 2019<br>₹ in Lakhs |
|--------------------------------------------------------------------------------------------------|----------|------------------------------------------------------------|------------------------------------------------------------|
| <b>REVENUE</b>                                                                                   |          |                                                            |                                                            |
| Revenue from Operations                                                                          |          | 16,236                                                     | 16,475                                                     |
| Other income                                                                                     | 20       | 163                                                        | 187                                                        |
| <b>TOTAL INCOME (I)</b>                                                                          |          | <b>16,399</b>                                              | <b>16,662</b>                                              |
| <b>EXPENSES</b>                                                                                  |          |                                                            |                                                            |
| Cost of Materials Consumed                                                                       | 21       | 11,748                                                     | 11,649                                                     |
| Changes in Inventories of Finished Goods,<br>Stock-in-Trade and Work-in-Progress                 |          | -462                                                       | -176                                                       |
| Employee Benefit Expense                                                                         | 22       | 1,683                                                      | 1,479                                                      |
| Finance Costs                                                                                    | 23       | 1,192                                                      | 1,144                                                      |
| Depreciation & Amortisation Expense                                                              | 2        | 558                                                        | 593                                                        |
| Power & Fuel                                                                                     |          | 591                                                        | 584                                                        |
| Other Expenses                                                                                   | 24       | 976                                                        | 1,058                                                      |
| <b>TOTAL EXPENSES (II)</b>                                                                       |          | <b>16,286</b>                                              | <b>16,331</b>                                              |
| Profit before Exceptional item & Tax Expenses (I-II)                                             |          | 113                                                        | 331                                                        |
| Exceptional items - Impairment in value of Investments                                           |          | -                                                          | -                                                          |
| <b>Profit before Tax Expenses</b>                                                                |          | <b>113</b>                                                 | <b>331</b>                                                 |
| <b>Tax Expenses:</b>                                                                             |          |                                                            |                                                            |
| Current Tax                                                                                      |          | 25                                                         | 60                                                         |
| Deferred Tax                                                                                     |          | -                                                          | 51                                                         |
| <b>Total Tax Expense</b>                                                                         |          | <b>25</b>                                                  | <b>111</b>                                                 |
| <b>Profit for the Year (III)</b>                                                                 |          | <b>88</b>                                                  | <b>220</b>                                                 |
| <b>Other Comprehensive Income</b>                                                                |          |                                                            |                                                            |
| (i) Items that will not be reclassified to P & L -<br>Actuarial Gain/(Loss) on Employee Benefits |          | -20                                                        | -20                                                        |
| <b>Other Comprehensive Income for the year (IV)</b>                                              |          | <b>-20</b>                                                 | <b>-20</b>                                                 |
| <b>Total Comprehensive Income for the year (III+IV)</b>                                          |          | <b>68</b>                                                  | <b>200</b>                                                 |
| <b>Earnings Per Equity Share (Face Value Rs. 10 each)</b>                                        |          |                                                            |                                                            |
| Basic (in Rs)                                                                                    |          | 0.76                                                       | 2.22                                                       |
| Diluted (in Rs)                                                                                  |          | 0.76                                                       | 2.22                                                       |

In terms of our report attached.

For and on behalf of the Board of Directors

As per our report of even date

For N NARESH &amp; CO

Chartered Accountants

FRN 011293S

Place : Bengaluru  
Date : 24<sup>th</sup> June, 2020**DIVAKAR S SHETTY**  
Executive Chairman  
DIN No. : 00432755**KARTIK NAYAK**  
Jt. Managing Director  
DIN No. : 00477686**PRAVEEN MALLY**  
Jt. Managing Director  
DIN No. : 00798354**VILAS DINGRE**  
Chief Financial Officer**JAGRUTI MURSENIA**  
Company Secretary**S.VENKATESAN**  
Partner M.No.025859



