

**33<sup>rd</sup>**  
**ANNUAL REPORT**  
**2014-2015**



**FILTRON**  
**ENGINEERS LTD.**



# **FILTRON ENGINEERS LIMITED**

## **33rd ANNUAL REPORT 2014-2015**

<b>BOARD OF DIRECTORS</b>	<b>:</b>	<b>Sadanand Hegde</b>	<b>(CHAIRMAN &amp; WHOLE TIME DIRECTOR) (w.e.f. 9.4.2015)</b>
		<b>M. V. Rao</b>	<b>(MANAGING DIRECTOR) (w.e.f. 9.4.2015)</b>
		<b>Joachim Friedsch</b>	<b>DIRECTOR (Resigned on 31.05.2015)</b>
		<b>Padmakar Kashyapi</b>	<b>DIRECTOR</b>
		<b>Prabhakar Hegde</b>	<b>DIRECTOR</b>
		<b>Yashwantrao Mali</b>	<b>WHOLE TIME DIRECTOR (Resigned on 31.12.2014)</b>
		<b>Venkat Giri</b>	<b>WHOLE TIME DIRECTOR</b>
		<b>Hemali Alandkar</b>	<b>DIRECTOR</b>

**AUDITORS** : A. A. Bhat & Co.  
Chartered Accountants, Pune

**BANKERS** : Bank of Maharashtra

**REGISTERED OFFICE** : Plot No. 36, WMDC Industrial Area,  
Ambethan Road, Chakan,  
Pune- 410501

**REGISTRAR AND SHARE  
TRANSFER AGENTS** : **Link Intime India Pvt. Ltd.**  
Block No. 202, 2nd Floor,  
Akshay Complex,  
Off. Dhole Patil Road, Pune 411 001  
Ph. : 020-26160084/1629  
Telefax: 020-26163503  
E-mail : [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

### **32nd ANNUAL GENERAL MEETING**

Day & Date : Saturday, 26th September 2015

Time : 4 p.m.

Place : Filtron House, 6, Sitabag Colony,  
Sinhagad Road, Pune 411 030.

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**NOTICE OF 33 RD ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Thirty Third Annual General Meeting of the Members of FILTRON ENGINEERS LIMITED will be held on Saturday, 26th September, 2015 at 4.00 P.M. at Filtron House, 6 Sitabag Colony, Sinhagad Road, Pune - 411030 to transact the following business:

**Ordinary Business:**

- 1 To receive, consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the Report of the Directors and the Auditors thereon.
- 2 To appoint a Director in place of Mr. Venkat Giri, (DIN: 06585289), who retires by rotation and being eligible offers himself for re-appointment.
- 3 To re-appoint Auditors and fix their remuneration.

**Special Business:**

- 4 To consider and, if thought fit, approve with or without modification(s) the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mrs. Hemali Alandkar (DIN:03389363), who was appointed as an Additional Director of the Company by the Board of Directors with effect from February 07, 2015 and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Hemali Alandkar as a candidate for the office of a director of the Company, be and is hereby appointed as an Independent Director of the Company for a period up to February 06, 2020 not liable to retire by rotation."
- 5 To consider and, if thought fit, approve with or without modification(s) the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to provisions Section 196, 197, 203 and read with Schedule V and all other applicable provisions along with rules made there under, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) consent of shareholders of the Company be and is hereby accorded for the appointment of Mr. M.V.Rao, as Managing Director of the Company for three years w.e.f. 9th April, 2015 to 08th April, 2018 on such remunerations as may be approved by the Board from time to time within the limit prescribed in Sec. 197, Schedule V read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014(including any statutory modification(s) or re-enactment thereof for the time being in force).  
**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents, writings and filling of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."
6. To consider and, if thought fit, approve with or without modification(s) the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to provisions Section 196, 197, 203 and read with Schedule V and all other applicable provisions along with rules made there under, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) consent of shareholders of the Company be and is hereby accorded for the appointment of Mr. Sadanand Hegde, as Whole-time Director of the Company for five years w.e.f. 9th April, 2015 to 08th April, 2020 on such remunerations as may be approved by the Board from time to time within the limit prescribed in Sec. 197, Schedule V read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014(including any statutory modification(s) or re-enactment thereof for the time being in force).  
**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents, writings and filling of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."
7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to enter into the related party transactions by the Company with the respective related parties and for the maximum amounts per annum w.e.f. 1st April, 2015, as mentioned herein below:

Sr. No.	Nature of Transactions as per Section 188 of the Companies Act, 2013	Name of the Director /KMP who is related and nature of their relationship	Name of the Related Party	Amounts	
				Receivits Rs.(lakhs)	Payments Rs.(lakhs)
1.	Purchase of Goods	Sadanand Hegde, Whole-time Director is a Common Director	Schmidt Bretten India Pvt Ltd	65	70
2.	Purchase of Goods	M.V. Rao Managing Director is a Common Director	Fenix Process Technologies Pvt Ltd	75	75

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or a Committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company.”

For and on behalf of the Board of Directors  
Filtron Engineers Limited

SD/-

**M. V. RAO**

Managing Director

DIN:00373812

Address: 03,MIT Gardens,  
Opp.Nagarwala School, Kalyani

Place : Pune

Date : 08<sup>th</sup> August 2015

**NOTES:**

1. A member entitled to attend and vote at the meetings is entitled to appoint a proxy or proxies to attend and vote on a poll only, instead of himself and a proxy so appointed need not be a member of the company. The proxy form in order to be effective, must be deposited at the registered office of the company not less than 48 hours before commencement of the meeting.  

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder
2. Members/proxies should bring duly attendance slip sent herewith to attend the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 19th September, 2015 to 26th September, 2015 (both days inclusive).
4. Members holding shares in physical form are requested to notify the change, if any, in their address and blank mandate details to the Registrar and Share Transfer Agent, Link Intime India Pvt Ltd Pune at Block No. 202, 2nd floor Akshay Complex, Off Dhole Patil Road, Pune -411 001.
5. Members are requested to bring their copy of the Annual Report at the Annual General Meeting.
6. Brief resume of Ms. Hemali Rahul Alandkar, Mr. M.V. Rao, Mr. Venkat Giri and Mr. Sadanand Gegade, Nature of their expertise in specific functional areas, Name of the Companies in which they hold directorship and membership/ Chairmanship of Board Committees, Shareholding and relationship between Directors inter se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange are provided in the Corporate Governance Report forming part of the Annual Report even though Clause 49 is not mandatorily applicable to the Company.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
8. Members seeking any information on the Accounts are requested to write to the Company, which should reach the Company at least one week before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Annual General Meeting.
9. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the businesses under Item Nos. 4, 5, 6 & 7 of the Notice is annexed hereto.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
11. Members are requested to immediately intimate changes, if any, in their registered addresses along with pincode number to the Company. Members holding shares in dematerialized mode are requested to intimate the same to their respective Depository Participants.
12. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate risks associated with physical shares.
13. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
14. Institutional & Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail info@msjcs.gmail.com with a physical copy to M/s Mandar S Jog, Company Secretary at 17/251, Lokmanya Nagar, Near Lokmanya Nagar Post Office, Navi Peth, Pune-4110360.
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the

Registered Office of the Company during (3.00 pm to 5.00 pm) on all working days, upto and including the date of the Annual General Meeting of the Company.

16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
17. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
18. Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Rule 2014 as amended by the Companies (Management and Administration) Rule 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide its Members the facility to cast their vote electronically on the resolutions proposed to be considered at 33rd AGM through the remote e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for e-voting are as under:

- a) The remote e-voting period begins on Wednesday, 23rd September, 2015, 09.00 A.M. and ends on Friday, 25th September, 2015 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19th September, 2015 may cast their vote electronically. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- b) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- c) Click on Shareholders.
- d) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e) Next enter the Image Verification as displayed and Click on Login.
- f) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- g) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Address Stickers.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- h) After entering these details appropriately, click on "SUBMIT" tab.
- i) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- l) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- n) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- q) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- r) Note for Non-Individual Shareholders & Custodians:
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

#### Other Instructions

- A) The voting rights of Members shall be in proportion to their share of the paid up share capital of the Company as on 19th September, 2015.
- B) Mr. Mandar Jog, Proprietor of M/s Mandar S Jog, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including voting by poll and the Ballot form received from the Members who do not have access to the e-voting process) in a fair transparent manner.
- C) Any person, who acquires the shares of the Company and become member of the Company after dispatch of notice and holding shares as on the Cut- off date i.e. 19th September, 2015 may obtain the login ID and password by sending the request at the email [info@msjcs.gmail.com](mailto:info@msjcs.gmail.com) or to the Scrutinizer Mr. Mandar Jog at 17/251, Lokmanya Nagar, Near Lokmanya Nagar Post Office, Navi Peth, Pune-411030
- D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- E) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period shall make a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- F) Members who do not have access to remote e-voting facility may send duly completed Ballot Form (enclosed with the Notice) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, at M/s Mandar S. Jog, Company Secretary at 17/251, Lokmanya Nagar, Near Lokmanya Nagar Post Office, Navi Peth, Pune-411030 not later than 25th September 2015 (5.00p.m.). Ballot Forms deposited in person or sent by post or courier at the expenses of the Member will also be accepted. Ballot form received after this date will be treated as invalid.



- G) The facility for voting through ballot paper shall be made available at the AGM and the members attending the AGM who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- H) A Member can opt for only one mode of voting i.e. either through e-voting or by ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
- I) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be eligible to cast their vote again.
- J) The Scrutinizer shall after the conclusion of voting at the Annual General Meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and shall make, not later than 3 days of the conclusion of AGM, a consolidated Scrutinizer's Report of the total votes cast in favor and against, if any, to the Chairman or a person authorized by him in writing , who shall countersign the same and declare the result of the voting forthwith.
- K) The results declared alongwith the Scrutinizer's Report will be posted on the Company's website and communicated to the Stock Exchange(s).

For and on behalf of the Board of Directors  
Filtron Engineers Limited

SD/-

**M. V. RAO**

Managing Director

DIN:00373812

Address: 03,MIT Gardens,  
Opp.Nagarwala School, Kalyani

Place : Pune

Date : 08<sup>th</sup> August 2015

**ANNEXURE TO THE NOTICE****Profile of Directors being re-appointed/ regularized at the ensuing Annual General Meeting:**

<b>Name &amp; Age</b>	<b>Educational Qualification</b>	<b>Experience</b>
Mrs. Hemali Alandkar	Company Secretary	15 years
Mr. Venkat Giri	B.E (Mechanical)	25 years
Mr. M.V.Rao	M.Tech	25 years
Mr. Sadanand Hegde	B.E (Electrical Engineering)	40 years

**Name of the Companies in which Director(s) to be re-appointed by Shareholders Holds directorship and the membership of Committees of the board:**

<b>Name of the Director</b>	<b>Name of the Companies the person holds Directorship</b>	<b>Name of the Companies in which the person is a Member of the Committee of the Board</b>
Mrs. Hemali Alandkar	NIL	NIL
Mr. Venkat Giri NIL	NIL	
Mr. Sadanand Hegde	i) Schmidt Bretten (India) Private Limited ii) Freistrom Engineers Private Limited iii) NIL	
Mr. M.V.Rao	i) Katalyst Process Technologies Private Limited ii) Fenix Process Technologies Private Limited iii) Fener Oil & Petrochemicals Private Limited	NIL

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 4:**

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mrs. Hemali Alandkar (DIN:03389363) is proposed to be appointed as an Independent Directors to hold office upto February 06, 2020 not liable to retire by rotation. A notice pursuant to Section 160 of the Companies Act, 2013, has been received from a member proposing Mrs. Hemali Alandkar as a candidate for the office of Independent Directors of the Company.

In the opinion of the Board, the Independent Directors fulfils the conditions specified in the Section 149, 152 and Schedule IV of Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) for her appointment as an Independent Directors of the Company. Further, she has given a declaration to the Board of Directors' to the effect that she has meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Copy of the draft letter for appointment of Mrs. Hemali Alandkar as an Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.

The Board considers that continued association of her would be of immense benefit to the Company and it is desirable to continue to avail the services as an Independent Directors. Accordingly the Board recommends the resolution in relation to appointment of Mrs. Hemali Alandkar as an Independent Directors, for the approval by the shareholders of the Company.

None of the Directors and/or Key Managerial Personnel or their relatives, are interested or concerned in the resolutions except Mrs. Hemali Alandkar.

The Board recommends the Ordinary Resolutions set out at Item No. 4 of the accompanying Notice in the interests of the Company.

**Item No. 5:**

Mr. M.V. Rao was appointed as the Additional Director of the Company w.e.f. 09th April, 2015. Due to change in the management of the Company (Resignation of Mr. Sadanand Hegde as Managing Director and continuing as WTD) and taking in to consideration his expertise the Board of Directors of the Company feels to appoint him as a Managing Director of the Company for the period of three years w.e.f. 09th April, 2015 to 08th April, 2018 on such terms and conditions as may be decided by the Board and such remuneration as may be approved by the Board from time to time which shall be as per Schedule V of the Companies. The proposed Appointment requires approval of members by passing Ordinary Resolution. Hence, the members are requested to pass the ordinary resolution accordingly.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the resolution except Mr. M.V.Rao.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the accompanying Notice in the interests of the Company.

