



SHETRON

THE NAME BEHIND THE NAMES

32nd Annual Report 2011-12

2011



SHETRON LIMITED

BOARD OF DIRECTORS	:	Shri Diwakar S. Shetty Shri Kartik Nayak Shri B.S. Patil Dr.M. Mahadeviah	Executive Chairman Managing Director Independent Director Independent Director
COMPANY SECRETARY	:	Vidyacharan Chivukula	
SHARES OF THE COMPANY ARE LISTED AT	:	Bombay Stock Exchange Ltd Phiroze Jeejeebhoy Towers, Dalai Street, Mumbai - 400 001	
AUDITORS	:	PAL & SHANBHOGUE Chartered Accountants 24, 4th Main, Malleswaram, Bangalore-560 003.	
BANKERS	:	COSMOS CO-OPERATIVE BANK LTD STATE BANK OF INDIA BANK OF INDIA	
REGISTRAR AND TRANSFER AGENT	:	INTEGRATED ENTERPRISES (INDIA) LTD, No.30,Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore-560003 Tel: +91-80-23460815-818 Fax: +91-80-23460819 E-mail: irg@integratedindia.in	
REGISTERED OFFICE	:	Plot No.1, Bommasandra Industrial Area Hosur Road, BANGALORE - 560 099	
FACTORIES	:	i) Plot No.1, Bommasandra Industrial Area Hosur Road, BANGALORE - 560 099 ii) Mumbai-Nasik Highway, Post Vasind, Taluk Shahapur, Dist. Thane, MAHARASTRA - 421604	



SHETRON LIMITED

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SHETRON LIMITED

Dear Member,

Sub: Green Initiative in Corporate governance – Electronic Mode of Service of Documents

The Ministry of Corporate Affairs (“MCA”), has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by companies through electronic mode and has issued a circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively pursuant to which companies can now send various notices/documents (including annual report) through electronic mode to the registered email address to its members.

This welcome move will reduce paper consumption to a great extent and allow public at large to contribute towards greener environment. It will also, ensure prompt receipt of communication and avoid loss in postal transit. Considering all these factors, your Company has taken a step forward to participate in this initiative and therefore delivering this Notice of AGM and Annual Report 2011-12 electronically in compliance with the said circulars.

In order to access the Notice and Annual Report kindly click on the link below:

<http://www.shetrongroup.com/app>

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

We thank you for your participation in the “Green Initiative” of the Government. Please inform any changes in your e-mail address to us / our Registrar & Transfer Agent M/s. Integrated Enterprises (India) Limited (for shares held in physical mode) or to your Depository Participant (for shares held in Demat mode)

Thanking You,
Yours Faithfully

For Shetron Limited

Kartik Nayak
Managing Director



NOTICE

Notice is hereby given that the **32nd Annual General Meeting** of the members of Shetron Limited will be held at Koramangala Club, 6th Cross, CA 17, 6th Block, Bangalore – 560 095 on **Friday the 28th September 2012 at 10 A.M.** to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Balance Sheet as at 31st March 2012, the Profit and Loss account for the year ended on that date and the report of the Board of Directors and Auditors thereon.
- 2) To appoint Mr. B.S. Patil, Director who retires by rotation and is eligible for the appointment.
- 3) To appoint M/s Pal & Shanbhogue as Auditors of the Company to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting of the Company and fix their remuneration.

For SHETRON LIMITED

DIWAKAR S SHETTY
Chairman

NOTES:

1. For appointment of Directors, disclosure as required under Clause 46 of the listing agreement is annexed hereto.
- 2) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself and such proxy need not be a member of the company.
- 3) Proxies in order to be effective must be filed with the company not later than 48 hours before the meeting.
- 4) The Register of Members and share transfer books will be closed from 14th September 2012 to 21st September 2012 (both the days inclusive).
- 5) Member desiring information as regards accounts is requested to write to the company at an early date so as to enable the management to keep the information ready.
- 6) Members holding shares in physical form are requested to notify promptly any change in their address to the registrar and share transfer agents of the company INTEGRATED ENTERPRISES (INDIA) LTD, Bangalore quoting their membership numbers besides changes if any in the dividend mandates given by them and those holding shares in electronic form may communicate the above information to their respective depository participants.
- 7) Proxy form and Attendance Slip are attached to this Annual Report.
- 8) So far, about 96% of the total number of shares in the equity capital of the company has been dematerialized. In view of the advantages of the depository system and for easy trading of the shares, members are requested to opt for dematerialization of the shares of the company through any of the depository participant of their choice.
- 9) Members holding shares in Demat form are requested to incorporate the DPID number and client ID number in the attendance slip/proxy form for easy identification of attendance at the meeting.
- 10) Corporate Members are requested to send to the Company a duly certified copy of the Board Resolution pursuant to Section 187 of the Companies Act, 1956 authorising their representative to attend and vote at the Annual General Meeting.

By the order of the Board of Directors

SHETRON LIMITED

DIWAKAR S. SHETTY
Chairman

Place: Bangalore
Date : 29th May, 2012



ANNEXURE TO NOTICE

APPOINTMENT OF DIRECTORS

Details of Directors seeking appointment/ re-appointment/retiring by rotation (In pursuance of Clause 49 of the listing agreement):

1.	Name	Mr B.S.Patil
2.	Date of Birth and Age	20th January 1944 Age : 68 Years
3.	Date of Appointment	27.09.2002
4.	Expertise in specific functional areas	Has wide range of administrative experience. He was the Principal Secretary to Chief Minister of Karnataka and was heading State Financial Institutions for Industrial Growth in the State. Retired as Chief Secretary to Govt. of Karnataka.
5.	Qualification	B.A., I.A.S (Retd.)
6.	Number of Shares held in the equity capital of the company	Nil
7.	Directorship held in other public companies	<ol style="list-style-type: none"> 1. U.B. Holdings Limited 2. Mangalore Chemicals & Fertilisers Limited 3. Suprajit Engineering Limited 4. U.B. International Trading Limited 5. Weir India Private Limited 6. AMR Constructions Ltd 7. Surana Industries Ltd 8. Surana Green Power Ltd 9. Surana Green Energy Ltd
8.	Committee/Executive positions held in other companies	<ol style="list-style-type: none"> 1. U.B. Holdings Limited – Member, Audit Committee 2. Mangalore Chemicals & Fertilizers Ltd – Member, Shareholder's Grievances



DIRECTORS' REPORT

Your Directors present the Thirty Second Annual Report on the business and operations of your Company and the financial accounts for the year ended 31st March 2012 approved by the Board:

FINANCIAL HIGHLIGHTS

Particulars	2011-12 ₹ in lacs	2010-11 ₹ in lacs
Gross Sales and Other Income	13,025	12,302
Gross Profit before Interest and Depreciation	1,493	1,965
Finance Cost	1,441	1,262
Depreciation	766	662
Profit/Loss before Tax	(714)	41
(Less)Provision for Tax		5
(Less)/Add Deferred Tax	291	7
Profit/Loss after tax	(423)	29
Balance Profit for the year (after appropriations)	(423)	29
Add: Balance Brought forward from previous year	1,570	1,541
Balance Carried Over	1,147	1,570

YEAR IN RETROSPECT

The Company achieved Gross turnover and other income of ₹ 13,025 lacs against the previous year turnover of ₹ 12,302 lacs showing an increase of about 6% in sales over previous year. The loss after tax was ₹ 423 lacs compared to profit ₹ 29 lacs in the previous year.

Major factors that contributed to the loss for the year, as compared to the previous year were the overall increase in raw materials and other input costs, higher Interest cost and provision for depreciation. The details are annexed in the Management Discussion and Analysis Report.

BUSINESS PROSPECTS

The outlook for metal packaging industry is very positive in the long term. The Company installed new can line machine during the second quarter. With the expansion of Installed Capacity, your company is expanding its operations into new segments in food Industry. However on profitability front, the overall increasing trend in input costs poses challenge to protect the profit margin in the current financial year. The Directors are confident that the fructification of our capex plans would yield positive results within next two years.

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

EXPORTS

During the year, the export turnover has increased to ₹ 2,931 lacs i.e., an increase of 15% over the previous year sales of ₹ 2,553 lacs. Major exports were made to Asian, Middle East, African and Australian countries.

SUBSIDIARY:

The statement pursuant to Section 212 of the Companies Act 1956 containing details of financial highlights of the subsidiary company forms part of the Annual Report.

**CONSOLIDATED FINANCIALS:**

Pursuant to Clause 41 of the Listing Agreement and in accordance with Accounting Standard AS-21 on consolidated financial statements, the audited consolidated financial statements incorporating the operations of the company and its subsidiary company viz., M/s Shetron Metropak Private Ltd are provided in this Annual Report.

In terms of General Circular No.3/2011 issued by the Ministry of Corporate Affairs issued on 21st April 2011 under Section 212(8) of the Companies Act 1956, the audited financial statements and other related reports of the company's subsidiary are not annexed as required under Section 212(8) of the Companies Act 1956. The audited financial statements of subsidiary shall also be kept for inspection during business hours by any shareholders at the registered office of the Company and of the subsidiary company. The Company will also make available the audited financial accounts and related information of the subsidiary companies, upon request by any shareholder of the company.

AWARDS & LAURELS

Your company has bagged the "Award of Excellence for food" for the Tenth consecutive year in 2012 issued by IMDA, USA (International Metal Decorators Association) in recognition of the excellence in quality for printing. Each year the IMDA conducts a Quality Contest to recognize the skillful achievements of the metal decorating industry. Entries from around the globe are judged in eight categories with the best entry given the Grand Award.

DIRECTORS

In accordance with the provisions of the Companies Act 1956, and Articles of Association of the company, Mr. B.S. Patil retires by rotation at the end of this Annual General Meeting and is eligible for re-appointment. Brief resume of the Mr. B.S. Patil being re-appointed is attached to the Notice of the ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

As per the provisions of Section 217(2AA) of the Companies Act 1956, the Directors hereby submit that:

1. The Company has followed all the applicable Accounting standards and there is no material departure from this in the preparation of the annual accounts.
2. The Company had selected the normal accounting policies and applied them consistently and made judgment and estimates that are responsible and prudent so as to give a true and fair view of the affairs of the Company at the end of the financial year and the profit and loss account of the Company for that period.
3. Proper and sufficient care has been taken by the Company for maintenance of proper accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for detecting frauds and irregularities.
4. The accounts of the Company are prepared on a 'going concern' concept basis.