**Note 2:- Property, Plant & Equipment**

| Note 2:- Property, Plant & Equipment    |                |            |              |                             |                |                  |              |            |                | ₹ in Lakhs     |
|-----------------------------------------|----------------|------------|--------------|-----------------------------|----------------|------------------|--------------|------------|----------------|----------------|
| Particulars                             | GROSS BLOCK    |            |              | DEPRECIATION & AMORTISATION |                |                  | NET BLOCK    |            |                |                |
|                                         | As at 01.04.19 | Additional | SMPL ASS ADD | As at 01.04.20              | As at 01.04.19 | SMPL accumulated | For the year | Ind As Adj | As at 31.03.20 | As at 31.03.19 |
| (A) Tangible Assets                     |                |            |              |                             |                |                  |              |            |                |                |
| Land:                                   |                |            |              |                             |                |                  |              |            |                |                |
| Freehold Land                           | 80             | -          | -            | -                           | -              | -                | -            | -          | 80             | 80             |
| Buildings                               | 2,288          | -          | -            | 2,288                       | 1,216          | -                | 70           | -          | 1,286          | 1,001          |
| Plant & Equipment:                      | -              | -          | -            | -                           | -              | -                | -            | -          | -              | -              |
| Own                                     | 11,260         | 51         | 1,021        | 12,333                      | 7,905          | 788              | 446          | -          | 9,139          | 3,194          |
| Given on Lease                          | -              | -          | -            | -                           | -              | -                | -            | -          | -              | -              |
| Office Equipemnt                        | 21             | 2          | 1            | 23                          | 15             | -                | 6            | -          | 20             | 3              |
| Furniture & Fixtures                    | 233            | -          | 0            | 234                         | 210            | (1)              | 2            | -          | 211            | 23             |
| Vehicles                                | 334            | -          | -            | 334                         | 136            | -                | 34           | -          | 170            | 164            |
| Total Tangible Assets                   | 14,216         | 53         | 1,023        | 15,292                      | 9,482          | 787              | 558          | -          | 10,826         | 4,465          |
| (B) Capital Work-in-Progress            | -              | -          | -            | -                           | -              | -                | -            | -          | -              | -              |
| Total Tangible Assets                   | 14,216         | 53         | 1,023        |                             | 9,482          | 787              | 558          | -          |                | 4,734          |
| (C) Intangible Assets                   | -              | -          | -            | -                           | -              | -                | -            | -          | -              | -              |
| Software                                | -              | -          | -            | -                           | -              | -                | -            | -          | -              | -              |
| Total Intangible Assets                 | -              | -          | -            | -                           | -              | -                | -            | -          | -              | -              |
| (D) Intangible Assets under Development | -              | -          | -            | -                           | -              | -                | -            | -          | -              | -              |
| Total Intangible Assets                 | -              | -          | -            | -                           | -              | -                | -            | -          | -              | -              |
| Total Assets (A+B+C+D)                  | 14,216         | 53         | 1,023        | 15,292                      | 9,482          | 787              | 558          |            | 10,826         | 4,465          |

**Note 3:- Other Investments Unquoted**

₹ in Lakhs      ₹ in Lakhs  
31.03.20      31.03.19

|                                                             |           |            |
|-------------------------------------------------------------|-----------|------------|
| <b>Unquoted</b>                                             |           |            |
| <b>Equity Instruments</b>                                   |           |            |
| Subsidiaries- Shetron Metropak Private Limited              |           |            |
| 38,99,999 equity shares of face value of Rs.10 each         | -         | 413        |
| <b>Others</b>                                               |           |            |
| 20,000 equity shares of face value of Rs.25 each            |           |            |
| in M/s. Kalyan Janata Sahakari Bank                         | -         | 5          |
| 11000 (L.Y.6000) equity shares of face value of Rs.100 each |           |            |
| in M/s. Cosmos Co-Operative Bank Limited                    | 11        | 11         |
|                                                             | <b>11</b> | <b>429</b> |

**Note 4:- Trade Receivable**

|                                         |   |   |
|-----------------------------------------|---|---|
| From Subsidiaries                       | - | - |
| Unsecured Considered Good (from Others) | - | - |

**Note 5:- Other Non-Current Assets**

|                      |            |     |
|----------------------|------------|-----|
| Advance to Suppliers | <b>120</b> | 120 |
|----------------------|------------|-----|

**Note 6:- Inventories**

|                  |              |              |
|------------------|--------------|--------------|
| Raw Materials    | 2,647        | 3,460        |
| Work-in-Progress | 1,359        | 920          |
| Finished Goods   | 28           | 5            |
| Stores & Spares  | 262          | 275          |
|                  | <b>4,296</b> | <b>4,660</b> |