**Item No. 6:**

Mr. Sadanand Hegde was appointed as the Director of the Company w.e.f. 16th April, 1982. He has over 30 years of experience. Owing to his age and other pre-occupancy Mr. Hegde as tendered his resignation as the Managing Director of the Company. However he shall continue to contribute towards the activities of the Company. The Board of Directors of the Company feels to appoint him as a Whole-time Director of the Company for the period of five years w.e.f. 09th April, 2015 to 08th April, 2020 on the terms and conditions as decided by the Board from time to time subject to the provisions of Companies Act, 2013 and other law applicable. The proposed Appointment requires approval of members by passing ordinary Resolution. Hence, the members are requested to pass the ordinary resolution accordingly.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the resolution except Mr. Sadanand Hegde

The Board recommends the Ordinary Resolution set out at Item No. 6 of the accompanying Notice in the interests of the Company.

**Item No. 7:**

According to the provisions of Section 188 and other applicable provisions under the Companies Act, 2013, Rules notified there under and revised Clause 49 of the Listing Agreement effective from 1st October, 2014, the consent of the Members by Special Resolution is to be accorded for entering into material transactions with related parties as mentioned in the resolution subject to the conditions prescribed under said provisions. Clause 49 of Listing Agreement provides that no material Related Party transactions shall be entered into except with the prior approval of the company by a Special resolution. In the light of provisions of the Act, the Board of Directors of your Company has approved the proposed transactions along with annual limits that your Company may enter into with its related parties (as defined under the Act) for the financial year 2015-16 and beyond. Disclosures as required under Rule 15 of the Companies (Meetings of Board and its powers) Rules, 2014 are given herein below for perusal of members:

Name of the Related Party	Name of the Director or Key Managerial Personnel who is related	Nature of Relationship
Schmidt Bretten India Pvt Ltd	Sadanand Hegde, Whole-time Director is a Common Director	Whole-time Director
Fenix Process Technologies Pvt Ltd	M.V. Rao, Managing Director is a Common Director	Managing Director

Nature, material terms, monetary value and particulars of the contract or arrangement:

Nature of transactions, period of the transactions and monetary value of the transactions are referred in the resolution set out in Resolution no. 7. All transactions would be carried out as part of the business requirement of the Company.

Members are hereby informed that pursuant to second proviso of section 188(1) of the Act, no member of the Company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

The Board of Directors of your Company has approved this item in the Board meeting and recommends the resolution as set out in the accompanying notice for the approval of members of the Company as a special resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except Mr. Sadanand Hegde and Mr. M. V. Rao.

Interested Shareholders would not be eligible to vote on the resolution set out at item no. 6 of the accompanying notice in term of Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

For and on behalf of the Board of Directors  
Filtron Engineers Limited

SD/-

**M. V. RAO**

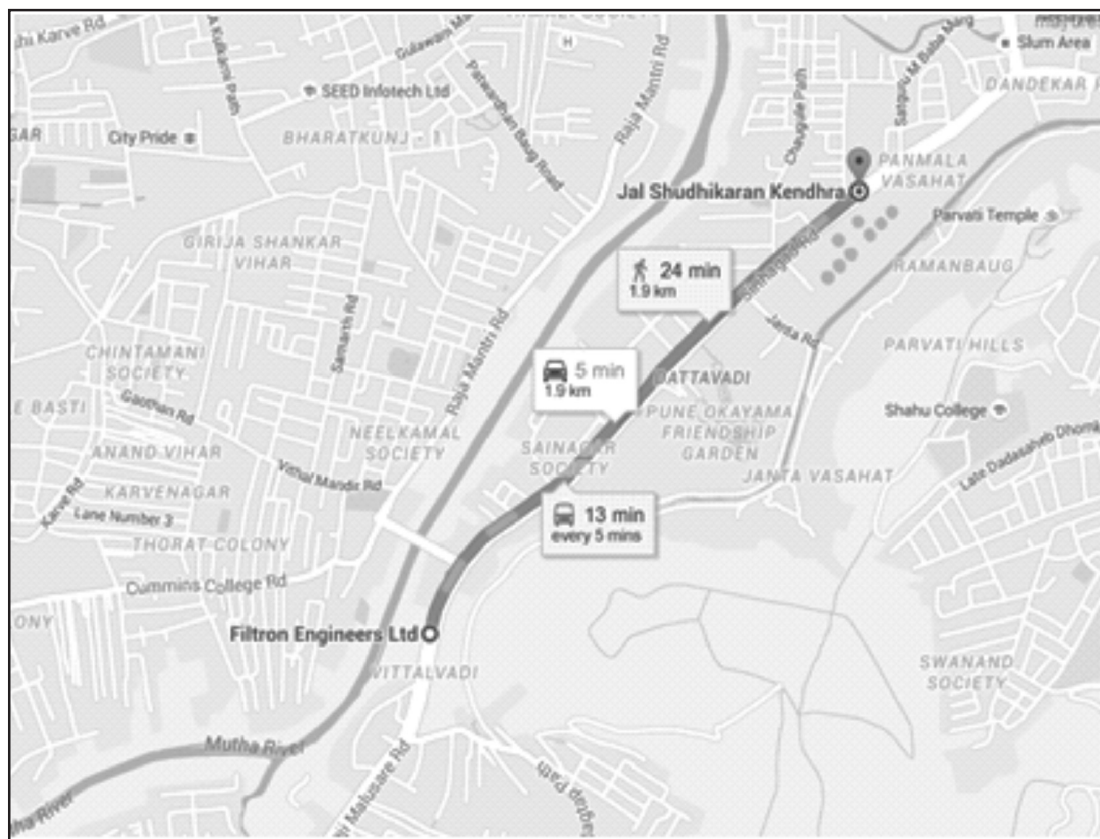
Managing Director

DIN:00373812

Address: 03, MIT Gardens,  
Opp. Nagarwala School, Kalyani

Place : Pune

Date : 08<sup>th</sup> August 2015



Prominent Land Mark of Location of Meeting: Jal Shudhikaran Kendhra

## DIRECTOR'S REPORT

To,  
The Members  
Filtron Engineers Limited

Your Directors have pleasure in presenting to you the 33rd Annual Report together with the Balance Sheet and Statement of Profit and Loss for the year ended 31st March, 2015.

## 1. FINANCIAL RESULTS &amp; OPERATIONS :

Particulars	(Rs. In Lacs)	
	2014-2015	2013-2014
Revenue from operations (Net)	34,899,666.00	69,909,896.00
Other Income	7,771,010.12	1,236,476.39
<b>Total Revenue</b>	<b>42,670,676.12</b>	<b>71,146,372.39</b>
Profit/(Loss) before exceptional item and taxation	(4,676,654.20)	80,951.59
Exceptional Items	5,186,370.43	-
Tax Expense	-	15,500
Profit/(Loss) after tax	(10,533,991.63)	65,451.59

**Review of Performance:**

During the financial year under this report, the Company has satisfactorily executed local and export order worth Rs.348.99 lakhs as against Rs.699.09 lakhs in previous year.

**Operational Highlights and Future Outlook:**

The Company is able to execute more export orders during the financial year under report. The Company expects to increase its share of export in the coming financial year.

**Transfer to Reserves:**

During the financial year, the Company did not transfer any amount to reserve.

**Dividend:**

Considering the fact, that the Company has suffered a loss, your Directors have decided not to recommend any dividend on the equity shares for the year ended March 31, 2015.

**Change in the nature of business:**

There was no change in the nature of business of the Company during the financial year.

**Public Deposits:**

During the financial year 2014-15, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

**Subsidiaries, Associate and Joint venture Companies:**

As on March 31, 2015, the Company does not have any Subsidiary Company, Associate Company and joint venture Company  
Major events during the year

**Change of Registered Office:**

During the Year the Company has Changed its Registered office from Filtorn House, 6 Sitabag Colonys, 124 3 Sinhagad Road, Pune - 411030 to Plot No.36, WMDC Industrial Area, Ambethan Road, Chakan, Pune -410 501 with effect from 8th February, 2015.

**Directors and Key Managerial Personnel:**

Pursuant to the provisions of the Companies Act, 2013 read with the rules made thereunder and Clause 49 of the Listing Agreement, Mr. Prabhakar Ganesh Hegde Mr. Padamakar Vidyadhar Kashyapi, the Independent Directors of the Company were re-appointed for a term up to 31st March, 2019 at the Annual General Meeting of the Company held on 27th September, 2014.

The appointment of Mr. Sadanand . Hegde, Managing Director, Mr. Ramesh Mrithyunjaya Hosmane, Chief Financial Officer were formalized as the Key Managerial Personnel of the Company pursuant to the provisions of Section 203 of the Companies Act, 2013, which came in to effect from April 1, 2014.

During the year under consideration, Mr. Yashwantrao Ramchandra Mali, Whole Time Director, has resigned from the Company.

To comply with the provisions of Section 149 (1), Company had appointed Woman Director on 07th February, 2015. Mrs. Hemali Alandkar was appointed to take place of Woman Director in the Company.

Also on 09th April, 2015 Mr. Sadanand Hegde resigned from the position of Managing Director of the Company. He was re-designated as Whole-time Director of the Company. Mr. M.V. Rao was inducted in the Board as Additional Director and was designated as Managing Director of the Company.

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Venkat Giri (DIN: 06585289), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. He has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

A brief resume of Mr. Venkat Giri, Mr. Sadanand Hegde, Mr. M.V. Rao and Ms. Hemali Alandkar nature of his expertise in specific functional areas and names of the Companies in which he holds directorship and / or membership / chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange/s, is given in the Corporate Governance Report which may be taken as forming part of this Report.

All Independent Directors have given declarations that they meet with the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

None of the Non-Executive Directors had any pecuniary relationships or transactions with the Company which may have potential conflict with the interests of the Company at large.

**Declaration by Independent Directors.**

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013, stating that the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement has been met.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

During the financial year, there were no such orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**Adequacy of Internal Financial Control**

The Board has adopted the policies and procedures for ensuing the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding the assets, the prevention and detention of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosure.

**Committees of the Board:**

The Board of Directors of your Company has constituted the following committees in terms of the provisions of the Companies Act, 2013 and the Listing Agreement:

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee.

The details regarding composition and meetings of these committees held during the year under review as also the meetings of the Board of Directors are given in the Corporate Governance Report which may be taken as forming part of this Report.

**Composition of Audit Committee**

The Audit Committee comprises of three Directors. Composition of the Audit Committee during the financial year 2014-2015 is as follows:

Sr. No.	Name of the Committee Members	Designation
1	Padamakar Vidyadhar Kashyapi	Chairman
2	Prabhakar Ganesh Hegde	Member
3	Yashwantrao Mali	Member (Resigned on 31.12.2014)

But owing to the resignation of Mr. Yashwantrao Mali during the year, the composition of Audit Committee changed and Mr. Venkat Giri was appointed as the member of the Audit Committee.

Consequently the composition of the Audit Committee stood as follow:

Sr. No.	Name of the Committee Members	Designation
1	Padamakar Vidyadhar Kashyapi	Chairman
2	Prabhakar Ganesh Hegde	Member
3	Venkat Giri	Member

There were no matters during the financial year 2014-2015, wherein the Board did not accept recommendations given by the Audit Committee.

**Particulars of remuneration to employees**

Pursuant to the provisions of section 197 of the Companies Act, 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees are required to be provided in the Directors' Report. However, having regard to the provisions of section 136 of the Companies Act, 2013, the Annual Report, excluding the aforesaid particulars, is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining these particulars will be provided with the same upon receipt of a written request delivered at the Registered Office of the Company.

**Management Discussion and Analysis**

The Management Discussion and Analysis forms part of the Directors' Report is annexed herewith as '**Annexure A**'.

**Corporate Governance Report**

As required by clause 49 of the Listing Agreement with the Stock Exchange (s), a report on Corporate Governance and a certificate confirming compliance with requirement of Corporate Governance forms part of this Annual Report. '**Annexure B**'



**Auditors and their Reports****a) Statutory Auditors**

M/s. A.A.Bhat Chartered Accountants (FRN: 101282W), were re-appointed as the Statutory Auditors of the Company in 32nd Annual general meeting to hold office till the conclusion of 33rd consecutive annual General Meeting. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for reappointment as Auditors of the Company.

**b) Secretarial Auditor**

M/s. Arun M. Despande, Company Secretary in Practice was appointed to conduct the secretarial audit of the Company for the financial year 2014-2015, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for financial year 2014-2015 forms part of the Directors Report as 'Annexure C' to the Board's report.

**Explanations by the Board on qualification, reservation or adverse remark or disclaimer made by the**

- Statutory Auditors in their report**

**Point (vii) (a) Annexure to Auditors Report:**

The Company is generally regular in depositing undisputed statutory dues including, Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, Customs Duty, Excise Duty, Cess, Service Tax, Wealth Tax and any other material statutory dues with the appropriate authorities during the year. According to the information and explanation given to us, there are no other arrears of Statutory Dues outstanding as on 31st March, 2015 for a period more than six months except Profession Tax of the Company amounting to Rs. 45,525/- from the date they became payable.