ADDITIONAL DISCLOSURES

In line with the requirements of Listing Agreements and Accounting Standards, your company has made additional disclosures in respect of related party transactions and segment reporting in notes to accounts

DEPOSITS

In terms of the provision of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits Rules) 1975, the company has not accepted/renewed any fixed deposits from the public during the year under review.

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT 1956

The information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employee Rules) 1975 are not given since the remuneration paid to Employees during the financial year were below the limits prescribed by the amended Companies (Particulars of Employees) Rules, 1975.



INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT 1956

The information as required under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rules 1988 is enclosed as Annexure - A.

AUDITORS AND AUDIT REPORT

M/s Pal and Shanbhogue, Chartered Accountants, auditors of the Company hold office as auditors until the conclusion of ensuing Annual General Meeting and have offered for re-appointment. The necessary letter of consent has been received from the Auditors in this regard.

REPORT ON CORPORATE GOVERNANCE

The Company is in compliance of all mandatory requirements of the Code of Corporate Governance. A report on compliance of the code is annexed herewith (Annexure -B). Auditors' Certificate on Corporate Governance is also annexed.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis report as required is annexed as Annexure C.

ACKNOWLEDGEMENTS

The Board of Directors take this opportunity to express their appreciation to the employees at all levels in the Company for their dedicated service. Your Directors also thank the Bankers, Institutions, and the customers for their unstinted support to the Company.

For and on behalf of the Board
SHETRON LIMITED

DIWAKAR S. SHETTY
Chairman

Place :Bangalore
Date : 29th May, 2012

**ANNEXURE – A TO DIRECTORS' REPORT****INFORMATION PURSUANT TO SECTION 217(1) (e) OF THE COMPANIES ACT, 1956
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO****CONSERVATION OF ENERGY**

Conservation of Energy received constant attention and measures were taken for effective control of electricity and fuel consumption. The Company has installed fuel efficient and energy saving devices with the help of professional consultants to reduce energy consumption. The Company conducted the seminars/awareness of conservation of LPG and Petroleum products. The Company is also planning to conduct energy audit in the next financial year for efficient running of factory.

RESEARCH AND DEVELOPMENT

A team has been formed internally comprising of Engineers with experience in various functions. Few projects have been identified which will yield results in terms of new product development, technological up gradation to improve manufacturing process and to try out different materials / consumables to reduce product coats etc.

The Company is gradually developing 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 : ₹ 2,724 Lacs
b) Foreign Exchange utilized : ₹ 5,448 Lacs

For and on behalf of the Board
For SHETRON LIMITED

Place: Bangalore
Date: 29th May, 2012

DIWAKAR S. SHETTY
Chairman

ANNEXURE – B TO DIRECTORS' REPORT**CORPORATE GOVERNANCE REPORT**

This Report on Corporate Governance forms part of the Directors' Report. This section, besides being in compliance of the mandatory Listing Agreement requirement, gives an insight into the process of functioning of the company.

1. 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.

2. BOARD OF DIRECTORS**a) Composition**

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



The Board presently consists of 2 Executive Directors and 2 Non-Executive Directors. The Chairman of the Board is an Executive Director. As per the Corporate Governance requirements, at least, half of the board should comprise of Independent Directors and the same has been complied with.

The details on the composition of Board, their attendance in Board Meetings and AGM and other details, as required, are given below.

Sl. No.	Name of the Directors	Composition & Category	Attendance at the Meeting		Directorship of Other Companies	Membership of Board Sub Committees
			Board	Last AGM		
1.	Mr. Diwakar S.Shetty	Promoter Director Executive	4	1	8	1
2.	Mr. Kartik Nayak	Promoter Director Executive	4	1	2	2
3.	Mr. B S Patil	Independent Director	4	-	8	2
4	Dr M. Mahadeviah	Independent Director	3	1	-	1

Board Meetings

During the year under review meetings of the Board were held on the following dates

Sl No.	Quarter	Date
1	April 11 - June 11	24th May, 2011
2	July 11 - September 11	11th August, 2011
3	October 11 – December 11	7th November, 2011
4	January 12 – March 12	31st January, 2012

The Company Secretary, in consultation with the Whole time Directors, drafts the agenda of the meeting. Agenda papers, along with relevant details, are circulated to all directors well in advance of the date of the Board meeting.

3. BOARD COMMITTEES:

a) Audit Committee

The composition powers and functions of the Audit Committee meet the requirements of Listing Agreement. The committee met 4 times during the year under consideration.

During the year the Audit Committee was reconstituted with the following as members:

- Mr. B.S.Patil : Chairman
- Dr M. Mahadeviah : Member
- Mr. Karitk Nayak : Member

Except Mr. Kartik Nayak, other members of the Committee are Non- Executive and Independent Directors.

Statutory Auditors (By invitation), Internal Auditors and Departmental Head of Finance are permanent Invitees to the Committee. Company Secretary of the Company is the Secretary to the Committee.



Main Terms of reference of the Committee are:

- + Internal Control System
- + Scope of Audit
- + Observation of the Auditors
- + Reviewing, Quarterly, Half yearly and Annual Financial Statements before submitting to Board.
- + Ensure Comp of internal control system
- + Investigate any activity within its terms of reference
- + Seek information from any employee
- + Obtain outside legal or other professional advise
- + Laying systems for Accounting and Audit
- + Advising Internal Auditors on the scope of their Audit and review of their report
- + Reviewing any significant Audit issues that may arise during the course of internal and Statutory Audit of the Company.

b) Share Transfer and Investor Grievance Committee

Main function of the Share Transfer and Investor Grievance Committee is to supervise and ensure efficient transfer of shares and proper and timely redressal of investors' complaints.

The Committee comprises of Three Directors viz. Mr. Kartik Nayak , Mr.Diwakar Shetty and Mr.B.S.Patil (Independent Director). The Company Secretary and Head – Finance are the permanent invitees to the committee. The Committee, generally review the working and approve the Transfer / Demat and give Authorizations to issue duplicate shares, etc if any. During the year under review committee met 4 times.

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	3	3	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	2	2	Nil
5	Requests for issues of Duplicate Share Certificate and Dividend warrants	8	8	Nil
6	Legal Cases/ Cases before consumer forum	Nil	Nil	Nil
7	Investors Request for Information	6	6	Nil
	Total	19	19	Nil



4. REMUNERATION POLICY AND DETAILS OF REMUNERATION PAID:

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 Shareholders.

Executive Directors :

Name	Position	Salary & Allowances ₹	Employer Contribution to Provident Fund - (₹)
Mr. Diwakar S. Shetty	Executive Chairman	36,00,000	2,52,000
Mr. Kartik Nayak	Managing Director	30,00,000	2,16,000

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 Board Meeting and audit committee meeting are given below:

Sl no.	Name of the director	Sitting fees paid - (₹)
1	Mr. B.S Patil	80,000
2	Dr M.Mahadeviah	70,000

5. CODE OF CONDUCT:

The Board has adopted and approved the Code of Conduct.

The Board members and Senior Managers shall observe the highest standards of ethical conduct and integrity and shall 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 conduct on its website.

A declaration signed by the Managing Director affirming the compliance of the code of 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 conduct for Directors and Senior Managers in respect of financial year 2011-12

Sd/-

Kartik Nayak
Managing Director



6. GENERAL BODY MEETINGS

The 32nd Annual General Meeting of the Company, for the Financial Year 2011-12, would be held on Friday, the 28th September, 2012 at 10.00 A.M at Koramangala Club, Bangalore.

Meeting	Day, Date and Time of the Meeting	Venue
31st AGM	26th September 2011 at 10.00 AM	Koramangala Club, Bangalore
30th AGM	25th September 2010 at 10.30 AM	Koramangala Club, Bangalore
29th AGM	24th September 2009 at 10.00 AM	Koramangala Club, Bangalore

During these meetings all Resolutions including Special Resolutions were passed, unanimously.

7. DISCLOSURES :

There were no material significant transactions with the Directors or the management, their subsidiaries or relatives that have any potential conflict with interest of the Company. There were no cases of non-compliance by the Company.

8. MEANS OF COMMUNICATION:

The Company has always promptly reported all material information including quarterly financial results, press Releases issued by the Company, etc. to all Stock Exchanges 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.

9. CHANGE OF ADDRESS:

Members holding equity share in physical form are requested to notify the change of address / dividend mandate, if any, to the company's Share Transfer Agent, at the address mentioned above. Members holding equityshare in Dematerialized form are requested to notify the change of address / dividend mandate, if any, to their respective DP.

10. SHARE TRANSFER SYSTEM

Share 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. The share transfer committee generally meets every month, to approve the transfers and dematerialization requests. During the year ending 31st March 2012 the share Transfer Committee met 4 times.

11. 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 i.e. 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 (approx.) 86,44,067 shares of the 90,03,300 equity shares of the Company are in the dematerialized form.



12. SHAREHOLDERS' CORRESPONDENCE.

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

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

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.