**Note 7:- Trade Receivables**

|                                   |              |              |
|-----------------------------------|--------------|--------------|
| <b>Unsecured, Considered good</b> |              |              |
| From Subsidiaries                 | -            | 193          |
| From Others                       | 2,873        | 2,721        |
|                                   | <b>2,873</b> | <b>2,914</b> |

**Note 8:- Cash & Cash Equivalents**

|                                      |           |           |
|--------------------------------------|-----------|-----------|
| Balance with Banks (Current Account) | 40        | 57        |
| Cheques on hand                      | -         | -         |
| Cash on hand                         | 3         | 5         |
|                                      | <b>43</b> | <b>62</b> |

**Note 9:- Bank Balance other than Cash**

|                           |            |            |
|---------------------------|------------|------------|
| Fixed Deposits with Banks | 32         | 31         |
| Earmarked Fixed Deposits  | 544        | 445        |
|                           | <b>576</b> | <b>476</b> |



**Note 10:- Other Current Assets**

|                                                     | ₹ in Lakhs<br>31.03.20 | ₹ in Lakhs<br>31.03.19 |
|-----------------------------------------------------|------------------------|------------------------|
| Advances to Staff and Workers                       | 7                      | 10                     |
| Advances to Suppliers                               | 1,613                  | 1,049                  |
| Prepaid Expenses                                    | 100                    | 78                     |
| Security and Other Deposits                         | 204                    | 188                    |
| Balance With Govt Authorities and Other receivables | 445                    | 599                    |
|                                                     | <b>2,369</b>           | <b>1,594</b>           |

**Note 11:- Share Capital**

|                                                              |            |            |
|--------------------------------------------------------------|------------|------------|
| <b>A. EQUITY CAPITAL</b>                                     |            |            |
| Authorised Capital 3,00,00,000 Equity shares of Rs.10/- each | 3,000      | 2,500      |
| <b>Issued, Subscribed and Paid up Share Capital</b>          |            |            |
| 90,03,300 Equity shares of Rs.10/- in each fully paid        | 900        | 900        |
| Less: Forfeited Shares                                       | 0          | 0          |
|                                                              | <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.

| Name of the Shareholder             | 31.3.2020 |        | 31.3.2019 |        |
|-------------------------------------|-----------|--------|-----------|--------|
| Shetron Enterprises Private Limited | 17,13,617 | 19.03% | 17,13,617 | 19.03% |
| Konjal Machiery Pvt Ltd             | 8,58,055  | 9.53%  | 8,58,055  | 9.53%  |
| Bunts Properties Private Limited    | 11,33,057 | 12.58% | 8,48,857  | 9.43%  |
| Mr. Diwakar S Shetty                | 4,86,070  | 5.40%  | 4,75,079  | 5.28%  |

**Note 11A Other Equity**

| Particulars                         | Capital Reserve | Securities Premium Reserve | For the Year ended 31-03-2020 |                     | Retained Earning | Total Equity |
|-------------------------------------|-----------------|----------------------------|-------------------------------|---------------------|------------------|--------------|
|                                     |                 |                            | General Reserve               | Contingency Reserve |                  |              |
| Balance as at 31-3-2019             | 15              | 2,111                      | 205                           | -                   | 853              | 3,184        |
| Total Comprehensive Income          |                 |                            |                               |                     | 68               | 68           |
| Surplus transferred on Amalgamation |                 |                            |                               |                     | 54               | 54           |
|                                     | <b>15</b>       | <b>2,111</b>               | <b>205</b>                    | <b>-</b>            | <b>975</b>       | <b>3,306</b> |

**Note 12:- Non-Current Borrowings**

|                                   |              |              |
|-----------------------------------|--------------|--------------|
| Loans from Related Parties        | 1,344        | 921          |
| Term Loan from Banks/NBFCs        | 1,839        | 2,550        |
| Unsecured Loans from Bank / NBFCs | 180          | -            |
| Term Loan from Others             | 77           | 119          |
|                                   | <b>3,440</b> | <b>3,590</b> |

**Note 13 :- Other Financial Liabilities (Non-Current)**

|                      |    |    |
|----------------------|----|----|
| <b>Particulars</b>   |    |    |
| Deferred Liabilities | 12 | 17 |



|                                                  | ₹ in Lakhs<br>31.03.20 | ₹ in Lakhs<br>31.03.19 |
|--------------------------------------------------|------------------------|------------------------|
| <b>Note 14 :- Deferred Tax Liabilities (NET)</b> |                        |                        |
| <b>Particulars</b>                               |                        |                        |
| <b>Deferred Tax Assets:</b>                      |                        |                        |
| Unabsorbed depreciation and Losses               | -                      | -                      |
| MAT Credit Carried forward                       | -                      | 10                     |
| <b>Deferred Tax Liabilities:</b>                 | -                      | -                      |
| Depreciation Difference                          | 41                     | 552                    |
| <b>Net Deferred Tax Liability</b>                | <b>41</b>              | <b>542</b>             |