**Management Reply:**

During the financial year 2014-15, the Company could not pay its statutory dues with Profession Tax Department within time due to shortage of sufficient funds. However, the Company ensure to pay its statutory dues within the time provided by the statutory authorities in the ensuing financial year.

**Secretarial Auditor in his Report:**

The application for extension of period to RBI for recovery against the export bill raised wide export made to Nepal has not been made in time.

**Management Reply:**

The Company had anticipated that the amount shall be received well within the time but it was not. So the Company could not apply for extension. The Company ensures that no such lapses will take place in near future and all other provisions shall be complied with.

**Employees Stock Option Scheme (ESOS)**

Your Company has not issued any shares to the employees of the Company under the Employee Stock Option Scheme in the previous financial year.

**Extract of Annual Return**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual return in the prescribed format is annexed herewith as 'Annexure D' to the Board's report.

**Number of Meetings of the Board**

During the financial year, 5 (Five) Board Meetings and 4 (Four) Audit Committee Meetings were held the details of which are given in the Corporate Governance Report forming part of the Annual Report.

**Directors' Responsibility Statement:**

Pursuant to the requirements under 134(3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a) that in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;



- b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended as on that date;
- c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the directors had prepared the annual accounts for the financial year ended 31st March, 2015, on a 'going concern' basis.
- e) that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Policy on Nomination and Remuneration of Directors, KMPs and other employees:**

Policy for Selection and Appointment of Directors and their Remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is annexed as 'Annexure E' to the Board's report.

#### **Particulars of loans, guarantees or investments under Section 186**

During the financial year 2014-2015, there are no such transactions transacted by the Company and hence particulars of details of loans, guarantee, security or investments covered under Section 186 of the Companies Act, 2013 are not required to be furnished.

#### **Particulars of contracts or arrangements made with related parties**

During the Financial Year 2014-15, all Related Party Transactions entered in to with Related Parties were at arm's length and were in the ordinary course of the business. There were no materially significant related party transactions entered in to by the Company with any Related Parties which require shareholders approval. Hence, particulars of related party contracts or arrangements in form AOC - 2 is not applicable. The particulars of contracts or arrangement with Related Parties forms part of the notes to the Financial Statements.

#### **Corporate Social Responsibility:**

The Company is not falling in any criteria as mentioned in Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Act. Hence, provision of CSR is not applicable to the Company.

Material changes and commitments affecting financial position between the end of the financial year and Date of Report

The Company has approved re-issue of the forfeited shares to the Managing Director of the Company.

Apart from no other material changes or commitments took place affecting the financial position of the Company.

#### **Vigil Mechanism:**

The Company has established a vigil mechanism to enable directors and employees to report genuine concerns and grievances about any incident of violation / potential violation of law or the Code of Conduct laid down by the Company. The mechanism lays down the overall framework and guidelines for reporting genuine concerns. The details of this mechanism are given in the Corporate Governance Report which may be taken as forming part of this Report.

#### **Risk Management:**

The details of the risk management framework adopted and implemented by the Company are given in the Corporate Governance Report which may be taken as forming part of this Report.

#### **Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

##### **(a) Conservation of Energy Technology Absorption:**

- The Company has successfully maintained energy efficient lighting has been at a lower level it also implemented the plan to utilize energy efficient welding sets in the factory. The Company is making all efforts for better utilization of energy wherever possible.

**(b) Technology Absorption:**

- Efforts made towards technology absorption, adaptation and innovation and Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc

The Company is in Process of Developing the ways for technology absorption, adaptation and innovation.

- In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) : N.A
- Expenditure Incurred on Research and Development : N.A

**(c) Foreign Exchange Earnings and Outgo:**

Earnings in foreign exchange: Rs. 5,291,828/-

Outgo in foreign exchange: Nil

**Risk Management Policy and Compliance Framework:**

Risk Management policy of the Company has been developed and implemented, recommended by the Audit Committee and approved by Board of Directors in their Meeting held on 07th February, 2015. In the opinion of the board the below given risks may threaten the existence of the Company:

**External Risk Factors:**

- a) Economic Environment and Market conditions
- b) Political Environment
- c) Competition
- d) Technology

**Internal Risk Factors:**

- a) Contractual Compliance
- b) Environmental Management
- c) Human Resource Management

**Board Evaluation:**

In accordance with the provisions of the Companies Act, 2013 read with the rules made there under and the Listing Agreement, the Board has carried out formal annual evaluation of its own performance, performance of its various Committees and individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report which may be taken as forming part of this Report.

**Acknowledgements:**

Your Directors take this opportunity to express their appreciation to the Investors, Banks, Financial Institutions, Clients, Vendors, Central and State Governments and other Regulatory Authorities for their assistance, continued support, co-operation and guidance.

For Filtron Engineers Limited

Sd/-

**SADANAND HEGDE**

Whole-time Director

Place: Pune

Date: 08<sup>th</sup> August 2015

Encl.: Annexure A to E

## ANNEXURE - A to Directors Report

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### **INDUSTRY STRUCTURE AND DEVELOPMENT**

Due to reduction in the revenue of the Company the Company has incurred loss during the year. The total revenue from the operations for the year ended March 31, 2015 amounted to Rs.37,699,175 as against Rs.69,909,896 has decreased by 50.07% over the last year as last year's revenue.

#### **OPPORTUNITIES & THREATS**

The most important threat continues to be competition from low cost imported products. Manpower costs are rising as many large companies are mopping the available talent pool supply of which is limited. Thus for small and mid-range companies, retaining high quality manpower is a concern.

#### **SEGMENT WISE OPERATIONAL PERFORMANCE**

Your Company has one main segments of business viz. The sale of Manufacture of Equipment and Turnkey Projects but due to overall recession in the manufacturing field the Company has incurred losses. During the year under review your Company has upgraded its existing products with better technology and features.

#### **OUTLOOK:**

Your Company, keeping pace with the overall market scenario has grown significantly. The Management expects to continue this trend in the years to come, subject to favourable market conditions, and stable economic policies.

#### **RISKS AND CONCERNS:**

All the promises which management is making, depends on the strength of the shareholders and the confidence, which they have bestowed on the management.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has well established and adequate systems for internal control to provide reasonable assurance that all assets are safeguarded; transactions are authorized and reported correctly.

#### **DISCUSSION ON FINANCIAL PERFORMANCE:**

The Company's Profit before Tax (PBT) has reduced from Rs. 80,951.59 /- during F.Y. 2013-14 to Rs. (10,533,991.63/-) during F.Y. 2014-15. Accordingly, the Company's Profit after Tax (PAT) has also reduced significantly from Rs. 65,451.59/- during F.Y. 2013-14 to Rs.(10,533,991.63/-) during F.Y. 2014-15. The Company expects to change this scenario and earn profit in the coming year.

#### **HUMAN RESOURCES**

Your Company continuously endeavours to improve the work environment for its employees. Competitive compensation package, innovative and challenging environment to work, transportation facilities, etc., are some of the steps taken by the Company for the welfare of its employees.

#### **CAUTIONARY STATEMENT**

Statements in the Management Discussion & Analysis Report describing the Company's expectations, opinion, and predictions may please be considered as "forward looking statements" only. Actual results could differ from those expressed or implied. Company's operations should be viewed in light of changes in market conditions, prices of raw materials, economic developments in the country and such other factors.

For Filtron Engineers Limited

Sd/-  
**SADANAND HEGDE**  
Chairman & Whole time Director  
DIN: 00195106

## REPORT ON CORPORATE GOVERNANCE

Revised Clause 49 of the Listing Agreement is not mandatory to the Company however, the Company has voluntarily disclosed the Compliance to the best extent possible and accordingly the Corporate Governance Report, together with the Auditors Certificate on compliance with the conditions of Corporate Governance as laid down are presented in the Report on Corporate Governance for the year ended 31st March, 2015.

### Company's Philosophy on the Code of Corporate Governance

Transparency and accountability are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way we do our business. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislation.

We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code of Conduct inspires us to set standards which not only meet the applicable legislation but also exceed them in many areas of our business operations.

The Company's philosophy on Corporate Governance is concerned with the ethics, values and morals of the Company and its directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

### Compliance with Clause 49 of the Listing Agreement

In line with the above philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices. In terms of Clause 49 of the Listing Agreement executed with the stock exchanges, the details of compliance for the year ended 31st March, 2015, are as follows:

#### I. Board of Directors

##### 1. Composition and Category

The Company has a very balanced and diverse Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Independent Directors on the Board are eminent professionals from varied fields having wide range of skills and expertise. The diversity in the Board's profile brings about a harmonious blend in the quality of the Board's decisions and the corporate governance.

As at 31st March, 2015, the Board consisted of 6 members. The composition and category of the directors on the Board of the Company are as under:

Sr.No.	Names of Directors	Category
1.	Mr. Sadanand Hegde	Chairman & Managing Director
2.	Mr. Prabhakar Ganesh Hegde	Non-Executive Independent Director
3.	Mr. Venkat Giri	Whole-time director
4.	Mr. Padamakar Vidyadhar Kashyapi	Non-Executive Independent director
5.	Mr. Joachim Friedsch	Non Executive Director
6.	Mrs. Hemali Rahul Alandkar	Non-Executive Independent Director

All the Directors of the Company have made the requisite disclosures as mandated under the Companies Act, 2013/ Listing Agreement which were placed before the Board.

#### *Relationship Inter-se*

No Directors (other than those mentioned above) are in any way related to each other

##### 2. Role of Board of Directors

The primary role of the Board is to protect and enhance shareholders' value and optimise long term value by providing

the management with guidance and strategic direction on shareholders' behalf. The Board's mandate is to provide the strategic guidance to the company, ensure effective monitoring of the management and should be accountable to the company and the shareholders. The day-to-day operations are conducted by the Managing Director of the Company, under the supervision and control of the Board of Directors.

The Board meets at least once a quarter to review the quarterly performance and the financial results of the Company. The Board Meetings are scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. The members of the Board have complete access to all the information of the Company.

In case of a special and urgent business need, the Board's approval is taken by circulating the resolution, which is confirmed in the subsequent Board Meeting.

To enable the Board to discharge its responsibilities effectively, the members of the Board are apprised at every Board Meeting on the overall performance of the Company. Senior management is invited to attend the Board Meetings as and when required so as to provide additional inputs to the items being discussed by the Board. The minutes of each Board Meeting are recorded in the minutes book as mandated by the legal provisions in this regard.

### **3. Board's Induction**

Upon appointment of a new Independent Director, the Company issues a formal letter of appointment which inter alia sets out in detail, the terms and conditions of appointment, their duties, responsibilities, expected time commitments etc. The terms and conditions of their appointment are disclosed on the website of the company.

A formal induction program is conducted for the newly appointed Director wherein they are familiarized with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The main objective behind the above initiatives is to acquaint the Director with the sphere of operations of the Company and to enable him to effectively fulfill his roles and responsibilities.

### **4. Evaluation of the Board's Performance:**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. The evaluation exercise was carried out on various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of the duties and obligations, governance issues, etc.

Separate exercise was carried out to evaluate the performance of individual Directors including the Chairman by the Nomination and Remuneration committee as per the structured mechanism who were evaluated on following parameters / criteria:

- Participation and contribution by a director,
- Commitment (including guidance provided to senior management outside of Board / Committee meetings),
- Effective deployment of knowledge and expertise,
- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality,
- Independence of behaviour and judgment,
- Observance of Code of Conduct, and
- Impact and influence.

The evaluation of the Independent Directors was carried out by the entire Board (excluding the director being evaluated). Evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at its meeting specially convened for the purpose.

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

## 5. Details of Directors being appointed and re-appointed

As per the Companies Act, 2013 and the Articles of Association of the Company, not less than two-third of the total number of directors (excluding Independent Directors) should retire by rotation. One third of retiring directors are required to retire every year by rotation and if eligible, the director qualifies for re-appointment.

Mr. Venkat Giri retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

The Board has re-commended the regularization of Mrs. Hemali Alandkar as Independent Director of the Company and appointment of Mr. M.V. Rao as Managing Director. Mr. Sadanand Hegde is re-designated as Whole time Director of the Company w.e.f 9th April 2015.

A brief resume of all aforesaid persons being re-appointed at the forthcoming Annual General Meeting is attached in the Notice of AGM.

## 6. Meetings

During the year under review, the Board of Directors had (5) meetings on 24th May 2014, 9th August 2014, 30th September 2014, 8th November 2014, 7th February 2015. The intervening gap between 2 meetings was in conformity with the requirements of Listing Agreement and that of the Companies Act, 2013. All these meetings were held in Pune.

All the meetings were conducted as per the structured agenda which was circulated seven days prior to the Board Meeting. The Board reviewed compliance report of all the laws applicable to the Company.