13. SHAREHOLDERS' INFORMATION

SI No:	Particulars	Details
1	Date, Time and Venue of the 32nd Annual General Meeting	28th September 2012 at 10 A.M at Koramangala Club, Bangalore.
2	Date of Book Closure	14th September 2012 to 21st September 2012
3	Listing on Stock Exchange	The Bombay Stock Exchange (BSE)
4	Listing Fees	Paid for all the above Stock Exchanges as per the Listing agreement.
5	ISIN No:	INE 278C01010EQ
6	Registered Office	Plot No.1, Bommasandra Industrial Area, Hosur Road, Bangalore – 560099
7	Share Transfer Agent	(For Electronic and Physical Transfers) INTEGRATED ENTERPRISES (INDIA) LTD No.30,Ramana Residency, 4th Cross, Sampige Road Malleswaram, Bangalore-560003 Tel: +91-80-23460815-818 Fax: +91-80-23460819 E-mail: irg@integratedindia.in
8	Compliance Officer	Mr. Vidyacharan Chivukula, Company Secretary, Plot No.1, Bommasandra Industrial Area, Hosur Road, Bangalore –560099
9	For Financial Queries	Mr. Vidyacharan Chivukula, Company Secretary, Plot No.1, Bommasandra Industrial Area, Hosur Road, Bangalore –560099
10	For Shareholder's Queries	INTEGRATED ENTERPRISES (INDIA) LTD, No.30,Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore-560003 Tel: +91-80-23460815-818 Fax: +91-80-23460819 E-mail: irg@integratedindia.in



14. MARKET PRICE DATA : HIGH, LOW, DURING EACH MONTH OF LASTYEAR

SL NO.	Month	High (₹)	Low (₹)	Volume of shares traded
1	March 2012	18.70	12.80	155
2	February 2012	20.70	16.75	198
3	January 2012	21.30	11.89	476
4	December 2011	15.30	9.60	222
5	November 2011	17.65	12.75	218
6	October 2011	18.05	14.60	302
7	September 2011	19.25	14.10	411
8	August 2011	17.90	13.75	478
9	July 2011	17.60	14.50	514
10	June 2011	17.17	13.70	332
11	May 2011	17.40	14.10	203
12	April 2011	19.75	16.60	284

15. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2012

Category	No. of share holders	Percentage	No. of shares	Percentage
Up to 5000	4,584	98.35	12,27,815	13.64
5001 – 10000	20	0.43	1,41,828	1.58
10001 –20000	16	0.34	2,17,293	2.41
20001 – 30000	7	0.15	1,83,299	2.04
30001 – 40000	5	0.11	1,95,397	2.17
40001 – 50000	3	0.06	1,29,909	1.44
50001 – 100000	9	0.19	8,05,676	8.95
100001 and above	17	0.37	61,02,083	67.77
Total	4,961	100.00	90,03,300	100.00



16. SHAREHOLDING PATTERN AS ON 31ST MARCH 2012

Category	No of Shares held	Percentage of Shareholding
A Promoter's holding		
1 Promoters*		
- Indian Promoters	57,05,187	63.37
- Foreign Promoters	81,633	0.90
2 Persons acting in Concert	-	-
Sub - Total	57,86,820	64.27
B Non-Promoters Holding		
3 Institutional Investors		
a Mutual Funds and UTI	101	0.00
b Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-government Institutions)	-	-
c FII's	3,14,116	3.49
Sub - Total	3,14,217	3.49
4 Others		
a Private Corporate Bodies	4,62,742	5.14
b Indian Public	21,08,341	23.42
c NRIs/OCBs/Foreign Company	331,180	3.68
Sub - Total	29,02,263	32.24
GRANDTOTAL	90,03,300	100.00

For and on behalf of the Board
For SHETRON LIMITED

Place: Bangalore
Date: 29th May, 2012

DIWAKAR S. SHETTY
Chairman

**ANNEXURE - C****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****OVERVIEW:**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

ECONOMY, INDUSTRY STRUCTURE AND DEVELOPMENTS IN FOOD CANS AND BATTERY SEGMENTS:**GLOBAL ECONOMIC OVERVIEW**

The global economic environment, which was tenuous upto September 2011, turned adverse from September 2011 owing to the turmoil in the euro-zone, and US economy unable to come out of recession fully. The impact of global slowdown in major economies of the world was not promising. The impact of weak global market had an adverse effect on Indian economy partially and moving forward, India will not be immune to the external environment and is likely to see some challenges during first half of next financial year as well. There is an apprehension that the process of global economic recovery that began after the financial crisis of the 2008 is beginning to stall and the sovereign debt crisis in the euro-zone area may persist for a while. The global economy is expected to grow by 3.3 per cent in 2012 compared to 3.8 per cent in 2011 as per the International Monetary Fund's (IMF) January 2012 update of the World Economic Outlook (WEO).

INDIA ECONOMIC OVERVIEW

Macro-economic policymakers faced twin challenges of managing growth and containing inflation during the major part of the financial year 2011-2012. The Indian economy was estimated to grow by 6.9 per cent in 2011-12, after having grown at the rate of 8.4 per cent in each of the two preceding years indicating a slowdown (as per the Economic Survey February 2012 report). Despite the twin challenges, India remained among the front-runners by any cross-country comparison. While agriculture and service sector continued to perform well, India's slowdown could be attributed to weakened industrial growth at 3.9% during the 2011-12 against 7.6% during 2010-11. The manufacturing sector grew by 2.9 per cent, 0.6 per cent and -0.3% in the second, third and fourth quarters of 2011-12 respectively. Inflation as measured by the wholesale price index (WPI) was high during most of the current fiscal year, though by the year's end there was a clear improvement. Monetary policy was tightened by the Reserve Bank of India (RBI) during the year to control inflation and curb inflationary expectations. Reflecting the weak manufacturing activity and rising costs, revenues of the Centre remained less than anticipated and with higher than budgeted expenditure outgo, leading to a slippage on the fiscal side. The below par growth and the slack in investment due to delay in implementation of key policies and reforms during 2011-12 is expected to reduce the pace of economic recovery during 2012-13. Nonetheless the price pressures remains with risks emanating from depreciation of the rupee by over 16% in 2011, accelerating prices of imported goods & services and rising fiscal deficit.

Your Company's performance for the period 2011-12 has to be seen in the context of above economic background.

Growth of Food & Packaging industry in India***Food: A thriving industry in India***

The Indian food market has experienced a good growth over the years. The economic liberation and high growth rate of economy has put a positive impact on the food and agriculture market in the country. This has led to lesser imports and high rate of exports in terms of quality and quantity. India being world's second largest producer of food next to China also ranks second in vegetable and third largest fruit producer in the world. Of the world's total annual spice trade of 850,000 tons, India accounts for 4% in quantity. The trend for functional foods market earned revenues is expected to reach ₹ 5,450 Crores in 2012.

**Main segments of the Indian food market**

The food industry in India mainly consists of a number of sectors. Some of the well-known ones are:

- + Dairy and food processing
- + Canning
- + Frozen food refrigeration
- + Thermo processing
- + Specialty processing

Some of the other sectors which are expected to grow as a lucrative option of business in the coming years are:

- + Fruits and vegetables
- + Confectionary
- + Aqua culture and fishing
- + Meat and poultry
- + Fast food and snacks
- + Ready to eat food

Recent trends in the India food market

According to the recent survey, the Indian food market is all set to be double by the year 2025. The rapid economic development, innovative technology, growing consumerism and improved lifestyle are the main reasons behind this growth. Today, Indian consumers are paying for branded and value added food products which have led to the introduction of new segments in the manufacturing and retail market. Over the last few years, the annual output of the food market in India has been around \$155 billion which is expected to reach around \$344 billion by the year 2025. The annual rate of growth is expected to be around 4.1 %. The market share of the Indian snacks is around US\$ 3 billion with a growth rate of around 15-20 %. The unorganized snacks market is worth around US\$ 1.56 billion with a 7-8 % growth rate.

Growth drivers promoting the growth of packaging industry:

SMEs involved in the food packaging industry will continue to see sustained growth, due to the expansion of the food processing industry in an under-served Indian market. The growth of the Indian food processing sector has nearly doubled to 13.7 per cent during the last four years. There are opportunities and challenges.

The Indian processed food industry is experiencing a major boom due to an increasingly urbanized population and a shift in their dietary habits. Ready-to-eat food products and microwavable or quick reheat meals are becoming popular on the shelves of India's retail outlets.

Packaging is extremely crucial to the success of the food product being sold. It has aesthetic, functional and safety attributes that influence their success with the consumer. Advances in packaging materials and techniques are helping food processors position their products in newer segments.

Packaging has become an important differentiator for brands. The quality of labeling and graphics has also undergone a major shift. Overall, the trend is that Indian packaged food is coming of age to conform to international standards. The major trends that are having a major effect on food packaging innovations are convenience of usage, sustained freshness and increased shelf life and brand positioning.

DRY CELL BATTERY :

The Indian market for dry cell batteries is now estimated at ₹ 14 billion by value. The split of technology within the dry batteries market continued to remain constant with zinc carbon batteries virtually possessing the entire market with 98 per cent share. The alkaline batteries have minimal share of the market at 1 per cent and are present in only some premium urban outlets. Rechargeable batteries, which have the balance 1 per cent of the market seems to have made its mark on a loyal customer base, but remaining stagnant. Global pattern seems to be similar to the Indian pattern. It may be said that the recent phenomenon has resulted in the Indian market in aligning itself to the global trend as far as segment share is concerned.

**SUPPLY SIDE OF TINPLATE :**

Tinplate is the major raw material used in Shetron Limited. The economic downturn had impacted much on the tinplate prices. While the prices of Iron ore were as high as \$171 in the first three quarters, it dropped to \$144 in the last quarter. The prices of Coking coal evidenced drastic reduction from \$330 in Q1 to \$315, \$285 and \$ 235 during next three quarters. The reduction could be attributed to continued recession in USA & Europe coupled with imposition of Anti- Dumping measures by USA on Japanese Tinplate as a result of second sunset review. However the international cost advantage was to a large extent offset due to weakening of rupee against U.S.D.

Tinplate still enjoys superiority over other alternatives in packaging due to its better shelf appeal, product preservation, barrier properties and bio degradability.

The demand for tinplate from the food packaging industry was steady but was met mostly through de-stocking from high inventory levels. As a result, fresh demand for tinplate was low from these markets.

Tinplate industry in India continued to face threat by cheaper import as around 35% of the country's total tinplate demand today was being met by importing tinplate seconds & waste which are far cheaper.

SEGMENTWISE PERFORMANCE:

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

FINANCIAL PERFORMANCE

Your Company registered a loss of ₹ 423 Lakhs after taxes against the previous year PAT of ₹ 28 Lakhs. The following are the major contributors to the losses:

- + High Tin plate costs
- + High volatility in foreign exchange rates
- + Delay in installation of new can line and the resultant capacity constraints
- + Labour unrest due to pending wages settlement in Battery Segment due to which off take reduced substantially
- + Cut throat completion in few segments of food industry
- + High Interest costs due to RBI's monetary policy to contain inflation

However your Company is expected to improve its performance in the second half of next financial year especially with the installation of high speed, fully automated New Can Line machine. All out measures are being taken to reduce the tin plate costs. The Company is also taking measures to utilize the new available capacity by entering new areas in food industry. Your Company has also started getting positive enquiries in Juice Can Segment.