**Note 15 :- Current Borrowings**

|                        |              |              |
|------------------------|--------------|--------------|
| Demand Loan from Banks | 3,087        | 3,110        |
| Factoring Obligations  | 649          | 545          |
|                        | <b>3,736</b> | <b>3,655</b> |

**Note 16 :- Trade Payables**

|                                                |              |              |
|------------------------------------------------|--------------|--------------|
| Trade Payable outstanding for less than a year | <b>2,520</b> | <b>2,934</b> |
|------------------------------------------------|--------------|--------------|

Trade creditors include the MSME Creditors Rs.3,72,28,880/- (LY Rs 2,80,01,698.42) Out of this amount outstanding for more than 45 days as on 31-3-2020 is Rs. 1,10,23,888/-(1,54,22,125.85) Payments made to MSME creditors during the year were within the appointed date.

**Note 17 :- Other Financial Liabilities**

|                                      |            |     |
|--------------------------------------|------------|-----|
| Current Maturities of Long Term Debt | <b>581</b> | 315 |
|--------------------------------------|------------|-----|

**Note 18 :- Other Current Liabilities**

|                             |            |            |
|-----------------------------|------------|------------|
| Interest Accrued            | 56         | 5          |
| Others                      | 144        | 149        |
| Security and Other Deposits | -          | 5          |
|                             | <b>200</b> | <b>160</b> |

**Note 19 :- Provisions**

|                       |            |            |
|-----------------------|------------|------------|
| For Employee Benefits | 191        | 167        |
| Provision for Tax     | 96         | 65         |
|                       | <b>287</b> | <b>232</b> |

**Note 20 :- Other Income**

|                                  |            |            |
|----------------------------------|------------|------------|
| Export Incentive/Draw back       | 126        | 127        |
| Interest Received                | 34         | 34         |
| Miscellaneous Income             | 2          | 23         |
| Profit and Sales of Fixed Assets | -          | 1          |
| Rent Received                    | 1          | 2          |
|                                  | <b>163</b> | <b>187</b> |

**Note 21 :- Cost of Material Consumed**

|                      | ₹ in Lakhs<br>31.03.20 | ₹ in Lakhs<br>31.03.19 |
|----------------------|------------------------|------------------------|
| Exchange Fluctuation | (127)                  | 39                     |
| Raw Materials        | 11,678                 | 11,510                 |
| Carrage Inward       | 197                    | 100                    |
|                      | <b>11,748</b>          | <b>11,649</b>          |

**Note 22 :- Employee Benefit Expenses**

|                        |              |              |
|------------------------|--------------|--------------|
| PF and Other Funds     | 127          | 103          |
| Salaries and Wages     | 1,507        | 1,321        |
| Staff Welfare Expenses | 49           | 55           |
|                        | <b>1,683</b> | <b>1,479</b> |

**Note 23 :- Finance Cost**

|                    |              |              |
|--------------------|--------------|--------------|
| Interest           | 722          | 704          |
| Other Finance Cost | 470          | 440          |
|                    | <b>1,192</b> | <b>1,144</b> |

**Note 24 :- Other Expenses**

|                         |            |              |
|-------------------------|------------|--------------|
| Administrative Expenses | 197        | 246          |
| Commission Paid         | 34         | 40           |
| Discount / Rebates      | 20         | 18           |
| Drawings and Designs    | 27         | 21           |
| Insurance               | 28         | 16           |
| Job Charges             | 33         | 35           |
| Other Expenses          | 17         | 16           |
| Freight and Forwarding  | 391        | 364          |
| Rates and Taxes         | 43         | 45           |
| Rent                    | 16         | 17           |
| Repairs Buildings       | 22         | 27           |
| Repairs Machinery       | 92         | 154          |
| Repairs Others          | 45         | 47           |
| Statutory Audit fees    | 11         | 12           |
|                         | <b>976</b> | <b>1,058</b> |