The attendance record of the Directors at the Board Meetings during the financial year 2014-15 and at the last AGM is as under:-

Name of the Director	No. of Board meetings attended during the financial year 2014-15	Attendance at the last AGM held 27th September, 2014	No. of on Directorships	No. of Committee <sup>a</sup> Memberships <sup>b</sup> in Public Limited Companies	
				Memberships	Chairmanships
Mr. Sadanand.Hegde	3	Yes	3	Nil	Nil
Mr. Prabhakar Hegde	4	Yes	Nil	2	1
Mr.Padmakar Kashyapi	3	No	Nil	2	2
Mr. Y. R. Mali	3	No	Nil	1	Nil
Mr. Venkat Giri	5	No	Nil	Nil	Nil
Mr. Joachim Friedsch	0	No	one	1	Nil

- (a) Memberships/Chairmanships in the Audit Committees and Stakeholder's Relationship Committees are only considered.  
 (b) Membership of Committees includes Chairmanship, if any.

The Board granted Leave of Absence to the Director(s) who were absent at the respective Board and Committee Meeting/s at their request.

### Separate Meeting and Familiarization of Independent Directors:

Separate meeting of Independent Directors was duly held during the financial year with the compliance of provisions of Companies Act, 2013 and Listing Agreement. Independent Directors have been explained about their roles, rights, responsibilities in the Company through detailed presentations on the changes in backdrop of Companies Act 2013 and Listing Agreement. The Board including all independent Directors were provided with relevant documents, reports and

Internal policies to enable them to familiarise with the Company's procedures and practices from time to time. Updates on relevant statutory changes on laws concerning the Company are informed to the entire Board on regular intervals.

The Independent Directors are facilitated to meet without the presence of the Company's management to discuss matters pertaining to the Company's affairs.

The Board including Independent Directors is also updated periodically on Related Party Transactions and their rationale, Litigation update, various Policies and Standard Operating Procedures of the Company, Entity Level Risk, Risk Mitigation Plans etc.

## 7. Other Directorships, etc.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Directors acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he is a Director. The details of Directorship (calculated as per provisions of Section 165 of the Companies Act, 2013) and Committee Chairmanships / Memberships held by the directors as on 31st March, 2015 (calculated as per provisions of Clause 49 of the Listing Agreement) are as given above.

## II. Committees of the Board

### 1. Audit Committee

The object of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosure and oversee the integrity and quality of the financial reporting. The Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company.

#### Terms of Reference

The Terms of Reference of the Audit Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 177 of the Companies Act, 2013.

#### Composition

The Audit Committee presently comprises of three Directors, two of whom are Non-Executive, Independent Directors. The Audit Committee is constituted in accordance with the provisions of Clause 49 (III) (A) of the Listing Agreement and Section 177 of the Companies Act, 2013. All the members of the Committee are financially literate and have adequate accounting and financial management expertise. The Chairman of the Committee, Mr. Padmakar Kashyapi is an Independent, Non-Executive Director.

Senior executives are invited to participate in the meetings of the Committee as and when necessary. The quorum for the Audit Committee meetings is two Independent Directors. The Company Secretary acts as Secretary to the Committee.

#### Meetings and Attendance

During the year under review, the Committee met four (4) times on 24th May, 2014; 09th August, 2014; 08th November, 2014 and 07th February, 2015. The following table provides the composition of the Audit Committee and attendance of members at the meetings of the Committee held during the financial year 2014-15:

Members	Chairman/Member	Category	No. of meetings attended
Padmakar Kashyapi	Chairman	Non executive Independent director	4
Padmakar Hegde	Member	Non-Executive Independent director	4
Y. R. Mali (Resigned on 31.12.2014)	Member	Whole-time director	3
Venkat Giri	Member	Whole-time director	1

The minutes of the Audit Committee, once confirmed and signed by the Chairman, are noted by the Board of Directors in the subsequent Board Meeting.

Mr. Padmakar Kashyapi, Chairman of the Audit Committee answered queries raised by the shareholders at the last Annual General Meeting of the Company held on 27th September, 2014.



## 2. Stakeholder's Relationship Committee (earlier known as Shareholders' / Investors' Grievance Committee)

In line with Clause 49 of the Listing Agreement and the Companies Act, 2013, the Board of Directors of the Company changed the nomenclature of 'Shareholders' / Investors' Grievance Committee' to 'Stakeholder's Relationship Committee'.

### Terms of Reference

The Board of Directors also amended the Terms of Reference of the Committee in line with Companies Act, 2013 and the Listing Agreement to specifically include the redressal of grievances of shareholders, debenture holders and other security holders and resolving their grievances including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

The Company maintains continuous interaction with the Registrar and Transfer Agent of the Company (RTA) and takes proactive steps and actions for resolving complaints/queries of the shareholders/investors. The Committee oversees the performance of the RTA and recommends measures for overall improvement in the quality of investor services. Mr. Ramesh Hosmane has been appointed as the Compliance Officer.

### Composition

At present, the Stakeholder's Relationship Committee consists of two members including two Non-Executive Directors. Mr. Padmakar Kashyapi Non-Executive Independent Director is the Chairman of the Committee. The Company has appointed Link Intime India Pvt. Ltd. to act as Registrar and Transfer Agent of the Company.

### Meetings and Attendance

During the year under review, the Committee met four (4) times on 24th May, 2014; 09th August, 2014; 08th August, 2014 and 07th February, 2015. The following table provides the composition of the Stakeholder's Relationship Committee and attendance of the members at the meetings of the Committee held during the financial year 2014-15:

Members	Chairman/Member	Category	No. of meetings attended
Mr. Padmakar Kashyapi	Chairman	Non Executive Independent Director	4
Mr. Padmakar Hegde	Member	Non-Executive Independent Director	4

The minutes of the Stakeholder's Relationship Committee, once confirmed and signed by the Chairman, are noted by the Board of Directors in the subsequent Board Meeting.

A total of 03 complaints were received from shareholders/investors during the year ended 31st March, 2015 all of which were duly resolved and disposed off appropriately, as reported by the RTA of the Company. The complaints related mainly to non-receipts of Dividend warrants, Annual Reports, etc. In view of the posting of the annual reports and the dividend warrants, as the case may be, within the statutory time limit, the delay or non-receipt of the annual reports or the dividend warrants was not due to any lapse on the part of the Company.

## 3. Nomination and Remuneration Committee

In compliance with Clause 49 of the Listing Agreement and the Companies Act, 2013, the Board of Directors of the Company changed the nomenclature of the 'Remuneration Committee' to 'Nomination and Remuneration Committee (NRC Committee)'

### Terms of reference

The Board also re-visited the terms of reference of the NRC Committee to inter-alia include the following:

- 1) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- 2) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a 'Remuneration Policy', relating to the remuneration for the directors, key managerial personnel and other employees,
- 3) To formulate the criteria for evaluation of Independent Directors and the Board;



- 4) To devise a policy on Board diversity;
- 5) Any other matter as the NRC Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

### Composition

At present, the NRC Committee consists of three members who are Non-Executive Directors. The Chairman of the Committee is Mr. Prabhakar Hegde an Independent, Non-Executive Director.

### Meetings and Attendance

During the year under review, the Committee met four (4) times on 24th May, 2015; 09th August, 2015; 08th November, 2015 and 07th February, 2015. The following table provides the composition of the NRC Committee and attendance of the members at the meetings of the Committee held during the financial year 2014-15:

Members	Chairman/Member	Category	No. of meetings attended
Mr. Prabhakar Hegde	Chairman	Non Executive Independent Director	4
Mr. Padmakar Kashyapi	Member	Non-Executive Independent Director	4
Mr. Joachim Friedrich	Member	Non-Executive Independent Director	0

The minutes of the NRC Committee, once confirmed and signed by the Chairman, are noted by the Board of Directors in the subsequent Board Meeting.

None of the Directors have been granted any stock option.

### Remuneration Policy

The Company follows a policy on remuneration to Directors, Key Managerial Personnel and Senior Management and other employees. The remuneration policy of the Company is structured in order to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. The Remuneration Policy forms a part of the Directors Report.

## I. General Body Meetings

The Annual General Meeting of the Company for Financial Year 2013-14 was held on 27th September, 2014 at Pune.

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

Year	Date and Time	Special Resolution Passed, if any
2011-12	22 <sup>nd</sup> September, 2012	Nil
2012-13	28 <sup>th</sup> September, 2013	To Amend Clause No. 130 of the Articles of Association
2013-14	27 <sup>th</sup> September, 2014	1. To Approve Related Party Transactions. 2. Adoption of New Set of Articles of Association. 3. Continual Appointment of Managing Director.

## II. Postal Ballot

During the year under review, no resolution has been passed through the exercise of postal ballot. Further, there is no resolution proposed to be conducted through Postal Ballot.

## III. Subsidiary Companies

As per the definition contained in Clause 49 of the Listing Agreement and the 'Policy on Material Subsidiaries' as aforesaid, the Company did not have any 'material unlisted Indian Subsidiary' during the year under review.

**IV. Code of Conduct**

All Board members and Senior Management personnel have affirmed their compliance with the said Code for the financial year ended March 31, 2015. A declaration to this effect signed by the Managing Director is appended at the end of this report.

**V. Code of Conduct for Prevention of Insider Trading**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended, the Board of Directors of the Company has adopted the Code of Conduct for Prevention of Insider Trading'. The Code is applicable to all Directors and Designated Employees and Officers and their dependants, who are expected to have access to unpublished price sensitive information relating to the Company. The rationale behind the Code is to prevent trading in shares of the Company by persons, who are in the management of the Company or are close to them on the basis of 'undisclosed price sensitive information' about the Company, which they possess but is not available to others. As per the terms of the said Code, all Directors and Designated Employees and Officers are restricted from dealing in the shares of the Company during 'restricted periods' notified by the Company from time to time.

Mr. Ramesh Hosmane has been appointed as the Compliance Officer for monitoring adherence to the said Code. The said Code is made available on the intranet of the Company for compliance by all the concerned.

**VI. Whistle Blower Policy / Vigil Mechanism**

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. To achieve this, the Company has adopted the Whistle Blowing Policy which lays down the overall framework and guidelines for reporting genuine concerns. The Policy is intended to encourage and enable employees and others to raise serious concerns within the Company prior to seeking resolution outside the Company.

In order to instill more confidence amongst the Whistle Blowers, the Company has appointed an independent agency to receive the complaints and co-ordinate with the whistle-blower, if required. An Ethics Committee has been constituted comprising of Senior Executives and an External Legal Counsel for initiating remedial measures. Adequate safeguards have been provided in the Policy to prevent victimization of anyone who is using this platform and direct access to the Chairman of the Audit Committee is also available in exceptional cases.

None of the personnel of the Company has been denied access to the Audit Committee.

**VII. Disclosures****a. Related Party Transactions**

As required under Clause 49 of the Listing Agreement, the Board has approved a Policy on Materiality and Dealing with Related Party Transactions.

As defined under the Companies Act, 2013, Clause 49 of the Listing Agreement and as per the 'Policy on materiality and dealing with Related Party Transactions' framed by the Company, all transactions entered into with Related Parties during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 88 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year under review which were in conflict with the interests of the Company.

Details of related party transactions as per requirements of Accounting Standard - AS 18 - 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in "Notes to Accounts" under Schedules to financial statements. Except the transactions disclosed under the said note, there are no other significant related party transactions between the Company and the related parties.

**b. Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company follows the generally accepted accounting principles in India (Indian GAAP). The Company has prepared the financial statements to comply in all material respects with the accounting standards specified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

**c. Remuneration to Directors****Remuneration to Executive Directors**

During the financial year 2014-15, the Company has paid remuneration to its Executive Directors as per details given below:

(in Rs.)

Names of Directors	Salary and perquisites Rs.
Mr. Sadanand Hegde	9,90,000/-
Mr. Y.R.Mali	6,46,600/-
Mr.Venkat Giri	780,000/-

**Remuneration to Non-Executive Directors**

Remuneration to Non-Executive and Independent Directors of the Company is paid as per Company's Policy on Nomination and Remuneration of Directors, KMPs and other employees.

As per the said Policy, only Sitting Fees are paid to Non-Executive Directors. The details of Sitting Fees paid for the financial year ended 31st March, 2015 are as under:

(in Rs.)

Names of the Director	Sitting fees
Mr. Sadanand Hegde	8000
Mr. Y.R.Mali	6000
Mr. Venkat Giri	8000
Mr. Prabhakar Hegde	6000
Mr. Padmakar Kashyapi	4000
Mr. Joachim Friedsch	0
Mrs. Hemali Alandkar	0

**d. Risk Management:**

The Company has structured a robust Risk Management Plan to identify and evaluate various business risks and opportunities. As per the plan, the Audit Committee / Board of Directors will be informed on quarterly basis about various risks identified by the Senior Management, the mitigation plan devised by them, progress on various plans / activities being implemented to mitigate the same and any other risks, newly identified with mitigation plan for them.

The Board, upon review, will further guide the Senior Management about risk identification and improvement in mitigation plans.

- e. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all the requirements of the Listing Agreement entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Since the date of listing of the company's shares in Mumbai Stock Exchanges, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any other statutory authority for non-compliance of any matter related to the capital markets during the last three years.

- f. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. However, the Company is in process of adoption of Non-Mandatory Provisions of Clause 49.

**VIII. Means of Communication****a. Publication of Results**

The quarterly/half-yearly and annual results of the Company are published in (Free Press Journal) English daily newspaper circulating in Pune (where the Registered Office of the Company is situated) and in (Nav Shakti) Marathi daily newspaper circulating in Pune (where the Registered Office of the Company is situated).