RISKS, OPPORTUNITIES , THREATS AND CONCERNS:

Shetron Limited which made an entry into Energy Segment has also grown in strength in food segment. Your Company is getting positive indicators in many segments of food sector especially in beverages and coffee segments which see an exciting opportunity during the upcoming financial year. As per internal survey conducted by Shetron, your company is regarded with high esteem by the customers especially due to delivery of quality products. With food processed industry poised for growth, your company has focused its efforts on enhancing capacity utilization, value engineering and enhancement of capacities.

The fluctuations in the prices of tin plate in the international market, the shrinking margins and highly volatile foreign currency fluctuations and high interest cost posed a serious concern. However your Company continuously assessed the associated business risks and undertook all the measures to minimize their impact on its operations.

The threat from alternative and cheaper sources of packing material such as plastic, paper or glass looms large due to higher prices which in turn are dependent on international tin plate prices and foreign exchange. Even though tin packaging, offers advantages in terms of durability, stacking and printing options, the Industry has constantly witnessed heavy competition from the alternative sources only on account of higher prices. However due to better shelf life and safety getting its due attention worldwide, the Industry is expected to rebound in the days to come.

**INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:**

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

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

The Company has independent internal auditors to monitor the entire operations and services spanning all locations, businesses and functions on a regular basis. The top management and the Audit Committee of the Board review the findings and recommendations of the internal audit report.

CORPORATE POLICIES:**HUMAN RESOURCES/ INDUSTRIAL RELATIONS:**

The Company provides necessary training / conducts development programs to imbibe the necessary skills required to operate in the international environment. The Company maintains a constructive relationship with its employees by creating a positive work environment, with focus on improving productivity and efficiency. The recruitment policy at Shetron aims at enriching its talent pool by acquiring skills and functional expertise that strenghtens its goal to become a leader in Metal Packageing Industry. The Company offers compensation package in line with market benchmark.

TPM/ISO/IMS

The Company has completed the Seventh year of TPM (Total Productive Management) programme. The Company is certified under ISO 9001:2008. The Company is making constant efforts for improvement in the processes, Quality Management Systems (QMS) and Skill building. As per Integrated Management Systems (IMS) policy of the Company, the Company is committed to maintain highest standards of Occupational Health, Safety and Environment protection and comply with all applicable Laws & requirements.

ENVIRONMENT:

The Company conducts its business in a manner that is compatible with the environmental and economic needs of the societies in which it operates. In the projects operated by the Company, it complies with all applicable environmental laws and regulations.

CAUTIONARY STATEMENT:

Statements in this report describing the company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in this statement. Important factors that could make a difference to the company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws and other statutes and other incidental factors. The Company assumes no responsibility to publicly amend, modify and revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE****To the Members of
SHETRON LIMITED**

1. We have examined the Compliance of Corporate Governance Report for the period ended 31st March 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
3. In our opinion, to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.
4. We state that such Compliance is neither an assurance as to the future visibility of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

K R SHANBHOGUE
Partner M.No.18578

**AUDITORS' REPORT****To****The Members of SHETRON LIMITED**

1. We have audited the attached Balance Sheet of M/s Shetron Limited, as at March 31, 2012, and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto, these financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the over all financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ("CARO") issued by the Central Government of India in terms of sub section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report as follows:
 - a) we have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b) in our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Profit and Loss Account and Cash flow Statement dealt with by this report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, the statement of Profit and Loss Account and the Cash flow Statement dealt with by this report are in compliance with the Accounting Standards referred to Section 211(3C) of the Companies Act 1956;
 - e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet, of the state of the affairs of the company as at March 31, 2012;
 - ii. in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date;and
 - iii. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of written representations received from the Directors, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act 1956.

For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

K R SHANBHOGUE
Partner M.No.18578



ANNEXURE TO THE AUDITOR'S REPORT
(Referred to in paragraph 3 of our report of even date)

1. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which in our opinion, provides for physical verification of fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company.
2. In respect of the Company's inventory:
 - (a) As explained to us, inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. In respect of unsecured loans granted by the Company to companies covered in the Register under section 301 of the Companies Act, 1956 and according to the information and explanations given to us
 - (a) The company has not given any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956. Therefore, the provisions of sub-clauses (e), (f) and (g) of clause 4(III) of CARO are not applicable to the Company.
 - (b) During the year, the Company has taken interest free unsecured loan, of Rs. 720 Lakhs from Companies, firm or other parties listed in the register maintained under Section 301 of the Companies Act 1956, and the rate of interest and terms and conditions are not prima facie prejudicial to the interest of the Company. There no stipulations as regards repayment.
4. In our opinion and according to the information given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regards to purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to Section 301 that were needed to be entered in the Register maintained under the said Section have been so entered.
 - (b) Where each of such transaction is in excess of Rs. 5 lakhs of any party, the transaction have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time except in respect of certain purchases for which comparable quotations are not available and in respect of which we are unable to comment.
6. In our opinion the Company to the information and explanations given to us, the Company has not accepted deposits from the public during the year Therefore, the provisions of clause 4(VI) of CARO are not applicable to the Company.



7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed cost records maintained by the Company pursuant to the Companies (cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. According to the information and explanations given to us in respect of Statutory dues :
 - (a) The company has generally been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Cess and other material Statutory dues applicable to it with the appropriate authorities.
 - (b) No undisputed amounts payable in respect of Provident fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and cess were in arrears as at 31 March, 2012 for a period of more than six months from the date they became payable.
 - (c) There are no disputed matters that are pending before any appropriate authorities.
10. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to any financial institution or a bank as at the balance sheet date.
12. In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not dealing in shares, securities and debentures. Therefore, the provisions of clause 4(XIV) of CARO are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company has given guarantee to the financial Institution for ₹ 500 lakhs loan taken by Shetron Metro pack Pvt Ltd a subsidiary. In our opinion and according to the information and explanations given to us, the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
15. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
16. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been used during the year for long- term investment.
17. According to the information and explanations given to us, during the period covered by our audit, the Company has not made any preferential allotment of equity shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
18. According to the information and explanations given to us, during the year covered by our report, the Company has not issued any debentures.
29. During the year covered by our report, the Company has not raised any money by way of public issue.
20. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

K R SHANBHOGUE
Partner M.No.18578



BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As at 31.03.2012 ₹ in Lacs	As at 31.03.2011 ₹ in Lacs
A EQUITY AND LIABILITIES			
1. SHAREHOLDER'S FUNDS			
a. Share capital	1	900	900
b. Reserves and surplus	2	3,478	3,901
		4,378	4,801
2. NON-CURRENT LIABILITIES			
a. Long-term borrowings	3	6,610	5,030
b. Deferred tax liabilities (net)	4	710	1,001
		7,320	6,031
3. CURRENT LIABILITIES			
a. Short-term borrowings	5	2,876	2,827
b. Trade payables	6	2,218	2,015
c. Other current liabilities	7	1,038	639
d. Short-term provisions	8	94	519
		6,226	6,000
TOTAL		17,924	16,832
B. ASSETS			
1. Non-current assets			
a. Fixed assets			
(i) Tangible assets	9	8,296	7,029
(ii) Capital work-in-progress		92	155
		8,388	7,184
b. Non-current investments	10	133	133
c. Long-term loans and advances	11	1,496	1,930
d. Other non-current assets	12	141	154
		10,158	9,401
2. Current assets			
a. Inventories	13	3,486	3,075
b. Trade receivables	14	2,642	2,494
c. Cash and cash equivalents	15	737	783
d. Short-term loans and advances	16	819	1,025
e. Other Current assets	17	82	54
		7,766	7,431
TOTAL		17,924	16,832

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

As per our report of even date
For **PAL & SHANBHOGUE**
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

DWAKAR S. SHETTY
Chairman

KARTIK NAYAK
Managing Director

VIDYACHARAN CHIVUKULA
Company Secretary

K.R. SHANBHOGUE
Partner M.No.18578



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	For the year ended 31 March, 2012 ₹ in Lacs	For the year ended 31 March, 2011 ₹ in Lacs
A CONTINUING OPERATIONS			
1 Sales (Gross)		12,821	12,177
Less: Excise duty		723	684
Sales (Net)		12,098	11,493
2 Other income	18	204	126
3 Total revenue (1+2)		12,302	11,619
4 Expenses			
a. Cost of materials consumed	19	8,954	7,955
b. Changes in inventories of finished goods and work-in-progress		(126)	8
c. Employee benefits expense	20	944	836
d. Finance costs	21	1,441	1,262
e. Depreciation and amortisation expense		766	662
f. Other expenses	22	1,037	855
Total expenses		13,016	11,578
5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(714)	41
6 Profit / (Loss) before extraordinary items and tax (5 + 6)		(714)	41
7. Extraordinary items		-	-
8. Profit / (Loss) before tax (7 + 8)		(714)	41
9. Tax expense:			
a. Current tax expense for current year		-	5
b. Deferred tax		(291)	8
10. Profit / (Loss) from continuing operations (9 +10)		(423)	28
11. Earnings per share			
No of Equity Share with face value of Rs.10 each		8,999,800	8,999,800
Basic and Diluted Earnings per share Rs.		(4.70)	0.32
See accompanying notes forming part of the financial statements			

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

As per our report of even date
For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

DWAKAR S.SHETTY
Chairman

KARTIK NAYAK
Managing Director

VIDYACHARAN CHIVUKULA
Company Secretary

K.R. SHANBHOGUE
Partner M.No.18578



NOTES FOR ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2012

1. Share Capital:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Authorised Share Capital 250,00000 equity shares of ₹10/- each	2500	2500
Issued, Subscribed and paid up Share Capital	900	900
90,03,300 equity shares of ₹ 10/- each fully paid		
Less : Forfeited Shares	-	-
	900	900

There is no other class of Shares 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 Shetron Metro Pack Pvt Ltd. The other disclosure requirements of schedule VI regarding share capital are not applicable to the Company. The following shareholders hold more than 5% of value of shares.