**Note 25 :- Contingent Liabilities**

|                                      |     |     |
|--------------------------------------|-----|-----|
| Guarantees for Customs Duty          | 450 | 450 |
| Export obligations under EPCG scheme | 72  | 72  |

**Note 26 :- Raw Material Consumption**

|              |               |               |
|--------------|---------------|---------------|
| Imported     | 5,142         | 5,196         |
| Indigenous   | 6,536         | 6,278         |
| <b>Total</b> | <b>11,678</b> | <b>11,474</b> |
| Percentage   |               |               |
| Imported     | 44%           | 45%           |
| Indigenous   | 56%           | 55%           |
| <b>Total</b> | <b>100%</b>   | <b>100%</b>   |

**Note 27 :- Related Party Disclosures**

₹ in Lakhs      ₹ in Lakhs  
31.03.20      31.03.19

|                                 |            |            |
|---------------------------------|------------|------------|
| <b>I. Controlling Companies</b> | <b>NIL</b> | <b>NIL</b> |
|---------------------------------|------------|------------|

**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.Diwakar Sanku Shetty            | Key Management Personnel | Key Management Personnel |
| Mr.Kartik Nayak                    | Key Management Personnel | Key Management Personnel |
| Mr.Praveen Mally                   | Key Management Personnel | Key Management Personnel |

**III. Transactions with related parties**

|                                     |              |            |
|-------------------------------------|--------------|------------|
| Sales                               | -            | 1          |
| Labour Job                          | -            | 183        |
| Rent Paid                           | 2            | 2          |
| Shared Services received            | -            | 2          |
| Payment to Key Management Personnel | 208          | 223        |
| Amount Receivable                   | 1,288        | 411        |
| Amount Payable                      | <b>1,062</b> | <b>920</b> |

**Notes 28-LC Obligations**

|                                                                  |       |       |
|------------------------------------------------------------------|-------|-------|
| Letters of Credit and Guarantee established and bills discounted | 3,057 | 2,759 |
|------------------------------------------------------------------|-------|-------|

**Notes 29-Value of Import (CIF) / Exports (FOB)**

|                                 |       |       |
|---------------------------------|-------|-------|
| Raw Materials                   | 4,987 | 5,400 |
| Components and Spare parts      | 82    | 82    |
| FOB Value of Exports            | 4,219 | 3,292 |
| Expenditure in Foreign Currency | 17    | 20    |

**Note 30- Segment Disclosure**

The company is exclusively engaged in the business of "Metal Packaging" products primarily in India. As per Ind AS 108 "Operating Segments" specified under Section 133 of the Companies Act 2013, there are no reportable or operating or geographical segments applicable to the company.

**Note 31- Income Taxes (Ind AS 12)**

(i) Reconciliation of Effective Tax Rate

**Applicable tax rate**

Applicable tax rate is 24.48%

(ii) Disclosures relating to deferred Taxes are given in Note No 14

There are no uncertain tax treatments excepts departmental appeals which are likely to be decided in favour of the company.


**Note 32-Classification of Financial assets and Financial liabilities and Fair Value measurements**

All Financial liabilities are classified at amortised cost except Deferred Sales Tax Liability and Loan from Related Parties which are classified as fair value through profit or loss, Fair value of these two liabilities at the end of the year were close to transaction values on account of absence of interest element and their likely maturities in short term.

The fair value of other financial assets and financial liabilities at the time of initial recognition was close to the transaction values and the Long term investments are carried at cost.

**Note 33-Financial Risk Management Objectives.**

The company's financial instruments are subject to Credit Risk, Foreign currency risk and Liquidity risk. The company does not envisage market risk as the company does not have financial assets and liabilities that are subject to change in values due to change in market prices. The company does not also have interest rate risk as the company has fixed contractual interest rates for all its financial assets and liabilities, wherever applicable.

The company's foreign currency risk are mainly for the imports. The company manages this risk by entering into forward contracts and thus quantifying its final liability. The company does not envisage any foreign currency risk on its exports, as the rupee value of its exports exposures have always shown a gain on final settlement.

The company's credit risk relate to credit sales to its customer. The company manages this risk by customer appraisal process before accepting an order from a new customer. The track record of the company in realising its debts so far has been very good. Some customer orders are against LCs. Hence the company has not made any provision for doubtful debts. to bring in funds to manage the temporary liquidity risks.