**b. Press Release and Presentations**

Official Press Releases are sent to the Stock Exchanges. Presentation made to media, analyst, institutional investors, etc. are posted on the Company's website.

**c. Intimation to Stock Exchanges**

All price sensitive information and matters which are material and relevant to shareholders are intimated to the BSE Ltd. (BSE) where the shares of the Company are listed.

**d. Website**

The Company's website contains a separate dedicated section "Investor Relations". It contains comprehensive database of information of interest to the investors including the financial results and Annual Reports of the Company, any information disclosed to the regulatory authorities from time to time, business activities and the services rendered/ facilities extended by the Company to the investors, in a user friendly manner. The basic information about the Company as called for in terms of Clause 54 of the Listing Agreement is provided on this website and the same is updated regularly.

**e. Annual Report**

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other statutory information is sent to members and others entitled thereto and is also uploaded on the Company's website.

**f. Dedicated email-id**

The Company has also designated a dedicated email-id "cfo@filtronindia.com" for servicing its stakeholders.

**IX. General Shareholder Information****a. Annual General Meeting**

The Annual General Meeting (AGM) for the financial year 2014-15 will be held on 26th September 2015 at 4.P.M. at 6, Sita Baug Colony, Sinhagad Rd, Pune.

**b. Financial Year of the Company**

The Financial Year of the Company is from 1st day of April in a year till 31st day of March in the next succeeding year.

**c. Website**

The website of the Company -www.filtronindia.com contains a special section 'Investor Relations'. It carries comprehensive information of interest to the investors including that on the results of the Company, any information disclosed to the regulatory authorities from time to time, business activities of the Company and the services rendered / facilities extended by the Company to the investors.

**d. Dedicated email id for investors**

For the convenience of our investors, the Company has designated an email id for investors which is "cfo@filtronindia.com".

**e. Registrar & Share Transfer Agent (RTA)**

For any assistance regarding Share Transfers, Transmissions, change of address, non-receipt of dividends, duplicate / missing share certificates and other relevant matters, the Registrar and Transfer Agents of the Company at the following address may be contacted:

**f. Book closure dates for the purpose of AGM**

The Register of Members and Share Transfer Books of the Company will remain closed from 19th September, 2015 to 26th September, 2015 (both days inclusive) for the purpose of AGM.

## g. Distribution of Shareholding as on 31st March, 2015

Share holding of nominal value	Share holders		Share Amount (in Rs)	
	Number	% to Total	in Rs	% to Total
1-5000	918,650	35	9,186,500	35
5001-10000	106,400	4	1,064,000	4
10001-20000	50,170	2	501,700	2
20001-30000	22,400	1	224,000	1
30001-40000	40,000	2	400,000	2
40001-50000	0	0	0	0
50001-100000	181,400	7	1,814,000	7
100001- *****	12,974,800	50	129,748,000	50
<b>Total</b>	<b>2,616,500</b>	<b>100</b>	<b>26,165,000</b>	<b>100</b>

## h. Share Transfer System

The process of recording of share transfers, transmissions, etc., for shares held in electronic form is handled by Link Intime India Pvt Ltd Pune (RTA) and a report thereof is sent to the Company periodically and the Stakeholders' Relationship Committee of the Company takes note of the same at its meetings. In respect of shares held in physical form, the transfer documents are lodged with the RTA and after processing, the same are sent to the company and the Stakeholders' Relationship Committee conveys its approval to the Registrars, who dispatch the duly transferred share certificates to the shareholders concerned after complying with the applicable provisions. The average time taken for processing share transfer requests (in physical) including dispatch of share certificates is 15 days.

## i. Dematerialization of shares and Liquidity

The Company has admitted its shares to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The International Securities Identification Number (ISIN) allotted to the Company is INE589NO1017. The equity shares of the Company are compulsorily traded in dematerialized form as mandated by SEBI.

As on 31<sup>st</sup> March, 2015, status of the dematerialized and physical form of shares of the Company is as under:

Shares held in	No. of Shares	Percentage (%)
Electronic Form with CDSL	44,385	1.70
Electronic Form with NSDL	127,415	4.87
Physical Form	2,444,700	93.43%
<b>Total</b>	<b>2,616,500</b>	<b>100%</b>

## j. Annual Report - Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry, companies can send various notices and documents, including Annual Report, to its shareholders through electronic mode to their registered e-mail addresses. Further, the Companies Act, 2013 and rules made thereunder also recognize communication with shareholders in electronic mode.

Since 2011, your Company has been sending the Annual Reports to its shareholders, who have registered their e-mail address with the Depositories/Company, on e-mail every year. Others, who have not registered their e-mail address, have been sent the Annual Reports in physical copy and have always been appealed to register their e-mail address and opt for receiving all the communication through e-mail.

All the shareholders who have not yet registered their e-mail addresses are once again requested to register it with the Registrar and Transfer Agent - Link Intime India Pvt Ltd and opt for electronic delivery and contribute their small share to the noble cause of "Green Initiative".

However, those who want to receive hard copies of all the communication have to make a specific request to the Company by sending a letter in this regard.

**k. Listing of Equity Shares on Stock Exchanges and Stock Codes**

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	Scrip Code / Symbol
BSE Limited	531191 / FILTRON

The Annual Listing fees for the year 2015-16 have been yet not paid to the Stock Exchanges.

**l. The GDR/ADR/Convertible instruments**

The Company has not issued any GDR/ADR/Convertible instruments during the financial year 2014-15.

**m. Stock market price data for the year 2014-15**

The market quotation of Company's scrip on BSE and NSE is as follows:

(Price in Rs.)

Month	BSE share price		S&P BSE Sensex	
	High	Low	High	Low
Jul 2014	39.00	28.69	26,300.17	24,892.00
Aug 2014	27.30	25.95	26,674.38	25,232.82
Sept 2014	24.70	24.70	27,354.99	26,220.49
Oct 2014	23.50	19.20	27,894.32	25,910.77
Nov 2014	18.25	11.10	28,822.37	27,739.56
Dec 2014	11.00	9.17	28,809.64	26,469.42
Jan 2015	9.64	8.72	29,844.16	26,776.12
Feb 2015	10.55	9.65	29,560.32	28,044.49
Mar 2015	10.60	9.17	30,024.74	27,248.45

**n. Shares held by Directors**

The details of the shares held by the Directors of the Company as on 31<sup>st</sup> March, 2015 are as under:

Names of the Directors	No. of Equity Shares held
Mr. Sadanand Hegde	11,54,980
Mr. Venkat Giri	200
Mr. M. V. Rao	400

None of the Directors hold any convertible instruments in the Company.

**o. Key Financial Reporting Dates for the Financial Year 2014-15**

Unaudited results for the first quarter ended 30 <sup>th</sup> June, 2015	:	On or before 14 <sup>th</sup> August, 2015
Unaudited results for the second quarter/half year ended 30 <sup>th</sup> September, 2015	:	On or before 14 <sup>th</sup> November, 2015
Unaudited results for the third quarter ended 31 <sup>st</sup> December, 2015	:	On or before 14 <sup>th</sup> February, 2016
Audited results for the financial year 2015-16:		On or before 30 <sup>th</sup> May, 2016

**X. Other Information**

**a. Permanent Account Number (PAN) for transfer of shares in physical form mandatory**

SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions of listed companies involving transfer of shares in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares.

**b. Insider Trading**

In order to prohibit insider trading and protect the rights of innocent investors, SEBI has enacted the SEBI (Prohibition of Insider Trading) Regulations, 2015. As per Regulation 7 of the said Regulations, initial and continual disclosures are required to be made by investors as under:

➤ **Initial Disclosure**

- (a) Every promoter, key managerial personnel and director of every company whose securities are listed on any recognized stock exchange shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company within thirty days of these regulations taking effect;
- (b) Every person on appointment as a key managerial personnel or a director of the company or upon becoming a promoter shall disclose his holding of securities of the company as on the date of appointment or becoming a promoter, to the company within seven days of such appointment or becoming a promoter.

➤ **Continual Disclosure**

- (a) Every promoter, employee and director of every company shall disclose to the Company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified;
- (b) Every company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

**(c) Statutory Auditors**

The Company's Statutory Auditors are:

**A. A. Bhat & Co.**

Chartered Accountants

6 Harmony House

797, Bhandarkar Institute Road, Pune 411 004

**(d) SEBI Complaints Redress System (SCORES)**

The investor complaints are processed through a centralized web-based complaint redressal system by SEBI called "SCORES". The salient features of SCORES are availability of centralised data base of complaints and uploading online Action Taken Reports (ATRs) by the Company. Through SCORES, the investors can view online the actions taken and current status of their complaints.

(e) **Online Portal for submission of various filings**

➤ **BSE Corporate Compliance & Listing Centre (the "Listing Centre")**

It is a web-based facility accessible from anywhere through the Company's allotted unique login. Listing Centre of BSE accepts periodical compliance filings from the Companies.

(f) **Address for correspondence**

Investors' correspondence may be addressed to the RTA / Compliance Officer of the Company. Shareholders' / Investors' are requested to forward documents related to share transfer, dematerialization requests (through their respective Depository Participant) and other related correspondence directly to Link Intime India Pvt Ltd, Block No. 202, 2nd floor Akshay Complex, Off Dhole Patil Road, Pune -411 001 at the below mentioned address for speedy response:

**Filtron Engineers Ltd Plot No.36 WMDC Industrial Estate Ambethan Road Chakan Pune -410501**

**Shareholders / Investors can also send the above correspondence to the Compliance Officer of the Company at the following address**

**For Filtron Engineers Limited**

Filtron Engineers Ltd  
Plot No.36 WMDC  
Industrial Estate Ambethan road  
Chakan Pune-410501

Sd/-  
**SADANAND HEGDE**  
Wholetime Director  
DIN: 00195106



**SECRETARIAL AUDIT REPORT**  
**(For the period 01/04/2014 to 31/03/2015)**

To,

The Board of Directors

**FILTRON ENGINEERS LIMITED**

Plot No.36, WMDC Industrial Area, Ambethan Road

Chakan, Pune-410501

**CIN: L57909PN1982PLC026929**  
**Authorised Capital- 35 Crores**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FILTRON ENGINEERS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on March 31, 2015 according to the provisions of:
  - The Companies Act, 2013 (the Act) and the Rules made there under;
  - The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made there under;
  - The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; except ***The application for extension of period to RBI for recovery against the export bill raised wide export made to Nepal has not been made in time.***
  - The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:-
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, as amended up to May, 2015
    - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(No Application for Delisting is done by the Company during the year) and
    - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(There was no buy back of Equity during the Year)
    - g. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and

- h. The Memorandum and Articles of Association. During the year The Company has adopted new set of Articles of Association in the Annual general meeting.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.

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

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:
  - a) Maintenance of various statutory registers and documents and making necessary entries therein;
  - b) Closure of register of members (During year it was closed from 23rd September to 27th September)
  - c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government
  - d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
  - e) Notice of Board meetings and Committee meetings of Directors;
  - f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
  - g) The 32nd Annual General Meeting was held on 27th September 2014 at the registered office of the company at 4.00 PM.
  - h) Minutes of proceedings of General Meetings, Board meeting and its Committee meetings; all the minutes of general meeting, board meeting and committee meeting are on record and compiled properly.
    - i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
  - j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
  - k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
  - l) Appointment and remuneration of Auditors and Cost Auditors;
  - m) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
  - n) The Company has not declared dividend during the year.
  - o) There was no requirement of transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
  - p) The Company has borrowed funds From Financial Institutions and filed registration, modification and satisfaction of charges wherever applicable;
  - q) The Company has not done investment of the Company's funds including investments and loans to others;
  - r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
  - s) Directors' report;
  - t) Contracts, common seal, registered office and publication of name of the Company; and
  - u) Generally, all other applicable provisions of the Act and the Rules made under the Act.
3. I further report that:
  - a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors,

Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
  - d) There was no subject matter for which the Company has to obtained all necessary approvals under the various provisions of the Act; and
  - e) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
  - f) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
  5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed there under by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
  6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable except  
***The application for extension of period to RBI for recovery against the export bill raised wide export made to Nepal has not been made in time.***
  7. I further report that:
    - a. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited
    - b. The Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations.
    - c. The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations.
  8. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Sd/-

**Mr. Arun Madhukar Deshpande**  
 Practising Company Secretary,  
 Certificate of Practice No-2905  
 Membership No-5135