Name of the Share holders	No of shares 31.03.2012		No of shares 31.03.2011	
	No's	%	No's	%
Shetron Enterprises Pvt Ltd.	17,96,717	19.96	17,96,717	19.96
Konjal Machine Pvt. Ltd	8,58,055	9.53	8,58,055	9.53
Bunts Properties Pvt. Ltd.	8,00,000	8.89	8,00,000	8.89

2. Reserves And Surplus:

There is no change in any of the reserves as the amount outstanding at the beginning of the year except in profit and loss account and contingency reserve.

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Capital Subsidiary Reserve	15	15
Share Premium	2,111	2,111
General Reserves	205	205
Profit and Loss Accounts:		
Opening Balance	1,570	1541
Add: Profit / Loss for the year	(423)	29
Total	1,147	1,570
Less: Transfer to contingency reserve	300	Nil
Closing Balance	847	1,570
Contingency Reserve		
Transfer from Profit and Loss accounts during the year.	300	Nil
Total	3,478	3,901



3. Long Term Borrowings

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Deferred Sales Tax	124	130
Loan From Related Parties	720	335
Term Loan from Cosmos Co Op Bank Ltd. Pune	5,669	5,121
Suppliers' Credit	1,037	-
Car Loan	9	3
Sub -Total	7,559	5,589
Less: Maturities within one year	949	559
Total	6,610	5,030

- 3.1 Term Loans from Banks are guaranteed by two promoter directors and one of their relatives.
- 3.2 Deferred Sales tax is payable over period of 15 years. Loan from related parties are not subjected to any repayment terms. Term Loans are repayable over a period of 7 years from the date of disbursement. Suppliers credit are payable over a period of 3 years. Car Loan is payable over a period of five years from the date of disbursement.
- 3.3 Term Loans from Cosmos Co Op Bank Ltd are secured by First charge by way of Equitable Mortgage on the Company's immovable property situated at Bangalore and First charge on the Plant & Machinery of the Company.
- 3.4 Loans under the Hire Purchase Scheme are secured by hypothecation of vehicles acquired under the scheme
- 3.5 Installments of Term Loans due during the year to the extent of Rs.140 Lakhs were paid during April/May 2012

4. Details of deferred tax calculation for the year ending 31st March 2012.

₹ in Lacs

Particulars	Deferred Tax(Asset) / Liability		
	As on 01.04.2011	As on 31.3.2012	For the year 2011-2012
Difference between Book and Tax Depreciation	938	77	1,015
Brought forward Unabsorbed Depreciation (Rs 9.32 Cr)	-	(303)	(303)
Preliminary Expenses	63	(65)	(2)
Total	1,001	(291)	710

5. Short Term Borrowings:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Bills Discounted	80	Nil
Demand Loan From Banks	2,796	2,827
Total	2,876	2,827



The Short term borrowings are under Consortium Banking arrangement with Bank of India and State Bank of India and are secured by First Pari-passu charge on the Hypothecation of stocks, Books Debts and other Current Assets of the Company, exclusive First charge on the Company's immovable property situated at Asangaon, Maharashtra and Second pari-passu charge on the Fixed Assets of the Company (including second charge by way of extension of Equitable Mortgage as on the immovable properties in Bangalore) of the Company. Short term borrowings are guaranteed by two promoter directors and one of their relatives.

6. Trade Payables

Trade Payables include sum of ₹ 113 lacs due to SMEs to the extent such parties have been identified from available information. The amount outstanding for more than 30 days as on 31.03.2012 is ₹ 17 lacs. Trade payables are subject to confirmation from parties.

7. Other Current Liabilities :

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Deposits Payable	5	5
ESI Payable	3	3
Interest Accrued but not Due	61	52
LIP Payable	1	1
PF Payable	6	5
TDS Payable	7	9
Term Loan Maturities within one Year	950	559
Unclaimed Dividend	5	5
Total	1,038	639

8. Short Term Provisions :

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Short Term Provision		
Provision for Employee Benefits	93	84
Provision for Taxation	Nil	434
Provision for Excise duty on FG	1	1
Total	94	519

9. FIXED ASSETS (AT COST)

₹ in Lacs

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	01.04.2011	Additions	Adjustments	31.03.2012	01.04.2011	Period	Adjustments	31.03.2012	31.03.2012	31.03.2011
Leasehold Land & Development	81	-	-	81	-	-	-	-	81	81
Buildings	2,141	55	0	2,196	650	72	0	722	1,474	1,492
Plant & Machinery	10,376	1,945	1	12,320	5,024	671	1	5,694	6,626	5,352
Furniture, Fixture & Equipments	180	22	0	202	122	15	0	137	65	58
Vehicles	89	11	0	100	42	8	0	50	50	47
TOTAL	12,867	2,033	1	14,899	5,838	766	1	6,603	8,296	7,029



**10. Non-Current Investments:**

₹ in Lacs

Particulars	31.03.2012	31.03.2011
* Shares in Subsidiary Company (Unquoted)	127	127
** Other Shares (Unquoted)	6	6
TOTAL	133	133

* 19,70,100 equity shares of Shetron Metropak Pvt Ltd of ₹ 10/-.

** 20,000 equity shares of Kalyan Janatha Sahakari Bank of ₹ 25/- each (₹ 5,00,000) and 1000 equity shares of Cosmos Co-Operative Bank Ltd of Rs. 100/- each (₹ 1,00,000).

11. Long Term Loans And Advances

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Advances for value to be received	1,496	1,930

Advances are unsecured. Advances include advance to related parties (₹ 314 PY ₹161 Lakhs) and others which in the opinion of the management will realize values stated in the Balance sheet in the long term. However the Company, as a prudent measure, has created a contingency reserve to the extent of ₹ 300 lacs for any possible erosion in the value of said advances. Advances are subject to confirmation from parties.

Advances for the year ended 31.3.2011 includes Capital Advances ₹ 815 Lakhs.

12. Other Non-Current Assets

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Trade Receivables	141	141
Preliminary Expenses to the extent not w/off	Nil	13
Total	141	154

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

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

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Finished Goods	9	10
Raw Material	2,516	2,247
Stores & Spares	141	125
Work In Process	820	693
Total	3,486	3,075

Inventories are valued as follows:

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

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



14. Trade Receivable

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Outstanding for period of exceeding 6 months	252	85
Other Debts	2,390	2,409
Total	2,642	2,494

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

15. Cash and Cash Equivalents

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Bank Balances	80	96
Cash On Hand	-	1
Margin Money Deposit with Bank for L/Cs	627	656
Fixed Deposit with Bank (More than 12 months Maturity)	30	30
Total	737	783

16. Short Term Loans and Advances:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
(Unsecured and Considered good)		
Advance Custom Duty	21	30
Advance for Goods	255	56
Advance Income Tax	50	594
Cenvat Recoverable	323	208
Advance to Employees	67	55
Service Tax Recoverable	-	25
VAT Recoverable	103	57
Total	819	1,025

Advances for goods are subject to confirmation from parties

17. Other Current Assets:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Deposits	38	31
Interest Receivable	30	20
Prepaid Expenses	14	3
Total	82	54



18. Other Income:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Commission Received	2	4
Discount Received	1	1
Dividend	1	-
Export Incentive	118	16
Interest Received	69	41
Miscellaneous Income	6	28
Profit and Sales of Fixed Assets	-	8
Rent Received	7	28
Total	204	126

19. Cost of Material Consumed :

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Exchange Fluctuation	126	(33)
Power and Fuel	444	329
Raw Materials	8,292	7,512
Carriage Inward	92	147
Total	8,954	7,955

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

20. Employees Benefit Expenses:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
PF and Other Funds	65	30
Salaries and Wages	834	743
Staff Welfare Expenses	45	63
Total	944	836

21. Finance Cost:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Interest	1,167	916
Other Finance Cost	274	346
Total	1,441	1,262



22. Other Expenses:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Administrative Expenses	344	296
Business Promotion	28	24
Commission Paid	67	71
Discount / Rebate	47	38
Insurance	7	8
Job Charges	45	17
Loss on Sale of Fixed Assets	-	2
Other Expenses	8	2
Packing Forwarding	358	288
Preliminary Expenses	13	13
Rates and Taxes	18	21
Rent	3	20
Repairs Buildings	12	9
Repairs Machinery	80	35
Repairs Others	7	11
Total	1,037	855

Administrative Expenses includes Audit Fees as statutory auditor of ₹ 8.15 lakhs (PY Statutory Audit Fees ₹ 6.50 lakhs, Certificate fees ₹1.05 lakhs and Taxation matters ₹ 3.50 lakhs).

23. Contingent Liabilities (not provided for in accounts):

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Letters of credit and guarantee established and Bills discounted under LC and others	3,291	3,945
Factoring obligations	759	700
Guarantees for Customs Duty	450	450
Guarantees for Financial Institutions/Banks as security	500	500
Future Lease Rentals Payable	9	3
Export Obligations	5,170	6,242
Disputed Income Tax	249	249

24. Value of Imports/Exports :

₹ in Lacs

Particulars	31.03.2012	31.03.2011
CIF Value of Imports		
Raw Materials	3,535	2,641
Components and Spare Parts	67	28
Capital Goods	1,837	376
FOB Value of Exports	2,724	2,484
Expenditure in Foreign Currency	9	9



25. Raw Material Consumption:

Particulars	31.03.2012		31.03.2011	
	%	Value ₹ in Lacs	%	Value ₹ in Lacs
Imported	44%	3,649	36%	2,659
Indigenous	56%	4,643	64%	4,853

26. Related Party Disclosures:

I Controlling Companies : NIL

II List of Related Parties

₹ in Lacs

Fibre Foils Ltd.	Associate
Sansha Systems Ltd	Associate
Shetron Enterprises Pvt. Ltd	Associate
Shetron Metropak Pvt Ltd	Subsidiary
Bunts Property Pvt Ltd	Associate
Mr. D.S. Shetty	Key Managerial personnel
Mr. Kartik. Nayak	Key Managerial personnel

III Transaction with related parties

₹ in Lacs

Nature of Transaction entered into during the year	31.03.2012	31.03.2011
Sales	923	935
Purchase	56	10
Rent paid	2	20
Unsecured Loan Received	720	335
Shared Services Received	38	28
Payment to Key Managerial Personnel	71	71
Status of outstanding Balances		
Amount Receivable	870	452
Amount Payable	570	140

Segment Disclosure:

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

a. Primary Segment Information:

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



Geographical Segment	₹ in Lacs	
	31.03.2012	31.03.2011
India	9,908	9,624
Asia	1,136	1,240
Europe	30	110
America	162	124
Africa	1,396	1,078
Australia	189	-
Total	12,821	12,176

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

27. Significant Accounting Policies:

1. Basis for preparation of financial statements

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

2. Method of Accounting

The company is following accrual basis of accounting.