The company's liquidity risks are quite low as it has working capital arrangements with Banks and manages the funds through daily cash flow statements. The promoters have adequate resources.

The details of maturities of significant financial liabilities are as follows as on 31<sup>st</sup> March 2020

| PARTICULARS                 | MORE THAN 5 YEAR |
|-----------------------------|------------------|
| Term Loan                   | 2280.93          |
| Other financial Liabilities | 920.80           |

The details of maturities of significant financial liabilities are as follows as on 31<sup>st</sup> March 2019

| PARTICULARS                 | MORE THAN 5 YEAR |
|-----------------------------|------------------|
| Term Loan                   | 2280.93          |
| Other financial Liabilities | 920.80           |

The additional quantitative data in this regard is not necessary as the data given in the Balance Sheet itself reflect the risk adjusted values.

**Note 34- Assets held for disposal/Deferred Tax**

The Company identified certain assets to be disposed off as a disposal group consisting of a piece of land, Naroska machine, certain dies and tools, LPG storage tank, transformer and certain Non-Current Advances and receivables as on 31-3-2017. Some of these assets were disposed off. The company has received enquiries for the other assets but could not materialise because of the adverse market conditions. The company has revalued the said assets, as the value has come down due to Covid outbreak. The company has also reviewed the provision for deferred tax liability and noticed that excess provision were created in earlier. The excess provision for deferred tax liability made in earlier years were used to reduce the assets held for disposal to the current realisable value. (as reflected in the Balance Sheet)

**Note 35- Capital Management**

The company does not include interest bearing debt as a part of Capital for the purpose of Capital Management. The company aims to reduce the debt and reduce cost and thereby increasing the shareholder value.

**Note 36- Leased Assets**

All assets under lease are for a period of less than 12 months and as such option under Ind AS 116 is used to account the same as operating leases.

**Note 37-General**

Previous years' figures are regrouped/reclassified to conform to current year's classification.



## SIGNIFICANT ACCOUNTING POLICIES

### 1. Significant Accounting Policies Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements.

The date of transition to Ind AS is 1st April, 2017. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 36 Annexure

#### Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 -Share-based Payment, leasing transactions that are within the scope of Ind AS 17 - Leases, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

#### Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

#### Property, Plant and Equipment - Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition.

In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of



property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on Straight Line method basis. Land is not depreciated.

### **Inventories**

Inventories are stated at lower of cost and net realizable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realizable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

### **Foreign Currency Transactions**

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/losses arising on settlement as also on translation of monetary items are recognized in the Statement of Profit and Loss.

### **Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

### **Financial Assets**

**Recognition:** Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

### **Financial assets are classified as those measured at:**

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognized in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an





irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

### **Financial Liabilities**

Borrowing, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption /settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Deferred Tax Liability and Unsecured Loans from related parties are subsequently measured at fair value through profit or loss

Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

### **Revenue**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales tax and value added tax.

Revenue from the sale of goods is recognized when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognized in the periods in which the services are rendered.

### **Dividend Distribution**

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

### **Employee Benefits**

The Company makes contributions to both defined benefit and defined contribution schemes which are mainly administered through duly constituted and approved Trusts.

Provident Fund contributions are in the nature of defined contribution scheme. In respect of employees who are members of constituted and approved trusts, the Company recognizes contribution payable to such trusts as an expense including any shortfall in interest between the amount of interest realized by the investment and the interest payable to members at the rate declared by the Government of India. In respect of other employees, provident funds are deposited with the Government and recognized as expense.

The Company makes contribution to defined contribution pension plan. The contribution payable is recognized as an expense, when an employee renders the related service. The Company also makes contribution to defined benefit pension and gratuity plan. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognized immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Actual disbursements made, under the Workers' Voluntary Retirement Scheme are accounted as revenue expenses.

### **Taxes on Income**

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.



Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

#### **Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

#### **Provisions**

Provisions are recognized when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.