Place: Pune  
 Date: 08<sup>th</sup> August 2015  
 Enclosed: - ANNEXURE-1

**ANNEXURE-1**  
**E-FORMS FILED DURING THE YEAR 2014-15 ON MCA SITE**

FORM NAME	DATE OF EVENT	SECTION	SUBJECT MATTER & DESCRIPTION	FILED ON	SRN	WHETHER FILED IN TIME OR NOT
MGT-14	24/05/2014	179(3) of the CA, 2013	APPROVAL OF THE FINANCIAL RESULTS FOR THE YEAR ENDED 31/03/2014	21/06/2014	C07085350	YES
GNL_2	27/09/2014	139(1) OF the CA, 2013	THE APPOINTMENT OF STATUTORY AUDITORS	11/10/2014	C25828146	YES
MGT-14	09/08/2014	179(3) OF THE CA, 2013	APPROVE THE UNAUDITED FINANCIAL RESULTS OF THE COMPANY FOR QUARTER ENDED 30TH JUNE, 2014 & DIRECTORS REPORT	10/10/2014	C25613928	NO
DIR-12	27/09/2014	170(2) OF THE CA, 2013	APPOINTMENT OF MR. PRABHAKAR HEGDE AND PADMAKAR KASHYAPI AS INDEPENDENT DIRECTOR OF THE COMPANY	20/10/2014	C29301116	YES
MGT-14	27/09/2014	14(1), 188 (1) OF THE CA, 2013	ADOPTIO OF NEW SET OF AOA, AUTHORISATION FOR RELATED PARTY TRANSACTION & APPROVAL OF CONTINUING EMPLOYMENT OF MR. SADANAD HEGDE.	12/11/2014	C32471963	NO
GNL_2	27/09/2014	121(1) OF THE CA, 2013	REPORT ON AGM MGT-15	26/11/2014	C34337667	YES
MGT-14	08/11/2014	179(3) OF THE CA, 2013	APPROVE THE UNAUDITED FINANCIAL RESULTS OF THE COMPANY FOR QUARTER ENDED 30 <sup>TH</sup> SEPTEMBER 2014	11/12/2014	C36086049	NO
DIR-12	08/11/2014	203 OF THE CA, 2013	APPOINTMENT OF MR. RAMESH HOSMANE AS CFO	11/12/2014	C36103422	NO
INC-22	08/02/2015	12(2) & 4 OF THE CA, 2013	NOTICE OF CHANGE OF SITUATION OF REGISTERED OFFICE	21/02/2015	C43965144	YES
MGT-14	07/02/2015	179(3) OF THE CA, 2013	APPROVE THE UNAUDITED FINANCIAL RESULTS OF THE COMPANY FOR QUARTER ENDED 31ST DECEMBER, 2014	05/03/2015	C45298619	YES
20B	27/09/2014	159 OF THE CA, 1956	ANNUAL RETURN	20/01/2015	Q54551171	NO
23AC XBRL & ACA	31/03/2014	220 OF THE CA, 1956	BALANCESHEET, P&LA/CS FOR THE YEAR ENDED 31/03/2014	03/11/2014	Q43725605	NO
FORM-66	31/03/2014	383A OF THE CA, 1956	COMPLIANCE CERTIFICATE	27/10/2014	Q39830518	YES
DIR-12	07/02/2015	161(1) OF THE CA, 2013	APPOINTMENT OF HEMALI SHAHAS ADIITIONAL DIRECTOR	28/05/2015	C54294186	NO
DIR-12	31/12/2014	168 OF THE CA, 2013	CESSATION OF MR. YASHWANTRAO MALI	16/04/2015	C50114974	NO

**FORM NO. MGT - 9**  
**EXTRACT OF ANNUAL RETURN**

(as on the financial year ended on 31.03.2015)

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L57909PN1982PLC026929
ii.	Registration Date	16/04/1982
iii.	Name of the Company	Filtron Engineers Limited
iv.	Category / Sub-Category of the Company	Company having Share Capital
v.	Address of the Registered office and contact details	Plot No.36, WMDC Industrial Area, Ambethan Road Chakan Pune 410501
vi.	Whether listed company	Yes Listed on BSE Ltd
vii.	Name, Address and Contact details of Registrar and Transfer Agent	Link Intime India Pvt Ltd Block No.202 2 nd floor Akshay complex Off Dhole Patil road Pune -411 001

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Mini dairy Plant	28251	73.34
2.	Pasteuriser Systems	28259	16.81

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held Section	Applicable
1.	NIL	—	—	—	—

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## i. Category-wise Share Holding :

	Category of the year	No. of Shares held at the beginning of the year				Shareholders No. of Shares held at the end of				% Change during the year*
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>PROMOTERS</b>									
(1)	<b>INDIAN</b>									
a.	Individual /HUF	-	14,71,700	14,71,700	56.25	-	14,71,700	14,71,700	56.25	-
b.	Central Govt	-	-	-	-	-	-	-	-	-
c.	State Govt(s)	-	-	-	-	-	-	-	-	-
d.	Bodies Corporate	-	66,000	66,000	2.52	-	66,000	66,000	2.52	-
e.	Banks / FI	-	-	-	-	-	-	-	-	-
f.	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A (1) :</b>	-	<b>15,37,700</b>	<b>15,37,700</b>	<b>58.77</b>	-	<b>15,37,700</b>	<b>15,37,700</b>	<b>58.77</b>	-
(2)	<b>FOREIGN</b>									
a.	NRIs - Individuals	-	65,000	65,000	2.48	-	65,000	65,000	2.48	-
b.	Others – Individuals	-	-	-	-	-	-	-	-	-
c.	Bodies Corporate	-	-	-	-	-	-	-	-	-
d.	Banks / FI	-	-	-	-	-	-	-	-	-
e.	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(2) :</b>	-	<b>65,000</b>	<b>65,000</b>	<b>2.48</b>	-	<b>65,000</b>	<b>65,000</b>	<b>2.48</b>	-
	<b>Total Shareholding of Promoters A=A(1)+A(2)</b>	-	<b>16,02,700</b>	<b>16,02,700</b>	<b>61.25</b>	-	<b>16,02,700</b>	<b>16,02,700</b>	<b>61.25</b>	-
<b>B.</b>	<b>Public Shareholding</b>									
1.	<b>INSTITUTIONS</b>									
a.	Mutual Funds	-	-	-	-	-	-	-	-	-
b.	Banks / FI	40,000	-	40,000	1.53	40,000	-	40,000	1.53	-
c.	Central Govt.	-	-	-	-	-	-	-	-	-
d.	State Govt.(s)	-	-	-	-	-	-	-	-	-
e.	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f.	Insurance Companies	-	-	-	-	-	-	-	-	-
g.	FIs	-	-	-	-	-	-	-	-	-
h.	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i.	Others (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(1) :</b>	<b>40,000</b>	-	<b>40,000</b>	<b>1.53</b>	<b>40,000</b>	-	<b>40,000</b>	<b>1.53</b>	-
2.	<b>NON-INSTITUTIONS</b>									
a.	Bodies Corporate	1,000	31,900	32,900	1.26	4,534	28,366	32,900	1.26	-
b.	Individuals									
i.	Individual shareholders holding nominal share capital upto Rs.1 lakh	42,100	7,56,200	7,98,300	30.51	87,766	6,78,034	7,65,800	29.27	1.24
ii.	Individualshareholders holding nominal share capital in excess of Rs.1 lakh	-	41,400	41,400	1.58	39,500	34,400	73,900	2.82	1.24
c.	Others (specify)									
i.	Non Resident Indians	-	1,01,200	1,01,200	3.87	-	1,01,200	1,01,200	3.87	-
ii.	Clearing Members	-	-	-	-	-	-	-	-	-
iv.	Trusts	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(2) :</b>	<b>43,100</b>	<b>9,30,700</b>	<b>9,73,800</b>	<b>37.22</b>	<b>1,31,800</b>	<b>8,42,000</b>	<b>9,73,800</b>	<b>37.22</b>	-
	<b>Total Public Shareholding B=B(1)+B(2) :</b>	<b>83,100</b>	<b>9,30,700</b>	<b>10,13,800</b>	<b>38.75</b>	<b>1,71,800</b>	<b>8,42,000</b>	<b>10,13,800</b>	<b>38.75</b>	-
<b>C.</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A+B+C) :</b>	<b>83,100</b>	<b>25,33,400</b>	<b>26,16,500</b>	<b>100</b>	<b>1,71,800</b>	<b>24,44,700</b>	<b>26,16,500</b>	<b>100</b>	-

\*The change in % of shareholding during the year is an effect of increase in the paid-up share capital of the Company due to ESOP allotments and / or change in the number of shares held by each respective shareholder.

## i. Shareholding of the Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year			% change during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total	
1	Hegde Sadanand Ganapati	11,54,980	44.14	-	11,54,980	44.14	-	-
2	Natu Ravindra Narhar	120	0.00	-	120	0.00	-	-
3	Kashyapi Shrinivas P	2,100	0.08	-	2,100	0.08	-	-
4	Kashyapi Padma P	807	0.03	-	807	0.03	-	-
5	Hegde Meera G	323	0.01	-	323	0.01	-	-
6	Hegde Bharati Sadanand	18,670	0.71	-	18,670	0.71	-	-
7	Dighe Ishwar Pandurang	12,500	0.48	-	12,500	0.48	-	-
8	Vora Saroj Rajanikant	8,700	0.33	-	8,700	0.33	-	-
9	Vora Rajanikant Laxmichand	8,800	0.34	-	8,800	0.34	-	-
10	Hegde S G HUF	1,42,500	5.45	-	1,42,500	5.45	-	-
11	Muley Avinash Sadashiv	1,700	0.06	-	1,700	0.06	-	-
12	Kale Swati Shirish	2,000	0.08	-	2,000	0.08	-	-
13	Panjiar Vinita Ramavatar	1,700	0.06	-	1,700	0.06	-	-
14	Aher Bhaskar Gopal	2,000	0.08	-	2,000	0.08	-	-
15	Dalvi Namdeo Sahebrao	2,400	0.09	-	2,400	0.09	-	-
16	Dravid Mangal Ashok	2,300	0.09	-	2,300	0.09	-	-
17	Dravid Ashok Vishnu	2,400	0.09	-	2,400	0.09	-	-
18	Bang Prakash Ramchandra	2,000	0.08	-	2,000	0.08	-	-
19	Sant Sucheta Shrikant	2,300	0.09	-	2,300	0.09	-	-
20	Sant Shrikant Laxman	2,400	0.09	-	2,400	0.09	-	-
21	Dalvi Shaila Namdev	2,500	0.10	-	2,500	0.10	-	-
22	Dalvi Babab Saherao	3,300	0.13	-	3,300	0.13	-	-
23	Jain Raghunathmal Bharmalji	1,700	0.06	-	1,700	0.06	-	-
24	Catalchem	3,300	0.13	-	3,300	0.13	-	-
25	Popular Herbals Products Pvt Ltd	66,000	2.52	-	66,000	2.52	-	-
26	Vaidya Sujata Kiran	1,700	0.06	-	1,700	0.06	-	-
27	Verma Madhu Suresh	3,400	0.13	-	3,400	0.13	-	-
28	Singhpal Sunita Singh Dyashnkar	1,700	0.06	-	1,700	0.06	-	-
29	Devanath G.	6,600	0.25	-	6,600	0.25	-	—
30	Reddy T Veera	6,600	0.25	-	6,600	0.25	-	-
31	Subramaniam P M	9,900	0.38	-	9,900	0.38	-	-
32	Gangaraju K	9,900	0.38	-	9,900	0.38	-	-
33	Chetna S Hegde	50,400	1.93	-	50,400	1.93	-	-
34	Friedseh Joachim	65,000	2.48	-	65,000	2.48	-	-
	<b>Total</b>	<b>16,02,700</b>	<b>61.25</b>	<b>-</b>	<b>16,02,700</b>	<b>61.25</b>	<b>-</b>	<b>—</b>

## i. Change in Promoters' Shareholding

A. There is no change in the promoter's Shareholding during the year under review.

## ii. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Damini Vasa</b>				
	At the beginning of the year	22,400	0.86	22,400	0.86
	Date wise Increase(+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	22,400	0.86	22,400	0.86
2.	<b>Rupal Sankalia</b>				
	At the beginning of the year	5,000	0.19	5,000	0.19
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	5,000	0.19	5,000	0.19
3.	<b>Sunil S Modi</b>				
	At the beginning of the year	6,000	0.23	6,000	0.23
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	6,000	0.23	6,000	0.23
4.	<b>Anil G Bang</b>				
	At the beginning of the year	6,900	0.26	6,900	0.26
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	6,900	0.26	6,900	0.26
5.	<b>Faiyaz S Ratnagiri</b>				
	At the beginning of the year	6,000	0.23	6,000	0.23
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	6,000	0.23	6,000	0.23
6.	<b>Laxmi Vilas Bank Limited</b>				
	At the beginning of the year	40,000	1.53	40,000	1.53
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	40,000	1.53	40,000	1.53
7.	<b>Mahendra Vasa</b>				
	At the beginning of the year	19,000	0.73	19,000	0.73
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	19,000	0.73	19,000	0.73
8.	<b>Nareshkumar Shah</b>				
	At the beginning of the year	4,700	0.18	4,700	0.18
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	4,700	0.18	4,700	0.18
9.	<b>Sigma Credit &amp; Capital Services P Ltd</b>				
	At the beginning of the year	10,000	0.38	10,000	0.38
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	10,000	0.38	10,000	0.38
10.	<b>SSG Fincon P Ltd</b>				
	At the beginning of the year	10,000	0.38	10,000	0.38
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	-	-	-	-
	At the End of the year	10,000	0.38	10,000	0.38