3. Fixed Assets & Depreciation

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

Depreciation on fixed assets are charged on straight line method at rates specified in Schedule XIV of the Companies Act 1956.

4. Borrowing Cost

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

5. Investments

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

6. Inventories

Inventories are valued as follows:

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

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



7. Transactions in Foreign Currency

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

8. Deferred Revenue Expenditure

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

9. Income

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

10. Retirement Benefits

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

AS-15(Revised 2005) for year ended 31/03/2012

SHETRON LIMITED EMPLOYEES GRATUITY FUND TRUST

1.	Assumption	As On	
		31/03/2011	31/03/2012
	Discount Rate	8%	8%
	Salary Escalation	7%	7%

2. Table Showing changes In present value of obligation as on 31/03/2012

Amount in ₹

Present value of obligations as at beginning of year	7,417,468
Interest cost	593,397
Current Service Cost	554,652
Benefits Paid	(612,191)
Actuarial (gain)/ loss on obligations	(1,585,181)
Present value of obligations as at end of year	6,368,145

3. Table showing changes in the fair value of plan assets As on 31/03/2012

Amount in ₹

Fair value of plan assets at beginning of year	1,050,238
Expected return on plan assets	72,052
Contributions	-
Benefits Paid	(612,191)
Actuarial gain/(loss) on Plan assets	NIL
Fair value of plan assets at the end of year	510,099



4. Table showing fair value of plan assets

Amount in ₹

Fair value of plan assets at beginning of year	1,050,238
Actual return on plan assets	72,052
Contributions	-
Benefits Paid	(612,191)
Fair value of plan assets at the end of year	510,099
Funded status	(5,858,046)
Excess of Actual over estimated return on plan assets	NIL
(Actual rate of return=Estimated rate of return as ARD falls on 31st March)	

5. Actuarial Gain/Loss recognized

As on 31/03/2012

Amount in ₹

Actuarial (gain)/ loss on obligations	1,585,181
Actuarial (gain)/ loss for the year - plan assets	NIL
Total (gain)/ loss for the year	(1,585,181)
Actuarial (gain)/ loss recognized in the year	(1,585,181)

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

Amount in ₹

Present value of obligations as at the end of year	6,368,145
Fair value of plan assets as at the end of the year	510,099
Funded status	(5,858,046)
Net asset/(liability) recognized in balance sheet	5,858,046

7. Expenses Recognised in statement of Profit and loss

Amount in ₹

Current Service cost	554,652
Interest Cost	593,397
Expected return on plan assets	(72,052)
Net Actuarial (gain)/ loss recognized in the year	(1,585,181)
Expenses recognised in statement of Profit and loss	(509,184)

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

**11. Provisions and Contingencies**

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

Signatures to notes of accounts

For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May 2012

DIWAKAR S.SHETTY
Chairman

KARTIK NAYAK
Managing Director

VIDYACHARAN CHIVUKULA
Company Secretary

K.R. SHANBHOGUE
Partner M.No.18578



THIRTY SECOND ANNUAL REPORT 2011-12

CASH FLOW STATEMENT FOR YEAR THE ENDED 31.03.2012

Particulars	31.03.2012		31.03.2011	
	₹ in Lacs		₹ in Lacs	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
NET LOSS / PROFIT BEFORE TAX .	(714)		41	
Adjustments for:				
Depreciation	766		662	
Discount on issue of Debentures / Preliminary Exp W/off	-		13	
Interest	1,441		1,124	
(Profit)/Loss on sale of Fixed Assets	-		(9)	
Operating Profit before Working Capital changes	1,493		1,831	
Adjustments for:				
Trade and Other receivables	(135)		112	
Inventories	(411)		(470)	
Trade Payables	226		567	
Loans and Advances	558		(7)	
Cash Generated from Operations	1,731		2,033	
Interest Paid	(1,441)		(1,124)	
Direct Taxes Paid	-		(6)	
CASH FLOW BEFORE EXTRAORDINARY ITEMS	290		903	
NET CASH FROM OPERATING ACTIVITIES		291		903
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets (including Capital Advances)	(1,916)		(1,125)	
Sale of Fixed Assets	-		9	
Purchase of Investments	-		(28)	
		(1,916)		(1,144)
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Change in Long Term Borrowings	1,580		609	
NET CASH USED IN FINANCING ACTIVITIES		1,580		609
NET INCREASE IN CASH AND CASH EQUIVALENTS		(46)		368
CASH AND CASH EQUIVALENTS AS AT (CLOSING BALANCE)	737		783	
CASH AND CASH EQUIVALENTS AS AT (OPENING BALANCE)	783		415	

In terms of our report attached.

For and on behalf of the Board of Directors

As per our report of even date

For PAL & SHANBHOGUE
Chartered Accountants

(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

DIWAKAR S.SHETTY
Chairman

KARTIK NAYAK
Managing Director

VIDYACHARAN CHIVUKULA
Company Secretary

K.R. SHANBHOGUE
Partner M.No.18578

AUDITORS CERTIFICATE

To
The Board of Directors
Shetron Limited,
Bangalore-560 099

We have examined the attached Cash Flow Statement of Shetron Limited for the year ended 31st March 2012. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the listing agreement with Bombay Stock Exchange Limited, Mumbai

For PAL & SHANBHOGUE
Chartered Accountant
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

K.R.SHANBHOGUE
Partner M.No.18578

**CONSOLIDATED FINANCIAL STATEMENTS 2012****AUDITORS' REPORT**

To
The Members of Shetron Limited

1. We have audited the attached consolidated Balance Sheet of M/s Shetron Limited ('the Company') and its Subsidiary M/s Shetron Metropak Pvt Ltd, (collectively referred to as the 'Group') as at March 31, 2012, the consolidated Profit and Loss Account and the consolidated Cash Flow Statement of the Group for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the over all financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiary company M/s Shetron Metropak Pvt Ltd whose financial statements reflect net profit after tax of Rs.7.99 lakhs for the year ended March 31, 2012. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, consolidated financial statements prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended).
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the consolidated Balance Sheet, of the state of the affairs of the Group as at March 31, 2012;
 - ii. in the case of the consolidated Profit and Loss Account, of the Loss of the Group for the year ended on that date;and
 - iii. in the case of the consolidated Cash Flow Statement, of the cash flows for the Group for the year ended on that date.

For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Date : Bangalore
Place :29th May, 2012

K R SHANBHOGUE
Partner M.No.18578



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	As at 31.03.2012 ₹ in Lacs	As at 31.03.2011 ₹ in Lacs
A EQUITY AND LIABILITIES			
1. SHAREHOLDER'S FUNDS			
a. Share capital	1	900	900
b. Reserves and surplus	2	3,488	3,907
c. Money received against share warrants			
		4,388	4,807
2. NON-CURRENT LIABILITIES			
a. Long-term borrowings	3	6,910	5,589
b. Deferred tax liabilities (net)	4	710	1,001
		7,620	6,590
3. CURRENT LIABILITIES			
a. Short-term borrowings	5	3,047	2,893
b. Trade payables	6	2,394	2,057
c. Other current liabilities	7	1,113	706
d. Short-term provisions	8	94	519
Minority Interest		95	
		6,743	6,175
TOTAL		18,751	17,572
B. ASSETS			
1. Non-current assets			
a. Fixed assets			
(i) Tangible assets	9	8,757	7,530
(ii) Intangible assets		40	140
(iii) Capital work-in-progress		338	155
		9,135	7,825
b. Non-current investments	10	6	6
c. Long-term loans and advances	11	1,496	1,930
d. Other non-current assets	12	141	154
		10,778	9,915
2. Current assets			
a. Inventories	13	3,621	3,137
b. Trade receivables	14	2,371	2,417
c. Cash and cash equivalents	15	781	813
d. Short-term loans and advances	16	826	1,032
e. Other Current assets	17	374	258
		7,973	7,657
TOTAL		18,751	17,572

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

As per our report of even date
For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

DWAKAR S.SHETTY
Chairman

KARTIK NAYAK
Managing Director

VIDYACHARAN CHIVUKULA
Company Secretary

K.R. SHANBHOGUE
Partner M.No.18578


CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	For the year ended 31 March, 2012 ₹ in Lacs	For the year ended 31 March, 2011 ₹ in Lacs
A CONTINUING OPERATIONS			
1. Sales (Gross)		13,055	12,421
Less: Excise duty		726	630
Sales (Net)		12,329	11,791
2. Other income	18	201	123
3. Total revenue (1+2)		12,530	11,914
4. Expenses			
a. Cost of materials consumed	19	9,061	8,084
b. Changes in inventories of finished goods and work-in-progress		(158)	1
c. Employee benefits expense	20	955	847
d. Finance costs	21	1,498	1,320
e. Depreciation and amortisation expense		818	714
f. Other expenses	22	1,062	901
Total expenses		13,236	11,867
5. Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(706)	47
6. Profit / (Loss) before extraordinary items and tax (5 + 6)		(706)	47
7. Extraordinary items		-	-
8. Profit / (Loss) before tax (7 + 8)		(706)	47
9. Tax expense:			
a. Current tax expense for current year		-	5
b. Deferred tax		(291)	7
		(291)	12
10. Profit / (Loss) from continuing operations (9 +10)		(415)	35
Share of Minority Interest		4	-
		(419)	35
11. Earnings per share			
No of Equity Share with face value of ₹ 10 each		8,999,800	8,999,800
Basic and Diluted Earnings per share Rs.		(4.66)	0.39
See accompanying notes forming part of the financial statements			

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

As per our report of even date
For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

DWAKAR S.SHETTY
Chairman

KARTIK NAYAK
Managing Director

VIDYACHARAN CHIVUKULA
Company Secretary

K.R. SHANBHOGUE
Partner M.No.18578


CONSOLIDATED NOTES FOR ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2012
1. Share Capital:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Authorised Share Capital 250,00000 equity shares of ₹10/- each	2500	2500
Issued, Subscribed and paid up Share Capital	900	900
90,03,300 equity shares of ₹ 10/- each fully paid		
Less : Forfeited Shares	-	-
	900	900

There is no other 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 Shetron Metro Pack Pvt Ltd. The other disclosure requirements of schedule VI regarding share capital are not applicable to the Company. The following shareholders hold more than 5% of value of shares.