### CASH FLOW STATEMENT FOR YEAR ENDED 31.03.2020

| Particulars                                            | As at 31 <sup>st</sup> Mar 20<br>₹ in Lakhs | As at 31 <sup>st</sup> Mar 19<br>₹ in Lakhs |
|--------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES:-</b>        |                                             |                                             |
| <b>NET LOSS / PROFIT BEFORE TAX .</b>                  | <b>113</b>                                  | <b>331</b>                                  |
| Adjustments for:                                       |                                             |                                             |
| Depreciation                                           | 558                                         | 593                                         |
| Gratuity Expenses                                      | (20)                                        | (20)                                        |
| Interest                                               | 1,192                                       | 1,144                                       |
| Post Acquisition profit on amalgamation                | 53                                          | (1)                                         |
| <b>Operating Profit before Working Capital changes</b> | <b>1,896</b>                                | <b>2,047</b>                                |
| Adjustments for:                                       |                                             |                                             |
| Trade and Other receivables                            | 41                                          | 697                                         |
| Inventories                                            | 363                                         | (629)                                       |
| Current Liabilities                                    | 28                                          | (2,060)                                     |
| Fixed Deposit for LC Margin                            | (100)                                       | 4                                           |
| Other Current Assets                                   | (775)                                       | (115)                                       |
| <b>Cash Generated from Operations</b>                  | <b>1,453</b>                                | <b>(56)</b>                                 |
| Interest Paid                                          | (1,192)                                     | (1,144)                                     |
| Direct Taxes Paid                                      | (25)                                        | (60)                                        |
| <b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>            | <b>236</b>                                  | <b>(1,260)</b>                              |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>              | <b>236</b>                                  | <b>(1,260)</b>                              |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES:-</b>        |                                             |                                             |
| Purchase of Fixed Assets (including Capital Advances)  | (54)                                        | (158)                                       |
| Purchase of Fixed Assets (on Amalgamation)             | (235)                                       |                                             |
| Purchase of Good will on Amalgamation                  | (230)                                       |                                             |
| Sale of Investments                                    | 418                                         | 12                                          |
|                                                        | (101)                                       | (146)                                       |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES:-</b>        |                                             |                                             |
| Change in Long Term Borrowings                         | (155)                                       | 1,442                                       |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>           | <b>(155)</b>                                | <b>1,442</b>                                |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>       | <b>(19)</b>                                 | <b>36</b>                                   |
| CASH AND CASH EQUIVALENTS AS AT (CLOSING BALANCE)      | 43                                          | 62                                          |
| CASH AND CASH EQUIVALENTS AS AT (OPENING BALANCE)      | 62                                          | 26                                          |

In terms of our report attached.

For and on behalf of the Board of Directors

As per our report of even date

For N NARESH &amp; CO

Chartered Accountants

FRN 011293S

Place : Bengaluru  
Date : 24<sup>th</sup> June, 2020**DIVAKAR S SHETTY**  
Executive Chairman  
DIN No. : 00432755**KARTIK NAYAK**  
Jt. Managing Director  
DIN No. : 00477686**PRAVEEN MALLY**  
Jt. Managing Director  
DIN No. : 00798354**VILAS DINGRE**  
Chief Financial Officer**JAGRUTI MURSENIA**  
Company Secretary**S.VENKATESAN**  
Partner M.No.025859

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)<br>(Please enclose address proof - self attested copy of Passport/<br>Driving License/ Bank Pass Book / Telephone Bill / Bank<br>PassBook/ Aadhar Card)                                                                    |         |
| 7       | CIN<br>(In case the shareholder is a Company)                                                                                                                                                                                                            |         |
| 8       | E-mail ID to which the documents/notices can be served<br>electronically                                                                                                                                                                                 |         |
| 9       | Whether you wish to received Annual Reports in hard copy via<br>Speed post/ Registered Post/ Courier or soft copy via E-Mail                                                                                                                             |         |
| 10      | PAN (If available)<br>(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<br>on the MICR cheque issued by the Bank.<br>(Please attach the photocopy of a cheque or a blank cancelled<br>cheque issued by your Bank for verifying the accuracy of the<br>code number) |         |
|         | D. Account Type (SB/Current)                                                                                                                                                                                                                             |         |
|         | E. Bank Account Number                                                                                                                                                                                                                                   |         |
|         | F. IFSC Code                                                                                                                                                                                                                                             |         |

Place:

Date:

(Signature of the Shareholder)





[illegible]

[illegible]









# **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, Bengaluru - 560 099, INDIA  
Telephone : +91 80 2783 2290 / 91 / 92, 080 49064300  
Fax : +91 80 2783 2293  
email : investors@shetrongroup.com

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

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**AN ISO 9001 : 2015 CERTIFIED COMPANY**

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