## i. Shareholding of Directors and Key Managerial Personnel\*:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Mr. Sadanand Hegde</b>				
	At the beginning of the year	11,54,980	44.14	11,54,980	44.14
	Date wise Increase(+) / Decrease (-)				
	in Shareholding during the year.	-	-	-	-
	At the End of the year	11,54,980	44.14	11,54,980	44.14
2	<b>Mr. Padmakar Kashyapi</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase (+) / Decrease (-)				
	in Shareholding during the year.	-	-	-	-
	At the End of the year	-	-	-	-
3.	<b>Mr. Venkat Giri</b>				
	At the beginning of the year	200	0.0076	200	0.0076
	Date wise Increase (+) / Decrease (-)				
	in Shareholding during the year.	-	-	-	-
	At the End of the year	200	0.0076	200	0.0076
4.	<b>Ms. Hemali Alandkar</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase (+) / Decrease (-)				
	in Shareholding during the year.	-	-	-	-
	At the End of the year	-	-	-	-
5.	<b>Mr. Yashwantrao Mali</b> (Resigned on 31.12.2014)				
	At the beginning of the year	-	-	-	-
	Date wise Increase (+) / Decrease (-)				
	in Shareholding during the year.	-	-	-	-
	At the End of the year	-	-	-	-
6.	<b>Mr. Prabhakar Hegde</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase (+) / Decrease (-)				
	in Shareholding during the year.	-	-	-	-
	At the End of the year	-	-	-	-

**V. INDEBTEDNESS:****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year 01.04.2014</b>				
i) Principal Amount	99,17,545	-	8,82,543	99,17,545
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>99,17,545</b>	<b>-</b>	<b>8,82,543</b>	<b>10,800,088</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	1,14,43,657	-	-	1,14,43,657
• Reduction	17,49,321	-	-	1,74,99,321
<b>Net Change</b>	<b>96,94,336</b>	<b>-</b>	<b>-</b>	<b>96,94,336</b>
<b>Indebtedness at the end of the financial year 31.03.15</b>				
i) Principal Amount	19,611,881	-	8,82,543	1,90,11,881
ii) Interest due but not paid	17,29,928	-	-	17,29,928
iii) Interest accrued but not due	13,109	-	-	13,109
<b>Total (i+ii+iii)</b>	<b>2,13,54,918</b>	<b>-</b>	<b>8,82,543</b>	<b>2,13,54,918</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Sadanand Hegde	Mr. Venkat Giri (Resigned on 31.12.2014)	Mr. Yashwantrao Mali	
1.	<b>Gross Salary</b>	906,920	708,240	5,80,500	2,187,860
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	
	b. Value of perquisites under Section 17(2) of Income Tax Act, 1961	-	-	-	
	c. Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-	-	
2.	Stock Options	-	-	-	
3.	Sweat Equity	-	-	-	
4.	Commission				
	- as a % of Profit	-	-	-	
	- others, specify	-	-	-	
5.	Others, please specify	91,080 (LTA, MRA, Bonus) 8,000(Sitting Fees)	71,760 (LTA, MRA, Bonus) 8,000 (Sitting Fees)	62,100 (LTA, MRA, Bonus) 4,000 (Sitting Fees)	224,740 MRA, Bonus)
	<b>Total (A)</b>	<b>9,98,000</b>	<b>788,000</b>	<b>6,46,600</b>	<b>24,32,600</b>
	<b>Ceiling as per the Act</b>				Refer Note*

\*Note: As per the Ceiling provided in companies act, 1956 and companies act, 2013.

LTA – Leave Travel Allowance

MRA – Medical Reimbursement allowance

**B. Remuneration to other Directors:**

Sr. No.	Particulars of Remuneration	Names of Directors			Total Amount
1.	<b>INDEPENDENT DIRECTORS</b>	<b>Ms. Hemali Alandkar</b>	<b>Mr. Prabhakar Hegde</b>	<b>Mr. Padmakar Kashyapi</b>	
	- Fee for attending Board / Committee Meetings	-	6,000	4,000	10,000
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	<b>6,000</b>	<b>4,000</b>	<b>10,000</b>
2.	<b>OTHER NON-EXECUTIVE DIRECTORS</b>				
	- Fee for attending Board / Committee Meetings	-	-	-	-
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total B = (1+2)</b>				
	Overall Ceiling as per the Act	Refer Note*			

\*Note: As per the Ceiling provided in companies act, 1956 and companies act, 2013.

**C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
1.		<b>Mr. Ramesh Hosmane (Chief Financial Officer)</b>	<b>Total Amount</b>
	<b>Gross Salary</b>	4,64,400	4,64,400
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	b. Value of perquisites under Section 17(2) of Income Tax Act, 1961	-	-
	c. Profit in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-
2.	Stock Options	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as a % of Profit	-	-
	- others, please specify	-	-
5.	Others, please specify	49,680(LTA, MRA, Bonus)	49,680(LTA, MRA, Bonus)
	<b>Total</b>	<b>5,14,080</b>	<b>5,14,080</b>

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

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

For Filtron Engineers Limited

Sd/-  
**SADANAND HEGDE**  
 Wholetime Director  
 DIN: 00195106

## ANNEXURE E

### NOMINATION AND REMUNERATION POLICY

#### INTRODUCTION

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

The Remuneration Policy of the Company is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

#### 1) Definitions

- i. "Board" means Board of Directors of the Company.
- ii. "Company" means "Filtron Engineers Limited"
- iii. "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.
- iv. "Key Managerial Personnel" (KMP) means (i) Chief Executive Officer or the Managing Director or the Manager, (ii) Company Secretary, (iii) Whole-time Director, (iv) Chief Financial Officer and (v) Such other officer as may be prescribed.
- v. "Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.
- vi. "Policy or This Policy" means, "Nomination and Remuneration Policy."
- vii. "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- viii. "Senior Management" mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

#### 2) Scope:

The Remuneration Policy applies to the Company's senior management, including its Key Managerial Person and Board of Directors.

#### 3) Objective:

The Key Objectives of the policy would be:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

#### 4) Guiding Principles

The Policy ensures that:

1. The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person.
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
3. The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets.

#### 5) Terms of Reference of Nomination and Remuneration Committee

1. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
2. Formulate criteria for evaluation of Independent Directors and the Board.

3. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
4. To carry out evaluation of every Director's performance.
5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
7. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
8. To devise a policy on Board diversity.
9. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
10. Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
11. Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
12. Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
13. Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice
14. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
15. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**6) Appointment and Removal of Director, KMP and Senior management Appointment of director (including independent directors):**

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

As per the applicable provisions of Companies Act 2013, Rules made there under and Clause 49 of Listing Agreement the Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

**7) Criteria for appointment of KMP/Senior Management:**

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.

**8) Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

**9) Policy relating to remuneration of Directors, KMP & senior management personnel:**

- No director/KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weight age to arrive at a competitive quantum of remuneration.

- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.
- Executive remuneration is proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance. In determining packages of remuneration, the Committee may take the advice of the Chairman/ Managing Director of the Company.
- The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

**10) Following criteria are also to be considered:**

Responsibilities and duties ; Time & efforts devoted; Value addition; Profitability of the Company & growth of its business; Analyzing each and every position and skills for fixing the remuneration yardstick ;

There should be consistent application of remuneration parameters across the organization.

**11) Review:**

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.

## INDEPENDENT AUDITOR'S REPORT

To The Members of,  
**FILTRON ENGINEERS LIMITED**

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of FILTRON ENGINEERS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified u/s 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified u/s 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments the auditor consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- (a) in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2015
- (b) in the case of the Profit and Loss Account of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement of the cash flows for the year ended on that date

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 (the order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;



- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- c. The balance sheet, profit and loss account and the cash flow statement dealt with by this report are in agreement with the books of account and with the returns received from branches not visited by us;
- d. In our opinion, the Balance Sheet, statement of Profit and Loss and Cash Flow statement dealt with by this report comply with the Accounting Standards referred u/s 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014;
- e. On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2015 and taken on record by the Board of Directors, none of the director is disqualified as on 31<sup>st</sup> March 2015 from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The company has disclosed the impact of pending litigations as at 31<sup>st</sup> March 2015 on its financial position in its financial statements.
  - ii. The Company has made provision as at 31<sup>st</sup> March 2015, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, except provision for doubtful debts.

**For and on behalf of**  
**A.A. BHAT & CO.**

Chartered Accountants  
Firm Registration No. 101282W

**CA. NISHIKANT V. BADWE**

Partner  
Membership No. 31637

Place : Pune  
Dated : 30/05/2015

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 9 "Report on other legal and regulatory requirement" of our report of even date)

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us the fixed assets were physically verified during the year by the management in accordance with a program of verification, covering all fixed assets, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
  - (a) As explained to us, inventories were physically verified by the management at the end of the year on which the auditors have relied upon..
  - (b) In our opinion and according to the information and explanations 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 explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any secured/unsecured loans to any firms, companies and parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services.
- (v) According to the information and explanations given to us the Company has not accepted any deposits from public within the meaning of sections 73 and 74 of the Act and the rules framed there under to the extent notified.
- (vi) Central Government has prescribed maintenance of cost records by the Company under section 148(1) of the Companies Act, 2013 for the products of the Company. As per the information and explanations given to us, the company has maintained such accounts and records. We have not however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) According to the records, information and explanations given to us in respect of the Statutory Dues:
  - (a) The Company is generally regular in depositing undisputed Statutory Dues including, Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, Customs Duty, Excise Duty, Cess, Service Tax, Wealth Tax and any other material statutory dues with the appropriate authorities during the year. According to the information and explanation given to us, there are no other arrears of Statutory dues outstanding as on 31<sup>st</sup> March 2015 for a period more than six months except Profession Tax of the Company amounting to Rs. 45,525/- from the date they became payable.
  - (b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there are no such dues of taxes in dispute
  - (c) As per the information and explanations given to us by the company the amount required to be transferred to Investor Education and Protection Fund in accordance with relevant provisions of the Companies Act, 1956, is NIL.

- (viii) The Company has accumulated losses as at the end of the financial year amounting to Rs 2.04 crores (P.Y. Rs. 35.19 - lacs) and it has incurred cash losses during the current year amounting to Rs 83.44/- lacs but not in the immediately preceding financial year.
- (ix) According to the records of the Company examined by us and the information and explanations given to us, the Company has defaulted in payment of interest dues to bank as at the balance sheet date.
- (x) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For and on behalf of

**A.A.BHAT & CO.**  
Chartered Accountants  
Firm Registration No. 101282W

Place : Pune  
Dated : 30/05/2015

**CA. N. V. BADWE**  
Partner  
Membership No. 31637

**BALANCE SHEET AS AT 31ST MARCH, 2015**

	Note No.	As at 31 March 2015	As at 31 March 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	3	28,146,500.00	28,146,500.00
(b) Reserves and surplus	4	22,795,402.64	(89,533.49)
		<u>50,941,902.64</u>	<u>28,056,966.51</u>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	5	6,510,598.41	5,591,763.83
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities	6	1,365,855.00	1,272,692.00
		<u>7,876,453.41</u>	<u>6,864,455.83</u>
<b>Current liabilities</b>			
(a) Short-term borrowings	7	24,311,381.84	16,525,107.15
(b) Trade payables	8	28,079,292.27	25,431,380.03
(c) Other current liabilities	9	6,320,526.30	9,628,798.80
(d) Short-term provisions	10	1,675,078.00	1,168,849.00
		<u>60,386,278.41</u>	<u>52,754,134.98</u>
	<b>TOTAL</b>	<u><b>119,204,634.46</b></u>	<u><b>87,675,557.32</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	56,275,325.76	24,411,043.63
(ii) Capital work-in-progress		10,785,538.00	9,949,968.00
		<u>67,060,863.76</u>	<u>34,361,011.63</u>
(b) Non-current investments	12	-	-
(d) Long-term loans and advances	13	-	9,174,500.43
(e) Other non-current assets	14	211,019.00	367,448.00
		<u>67,271,882.76</u>	<u>43,902,960.06</u>
<b>Current assets</b>			
(b) Inventories	15	9,551,271.00	7,747,599.00
(c) Trade receivables	16	25,073,472.36	20,723,479.68
(d) Cash and cash equivalents	17	6,522,875.09	5,720,978.37
(e) Short-term loans and advances	18	9,984,350.25	9,053,089.21
(f) Other current assets	19	800,783.00	527,451.00
		<u>51,932,751.70</u>	<u>43,772,597.26</u>
	<b>TOTAL</b>	<u><b>119,204,634.46</b></u>	<u><b>87,675,557.32</b></u>

See accompanying notes forming part of the financial statements

As per our Report attached of even date

For and on behalf of

For and on behalf of the Board of Directors

**A. A. Bhat & Co.**

Chartered Accountants

(Firm Reg. No. 101282W)