Name of the Share holders	No of shares 31.03.2012		No of shares 31.03.2011	
	No's	%	No's	%
Shetron Enterprises Pvt Ltd.	17,96,717	19.96	17,96,717	19.96
Konjal Machine Pvt. Ltd	8,58,055	9.53	8,58,055	9.53
Bunts Properties Pvt. Ltd.	8,00,000	8.89	8,00,000	8.89

2. Reserves And Surplus:

There is no change in any of the reserves as the amount outstanding at the beginning of the year except in profit and loss account and contingency reserve.

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Capital Subsidiary Reserve	15	15
Share Premium	2,111	2,111
General Reserves	205	205
Profit and Loss Accounts:		
Opening Balance	1,576	1,541
Add: Profit / Loss for the year	(419)	35
Total	1,157	1,576
Less: Transfer to contingency reserve	300	Nil
Closing Balance	857	1,576
Contingency Reserve		
Transfer from Profit and Loss accounts during the year.	300	Nil
Total	3,488	3,907



3. Long Term Borrowings

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Deferred Sales Tax	124	130
Loan From Related Parties	857	662
Term Loan from Cosmos Co Op Bank Ltd. Pune	5,669	5,122
Term Loan from financial Institutions	238	295
Suppliers' Credit	1,037	-
Car Loan	9	3
	7,934	6,212
Less: Maturities within one year	1,024	623
	6,910	5,589

- 3.1** Term Loans from Banks / Financial Institution are guaranteed by two promoter directors and one of their relatives
- 3.2** Deferred Sales tax is payable over period of 15 years. Loan from related parties are not subjected to any repayment terms. Term Loans from Banks are repayable over a period of 7 years from the date of disbursement. Term Loan from financial Institutions by subsidiary Company is repayable over a period of 5 year. Suppliers credit are payable over a period of 3 years. Car Loan is payable over a period of five years from the date of disbursement.
- 3.3** Term Loans from Cosmos Co Op Bank Ltd are secured by First charge by way of Equitable Mortgage on the Company's immovable property situated at Bangalore and First charge on the Plant & Machinery of the Company.
- 3.4** The Term Loan availed from financial Institution by the subsidiary company is secured by way of First Charge on the Fixed Assets of the subsidiary company and Corporate Guarantee of Shetron Ltd.
- 3.5** Loans under the Hire Purchase Scheme are secured by hypothecation of vehicles acquired under the scheme
- 3.6** Installments of Term Loans due during the year to the extent of Rs.140 Lakhs were paid during April/May 2012.
- 4.** Details of deferred tax calculation for the year ending 31st March 2012.

₹ in Lacs

Particulars	Deferred Tax(Asset) / Liability		
	As on 01.04.2011	As on 31.3.2012	For the year 2011-2012
Difference between Book and Tax Depreciation	938	77	1,015
Brought forward Unabsorbed Depreciation (₹ 9.32 Cr)	-	(303)	(303)
Preliminary Expenses	63	(65)	(2)
TOTAL	1,001	(291)	710



5. Short Term Borrowings:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Bills Discounted	231	Nil
Demand Loan From Banks	2,816	2,893
Total	3,047	2,893

The Short term borrowings are under Consortium Banking arrangement with Bank of India and State Bank of India and are secured by First Pari-passu charge on the Hypothecation of stocks, Books Debts and other Current Assets of the Company , exclusive First charge on the Company's immovable property situated at Asangaon, Maharashtra and Second pari-passu charge on the Fixed Assets of the Company(including second charge by way of extension of Equitable Mortgage as on the immovable properties in Bangalore) of the Company

Short term borrowings are guaranteed by two promoter directors and one of their relatives.

6. Trade Payables

Trade Payables include sum of ₹ 125.07 lacs due to SMEs to the extent such parties have been identified from available information. The amount outstanding for more than 30 days as on 31.03.2012 is ₹ 20.13 lacs. Trade payables are subject to confirmation from parties.

7. Other Current Liabilities :

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Deposits Payable	5	5
ESI Payable	3	2
Interest Accrued but not Due	60	52
LIP Payable	1	1
PF Payable	6	5
TDS Payable	8	13
Term Loan Maturities within one Year	1,025	623
Unclaimed Dividend	5	5
Total	1,113	706

8. Short Term Provisions :

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Short Term Provision		
Provision for Employee Benefits	93	84
Provision for Taxation	Nil	434
Provision for Excise duty on FG	1	1
Total	94	519

9. FIXED ASSETS (AT COST)

₹ in Lacs

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	01.04.2011	Additions	Adjustments	31.03.2012	01.04.2011	Period	Adjustments	31.03.2012	31.03.2012	31.03.2011
Leasehold Land & Development	81	-	-	81	-	-	-	-	81	81
Buildings	2,141	55	-	2,196	649	72	-	721	1,475	1,492
Plant & Machinery	11,063	1,958	1	13,020	5,212	723	1	5,934	7,086	5,851
Furniture, Fixture & Equipment	182	22	1	203	123	15	-	138	65	59
Vehicles	89	11	-	100	42	8	-	50	50	47
Total	13,556	2,046	2	15,600	6,026	818	1	6,843	8,757	7,530





10. Non-Current Investments:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
* Other Shares (Unquoted)	6	6
TOTAL	6	6

* 20,000 equity shares of Kalyan Janatha Sahakari Bank of ₹ 25/- each (5,00,000) and 1000 equity shares of Cosmos Co-Operative Bank Ltd of Rs. 100/- each (₹ 1,00,000).

11. Long Term Loans And Advances

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Advances for value to be received	1,496	1930

Advances are unsecured. Advances includes, advances to related parties (₹ 313.73 PY ₹161.18 Lakhs) and others which in the opinion of the management will realize values stated in the Balance sheet in the long term. However the Company, as a prudent measure, has created a contingency reserve to the extent of ₹ 300 lacs for any possible erosion in the value of said advances. Advances are subject to confirmation from parties.

Advances for the year ended 31.3.2011 includes Capital Advances ₹ 815 Lakhs.

12. Other Non-Current Assets

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Trade Receivables	141	141
Preliminary Expenses to the extent not w/off	Nil	13
Total	141	154

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

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

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Finished Goods	9	10
Raw Material	2,586	2,276
Stores & Spares	141	125
Work In Process	885	726
Total	3,621	3,137

14. Trade Receivable

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Outstanding for period of exceeding 6 months	252	85
Other Debts	2,119	2,332
Total	2,371	2,417

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



15. Cash and Cash Equivalents

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Bank Balances	89	96
Cash On Hand	1	1
Margin Money Deposit with Bank for L/Cs	661	686
Fixed Deposit with Bank (More than 12 months Maturity)	30	30
Total	781	813

16. Short Term Loans and Advances:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
(Unsecured and Considered good)		
Advance Custom Duty	21	30
Advance for Goods	255	57
Advance Income Tax	51	595
Cenvat Recoverable	324	208
Advance to Employees	67	55
Service Tax Recoverable	-	25
VAT Recoverable	103	57
Deposits	5	5
Total	826	1,032

17. Other Current Assets:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Deposits	38	31
Interest Receivable	38	27
Prepaid Expenses	18	1
Cenvat Receivable	182	123
VAT Receivable	98	76
Total	374	258

18. Other Income:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Commission Received	2	4
Discount Received	1	1
Dividend	1	-
Export Incentive	118	16
Interest Received	73	42
Miscellaneous Income	6	29
Profit and Sales of Fixed Assets	-	9
Rent Received	-	22
Total	201	123



19. Cost of Material Consumed :

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Exchange Fluctuation	126	(32)
Power and Fuel	466	347
Raw Materials	8,333	7,504
Carriage Inward	92	147
Stores and Spares	44	118
Total	9,061	8,084

20. Employees Benefit Expenses:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
PF and Other Funds	65	30
Salaries and Wages	845	754
Staff Welfare Expenses	45	63
Total	955	847

21. Finance Cost:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Interest	1,211	965
Other Finance Cost	287	355
Total	1,498	1,320

22. Other Expenses:

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Administrative Expenses	348	324
Business Promotion	28	24
Commission Paid	67	71
Discount / Rebate	47	38
Freight Charges	15	13
Insurance	7	9
Job Charges	46	17
Loss on Sale of Fixed Assets	-	2
Other Expenses	8	2
Packing Forwarding	358	288
Preliminary Expenses	14	14
Rates and Taxes	20	22
Rent	3	20
Repairs Buildings	12	9
Repairs Machinery	82	37
Repairs Others	7	11
Total	1,062	901

Administrative Expenses includes Audit Fees as statutory auditor of ₹ 9.65 lakhs (PY Statutory Audit Fees ₹ 8.50 lakhs, Certificate fees ₹ 1.05 lakhs and Taxation matters ₹ 3.50 lakhs).



23. Contingent Liabilities (not provided for in accounts):

₹ in Lacs

Particulars	31.03.2012	31.03.2011
Letters of credit and guarantee established and Bills discounted under LC and others	3,459	3,945
Guarantees for Customs Duty	450	450
Factoring Obligations	759	700
Guarantees for Financial Institutions/Banks as security	500	500
Future Lease Rentals Payable	9	3
Export Obligations	5,170	6,242
Disputed Income Tax	249	249

24. Value of Imports/Exports

₹ in Lacs

Particulars	31.03.2012	31.03.2011
CIF Value of Imports		
Raw Materials	3,535	2,741
Components and Spare Parts	67	32
Capital Goods	1,837	376
FOB Value of Exports	2,724	2,492
Expenditure in Foreign Currency	9	9

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

25. Raw Material Consumption:

Particulars	31.03.2012		31.03.2011	
	%	Value ₹ in Lacs	%	Value ₹ in Lacs
Imported	44%	3,649	36%	2,756
Indigenous	56%	4,685	64%	4,833

26. Related Party Disclosures:

I Controlling Companies : NIL

II List of Related Parties

Fibre Foils Ltd.	Associate
Shetron Enterprises Pvt. Ltd	Associate
Fibre Shells Ltd.	Associate
Sansha Systems Ltd	Associate
Bunts Property Pvt Ltd	Associate
Mr. D.S. Shetty	Key Managerial personnel
Mr. Kartik. Nayak	Key Managerial personnel

**III Transaction with related parties**

₹ in Lacs

Nature of Transaction entered into during the year	31.03.2012	31.03.2011
Sales	171	262
Purchase	56	10
Rent paid	2	20
Unsecured Loan Received	857	662
Payment to Key Managerial Personnel	71	71
Status of outstanding Balances		
Amount Receivable	301	143
Amount Payable	570	139

Segment Disclosure:

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

a. Primary Segment Information:

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

₹ in Lacs

Geographical Segment	31.03.2012	31.03.2011
India	10,142	9,860
Asia	1,136	1,248
Europe	30	110
America	162	124
Africa	1,396	1,079
Australia	189	-
Total	13,055	12,421

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

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

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

2. Method of Accounting

The company is following accrual basis of accounting.



3. Fixed Assets & Depreciation

Fixed Assets are stated at cost inclusive of finance charges on borrowed funds attributable to acquisition of Fixed Assets for the period up to the date of commencement of commercial production. Assets acquired under Hire Purchase Scheme are capitalized with the value of assets and finance charges are accounted as and when paid. Depreciation on fixed assets are charged on straight line method at rates specified in Schedule XIV of the Companies Act 1956

4. Borrowing Cost

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

5. Investments

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

6. Inventories

Inventories are valued as follows:

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

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

7. Transactions in Foreign Currency

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

8. Deferred Revenue Expenditure

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

9. Income

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

10. Retirement Benefits

Liability towards Gratuity to employees is funded through a scheme administered by Life Insurance Corporation of India and the contributions made to the fund are absorbed in the accounts. The Contributions to the Provident fund and other defined contributions schemes are absorbed in the accounts.

Liability towards Leave salary benefits is determined on the basis of actual cost of the Company.



AS-15(Revised 2005) for year ended 31/03/2012

SHETRON LIMITED EMPLOYEES GRATUITY FUNDTRUST

1. Assumption	As On	
	31/03/2011	31/03/2012
Discount Rate	8.00%	8.00%
Salary Escalation	7.00%	7.00%

2. **Table Showing changes in present value of obligation as on 31/03/2012**

Amount in ₹

Present value of obligations as at beginning of year	7,417,468
Interest cost	593,397
Current Service Cost	554,652
Benefits Paid	(612,191)
Actuarial (gain)/ loss on obligations	(1,585,181)
Present value of obligations as at end of year	6,368,145

3. **Table showing changes in the fair value of plan assets As on 31/03/2012**

Amount in ₹

Fair value of plan assets at beginning of year	1,050,238
Expected return on plan assets	72,052
Contributions	-
Benefits Paid	(612,191)
Actuarial gain/(loss) on Plan assets	NIL
Fair value of plan assets at the end of year	510,099

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

Amount in ₹

Fair value of plan assets at beginning of year	1,050,238
Actual return on plan assets	72,052
Contributions	-
Benefits Paid	(612,191)
Fair value of plan assets at the end of year	510,099
Funded status	(5,858,046)
Excess of Actual over estimated return on plan assets	NIL
(Actual rate of return=Estimated rate of return as ARD falls on 31st March)	

**5. Actuarial Gain/Loss recognized****As on 31/03/2012**

Amount in ₹

Actuarial (gain)/ loss on obligations	1,585,181
Actuarial (gain)/ loss for the year - plan assets	NIL
Total (gain)/ loss for the year	(1,585,181)
Actuarial (gain)/ loss recognized in the year	(1,585,181)

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

Amount in ₹

Present value of obligations as at the end of year	6,368,145
Fair value of plan assets as at the end of the year	510,099
Funded status	(5,858,046)
Net asset/(liability) recognized in balance sheet	5,858,046

7. Expenses Recognised in statement of Profit and loss

Amount in ₹

Current Service cost	554,652
Interest Cost	593,397
Expected return on plan assets	(72,052)
Net Actuarial (gain)/ loss recognized in the year	(1,585,181)
Expenses recognised in statement of Profit and loss	(509,184)

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

11. Provisions and Contingencies

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

Signatures to notes of accounts

For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

DWAKAR S.SHETTY
Chairman

KARTIK NAYAK
Managing Director

VIDYACHARAN CHIVUKULA
Company Secretary

K.R. SHANBHOGUE
Partner M.No.18578



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

Particulars	31.03.2012		31.03.2011	
	₹ in Lacs		₹ in Lacs	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
NET LOSS / PROFIT BEFORE TAX.	(706)		47	
Adjustments for:				
Depreciation	818		714	
Discount on issue of Debentures / Preliminary Exp W/off	-		14	
Interest	1,498		1,180	
(Profit)/Loss on sale of Fixed Assets	-		(9)	
Operating Profit before Working Capital changes	1,610		1,946	
Adjustments for:				
Trade and Other receivable	46		188	
Inventories	(484)		(532)	
Trade Payables	566		612	
Loans and Advances	640		(225)	
Other Current Assets	(116)			
Other Non Current Assets	13			
Cash Generated from Operations	2,275		1,989	
Interest Paid	(1,498)		(1,180)	
Direct Taxes Paid	-		(6)	
CASH FLOW BEFORE EXTRAORDINARY ITEMS	777		803	
NET CASH FROM OPERATING ACTIVITIES		777		803
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets (including Capital Advances)	(2,130)		(1,812)	
Sale of Fixed Assets	-		9	
Purchase of Investments	-		100	
		(2,130)		(1,703)
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Change in Long Term Borrowings	1,321		1,298	
NET CASH USED IN FINANCING ACTIVITIES		1,321		1,298
NET INCREASE IN CASH AND CASH EQUIVALENTS		(32)		398
CASH AND CASH EQUIVALENTS AS AT (CLOSING BALANCE)	781		813	
CASH AND CASH EQUIVALENTS AS AT (OPENING BALANCE)	813		415	398

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

As per our report of even date
For PAL & SHANBHOGUE
Chartered Accountants
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

DWAKAR S.SHETTY
Chairman

KARTIK NAYAK
Managing Director

VIDYACHARAN CHIVUKULA
Company Secretary

K.R. SHANBHOGUE
Partner M.No.18578

AUDITORS CERTIFICATE

To
The Board of Directors
Shetron Limited,
Bangalore-560 099

We have examined the attached Cash Flow Statement of Shetron Limited for the year ended 31st March 2012. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the listing agreement with Bombay Stock Exchange Limited, Mumbai

For PAL & SHANBHOGUE
Chartered Accountant
(Registration No. 2528 S)

Place : Bangalore
Date : 29th May, 2012

K.R.SHANBHOGUE
Partner M.No.18578



**STATEMENT PERSUANT TO EXEMPTION RECEIVED UNDER SECTION 212(8)
OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

NAME OF THE COMPANY: M/S SHETRON METROPAK PRIVATE LIMITED, BANGALORE

Particulars	2011-12 (₹ in lacs)	2010-11 (₹ in lacs)
Capital	389	199
Reserves	(197)	(205)
Total Liabilities	1,291	1,044
Total Assets	1,484	1,038
Investments other than Investments in Subsidiary	-	-
Turnover	987	882
Profit Before Taxation	8	7
Provision for Taxation	-	-
Profit After Taxation	8	7
Proposed Dividend	-	-

The Ministry of Corporate Affairs, Government of India has granted exemption under Section 212(8) of the Companies Act, 1956 from attaching the Balance Sheet, Profit and Loss account and other documents of the Subsidiary Companies with the Balance Sheet of the Company. Any member desirous of the same may write to the Company Secretary.

SHETRON LIMITED

Plot No.1, Bommasandra Industrial Area, Hosur Road, Bangalore - 560 099

PROXY

I / We _____
of _____
being a Member/Members of Shetron Limited, hereby appoint _____
Sri/Smt _____
or failing him/her _____
of _____
as my/our proxy to vote for me/us on my/our behalf at the **Thirty Second Annual General Meeting** of the Company to be held **on Friday, the 28th September 2012 at 10 a.m** at Koramangala Club, 6th Cross, CA 17, 6th Block, Bangalore – 560 095 at 10.00 A.M.

As Witness my/our hand/hands this _____ day of _____ 2012
Signed by the said _____ in the presence of _____

For office use only:	
Proxy No.	
Folio No.	
No. of Shares	

Affix
Revenue
Stamp

NOTE: The Proxy and the Power of Attorney (if any) under which it is signed or a notarially certified copy of that power must be deposited at the Registered Office of the Company at Plot No.1, Bommasandra Industrial Area, Hosur road, Bangalore - 560 099. not less than 48 hours before the meeting.

----- Please tear here -----

SHETRON LIMITED

Plot No.1, Bommasandra Industrial Area, Hosur Road, Bangalore - 560 099

ATTENDANCE SLIP

This Attendance Slip Duly filled in is to be handed over at the entrance of the Meeting Hall

Name of the Attending Member _____
(In Block Letters)
Members Folio Number _____
Number of Shares held _____
Name of Proxy _____
(In Block Letters to be filled in if the Proxy attends instead of the member)

I hereby record my presence at the **THIRTY SECOND ANNUAL GENERAL MEETING** of the Company to be held on **Friday, the 28th September 2012** , at Koramangala Club, 6th Cross, CA 17, 6th Block, Bangalore – 560 095 at 10.00 A.M.

Member's / Proxy's name in Block letters

Signature of the Member / Proxy

Note : To be signed at the time of handing over this slip.



SHETRON LIMITED

THE NAME BEHIND THE NAMES

Regd. Office and Factory
Plot No.1, Bommasandra Industrial Area, Hosur Road,
Bangalore - 560 099. INDIA Phone : 91-80-2783 2290/91/92/46
Fax : 91-80-2783 2293 email : investors@shetrongroup.com

www.shetrongroup.com