**Nishikant V. Badwe**

Partner

Membership No. 31637

Pune, 30 May 2015

MR. SADANAND HEGDE

CHAIRMAN &amp; WHOLE TIME DIRECTOR

MR. M. V. RAO

MANAGING DIRECTOR

Pune, 30 May 2015

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015**

	<b>Note No.</b>	<b>For the year ended 31 March 2015 (Rs.)</b>	<b>For the year ended 31 March 2014 (Rs.)</b>
<b>CONTINUING OPERATIONS</b>			
Revenue from operations (gross)	20	<b>37,699,175.00</b>	69,909,896.00
Less: Excise duty	20	<b>2,799,509.00</b>	-
Revenue from operations (net)		<b>34,899,666.00</b>	69,909,896.00
<b>Other income</b>	21	<b>7,771,010.12</b>	1,236,476.39
<b>Total revenue</b>		<b>42,670,676.12</b>	71,146,372.39
<b>Expenses</b>			
(a) Cost of materials consumed	22 a	<b>23,529,804.71</b>	39,778,992.00
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22 b	<b>(2,279,753.00)</b>	1,740,053.00
(d) Employee benefits expense	23	<b>8,703,615.00</b>	8,107,576.00
(e) Finance costs	24	<b>4,120,818.47</b>	4,121,043.30
(f) Depreciation and amortisation expense	11	<b>2,189,612.21</b>	1,927,400.63
(g) Other expenses	25	<b>11,083,232.93</b>	15,390,355.87
<b>Total expenses</b>		<b>47,347,330.32</b>	71,065,420.80
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>(4,676,654.20)</b>	80,951.59
<b>Prior Period Expenses</b>		<b>670,967.00</b>	-
Exceptional items	26	<b>5,186,370.43</b>	-
<b>Profit / (Loss) before extraordinary items and tax</b>		<b>(10,533,991.63)</b>	80,951.59
<b>Profit / (Loss) before tax</b>		<b>(10,533,991.63)</b>	80,951.59
<b>Tax expense:</b>			
(a) Current tax expense for current year		-	-
(b) (Less): MAT credit		-	15,500.00
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		-	15,500.00
(e) Deferred tax		-	-
		-	15,500.00
<b>Profit / (Loss) from continuing operations</b>		<b>(10,533,991.63)</b>	65,451.59
<b>Profit / (Loss) for the year</b>		<b>(10,533,991.63)</b>	65,451.59
<b>See accompanying notes forming part of the financial statements</b>			

As per our Report attached of even date  
For and on behalf of

**A. A. Bhat & Co.**  
Chartered Accountants  
(Firm Reg. No. 101282W)

**Nishikant V. Badwe**  
Partner  
Membership No. 31637  
**Pune, 30 May 2015**

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

MR. SADANAND HEGDE  
CHAIRMAN & WHOLE TIME DIRECTOR

MR. M. V. RAO  
MANAGING DIRECTOR

**Pune, 30 May 2015**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****NOTE - 1**

Established in 1982, the Company is a manufacturing and suppliers Food, Dairy, Beverages and Chemical Equipment. The Company currently operates through its facilities located at Pune, Chakan and Bhosari.

**I) SIGNIFICANT ACCOUNTING POLICIES****NOTE - 2****Basis of Accounting :**

Accounts of the company are prepared under the historical cost convention and accrual basis as a going concern except for certain tangible assets which are being carried at revalued amounts. Pursuant to 133 of the Companies Act 2013 (the Act) read with rule 7 of the Companies (Accounts) Rules 2014, till the standards of accounting or any addendum thereto are prescribed by the Central Government in consultation and recommendation of the National Financial reporting Authority, the existing accounting standards notified under the Companies Act, 1956 shall continue to apply except Accounting Standard 15 in respect of Retirement Benefits

**A) Inventories :**

Inventories of raw material, work in progress are valued at cost or at net realisable value whichever is lower. Scrap generated in manufacturing process is accounted for on sale. Cost comprises all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. The cost formula used is 'First In First Out' for valuation of inventories.

The management has verified the physical quantities at the end of the year and estimated the value of inventories on which the auditors have relied upon.

**B) Revenue Recognition :**

1. Sale of goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.
2. Income arising out of Erection and Installation and Commissioning of equipments is accounted for on completion. The erection and/ or commissioning of
  - i) The Composite and independently functional portion of the project
  - or
  - ii) On completion of the project itself, as is applicable.

**C) Fixed Assets :**

Fixed assets are stated at cost of acquisition and other attributable costs to bring the Assets to their working condition

- 1) Depreciation is charged on all the assets on straight-line method, over estimated useful life in the manner prescribed in schedule II of the Act. Prorata depreciation is provided in the year of installation as also in the year of sale or disposal of the assets.
- 2) The cost of Leasehold land is amortized over the period of the lease.
- 3) As on 31/3/2015, the company has revalued its freehold land and leasehold land building.

**D) Foreign currency Transactions :**

Foreign Currency transactions of income and expenditure are accounted for at the exchange rate prevailing as on the date of the transaction. Debtors & Creditors in respect of Foreign Currency transactions outstanding as on 31/03/2015 have been expressed at the foreign exchange rates prevailing as on the year end date. The difference between the rate prevailing on the transaction date and settlement /year ended is recognized as Income or Expenses as the case may be.

**E) Retirement Benefits - Accounting Standard 15 :**

Contributions are made to provident funds, Provisions for gratuity is made as per the amount ascertained by the management. No provision is made for amount towards earned leave.

**F) Taxation - Accounting Standard 22 :**

- i) Provision for taxation includes current income tax.
- ii) The Company follows - Accounting for taxes on income issued by the Institute of Chartered Accountants of India'. The Company has timing difference between accounting & tax profits on account of accumulated losses and unabsorbed depreciation. As per the perception of the management since there is no convincing evidence which demonstrates the virtual certainty of realisation of such 'Deferred tax assets', the Company has presently decided not to recognize any deferred tax asset or deferred tax liability either.

**G) Segment Reporting under Accounting Standard 17 :**

The company operates in one business segment namely dairy and beverage equipment and hence reporting under this accounting standard is not applicable to the company.

**H) Lease Accounting As per Accounting Standard 19 :**

This is not applicable to the company since no new lease transaction took place during the year under report.

**I) Consolidated Financial Statement & Investment in Associate as per Accounting Standard 21 & 23:**

Not applicable to the Company as the Company does not have any subsidiary.

**J) Impairment of Assets as per Accounting Standard 28 :**

As on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is less than the recoverable amount of those assets. Hence there is no impairment loss on the assets of the company.

**K) Capital Commitment :**

Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. 3,00,000/- Lacs approx (P.Y. Rs. 5,00,000/- Lacs)

**L) Related party disclosures as per A.S. 18****A) Subsidiaries : Nil****B) Associates and Joint Ventures:**

- 1) Schmidt Bretten India Pvt. Ltd.
- 2) Nerb India Pvt Ltd.

**C) Key Management Personnel & Other Directors**

Name	Date	Designation
Mr. Sadanand Hegde	Upto 08/04/2015 W.e.f 09/04/2015	Chairman & Managing Director Chairman & Whole Time Director (KMP)
Mr. Joachim Friedech	Full year	Non-Executive Director
Mr. Prabhakar Hegde	Full Year	Independent Director
Mr. Yashwantrao Mali	Upto 31/12/2014	Whole Time Director
Mr. Padmakar Kashyapi	Full Year	Independent Director
Mr. Ventak Giri	Full Year	Whole Time Director
Mrs. Hemali Alandkar	w.e.f. 07/02/2015	Independent Director
Mr. M.V. Rao	w.e.f 09/04/2015	Managing Director (KMP)

**M) As 26 Accounting for intangible Assets****Details relating to intangible Assets :**

Intangible assets represents cost of non competition fee paid. It is to be amortized equally over a estimated useful life as below:

	31.03.2015	31.03.2014
Useful life: 07 years		
Amortization method: Straight line method		
Carrying amount at the beginning	Rs.11,00,000	Rs. 11,00,000
Amortization	Rs.11,00,000	Rs. 10,25,000
Carrying amount at the end of the yearRs.	0	Rs. 75,000

**N) In the opinion of the Board the balances of Sundry Debtors and Creditors are subject to confirmations and are taken as per books. Other Current Assets, Loans & Advances are approximately of the value stated if realised in the ordinary course of business except provision for bad and doubtful debts which is not considered. The provision for depreciation and all known liabilities is adequate and not in excess of the amounts reasonably necessary. There are no Contingent Liabilities other than those stated in above note No.2 (K)****O) The previous year figures have been regrouped wherever necessary.**

For FILTRON ENGINEERS LIMITED

As per our report of even date  
For **A. A. BHAT & COMPANY**  
CHARTERED ACCOUNTANTS  
Firm Registration No. 101282W

**(S. HEGDE)**  
CHAIRMAN & MANAGING DIRECTOR

**(M.V. RAO)**  
MANAGING DIRECTOR

**C.A. N. V. BADWE**  
PARTNER  
Membership No.031637

DATE : 30/05/2015

PLACE : PUNE

**Notes on Financial Statements for the Year Ended 31st March 2015.**

The Previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

**Note 3 Share capital****(Rs. in Lacs)**

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares		Number of shares	
(a) Authorised Equity shares of Rs.10 each with voting rights	35,00,000	35,00,000.00	35,00,000	35,00,000.00
	-	-	-	-
	35,00,000	35,00,000.00	35,00,000	35,00,000.00
(b) Issued Equity shares of Rs.10 each with fully Paid voting rights	2,616,500	26,165,000.00	2,616,500	26,165,000.00
	2,616,500	26,165,000.00	2,616,500	26,165,000.00
(c) Subscribed and fully paid up Equity shares of Rs.100 each with voting rights	2,616,500	26,165,000.00	2,616,500	26,165,000.00
	2,616,500	26,165,000.00	2,616,500	26,165,000.00
(d) Subscribed but not fully paid up Forfeited Equity shares of Rs. 5 Paid Up	396,300	1,981,500.00	396,300	1,981,500.00
	396,300	1,981,500.00	396,300	1,981,500.00
<b>Total</b>	<b>3,012,800</b>	<b>28,146,500.00</b>	<b>3,012,800</b>	<b>28,146,500.00</b>

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes	Closing Balance
Equity shares with voting rights Issued, Subscribed and fully Paid Up Year ended 31 March, 2015								
- Number of shares	2,499,960	-	116,540	0	0	0	0	2,616,500
- Amount @ Rs.10/-	2,499,9600	-	1,165,400	0	0	0	0	26,165,000
Year ended 31 March, 2014								
- Number of shares	2,499,960	-	116,540	0	0	0	0	2,616,500
- Amount @ Rs.100 each	2,499,9600	-	1,165,400	0	0	0	0	26,165,000

(ii) Details of shares held by each shareholder holding more than 5% shares :

Class of shares / Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Sadanand Hegde	1,154,980	44.14%	1,154,980	44.14%
S.G. Hegde (HUF)	142,500	5.45%	142,500	5.45%

(iii) Details of forfeited shares

Class of shares	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up
Equity shares with voting rights	396300	1981500	396300	1981500



**Note 4 Reserves and surplus**

		(Rs. in Lacs)	
Particulars	As at 31 March, 2015	As at 31 March, 2014	
<b>(a) General reserve</b>			
Opening balance	58,857.00	58,857.00	
Add: Transferred from surplus in Statement of Profit and Loss	-	-	
Less: Utilised / transferred during the year			
Closing balance	58,857.00	58,857.00	
<b>(b) Revaluation Reserve</b>			
Opening balance	-	-	
Add: Revalued during the year	34,136,405.76	-	
Closing balance	34,136,405.76	-	
<b>(c) Securities Premium Account</b>			
Opening balance	9,037,544.94	9,037,544.94	
Add: Premium on Shares issued during the year	-	-	
Less: Utilised / transferred during the year	-	-	
Closing balance	9,037,544.94	9,037,544.94	
<b>(d) Surplus / (Deficit) in Statement of Profit and Loss</b>			
Opening balance	(9,185,935.43)	(9,251,387.02)	
Add: Profit / (Loss) for the year	(10,533,991.63)	65,451.59	
Less: Interim dividend	-	-	
Dividends proposed to be distributed to equity shareholders ( Rs 10 per share)	-	-	
Tax on dividend	-	-	
Additional Depreciation pursuant to enactment of Schedule II of the Companies Act 2013 (Refer Note 11(a))	(717,478.00)	-	
Transferred to:			
General reserve	-	-	
Reserve for Doubtful Debts	-	-	
Closing balance	(20,437,405.06)	(9,185,935.43)	
<b>Total</b>	<b>22,795,402.64</b>	<b>(89,533.49)</b>	

**Note 5 Long-term borrowings**

<b>(a) Term loans</b>			
<b>Secured</b>			
From banks (Refer note 7(ii))	4,146,823.41	4,709,220.83	
<b>(b) Deferred payment liabilities</b>			
<b>Unsecured</b>	2,363,775.00	882,543.00	
<b>Total</b>	<b>6,510,598.41</b>	<b>5,591,763.83</b>	

The Company has defaulted in payment of interest Rs. 4.22 lacs for the current period on the above secured loans from bank.

(ii) Details of terms of repayment and security for the long-term borrowings.

Particulars	Terms of repayment and security*	Security	As at 31 March, 2015	As at 31 March, 2014
<u>Term loans from banks:</u>				
Bank of Maharashtra	By equated monthly instalments on the seventh day of the first month of each quarter	Secured by mortgage of immovable property situate at Chakan Plot No. 36, WMDC Industrial Area, Ambethan Road, Chakan, & Pune & Apt 6 & 7 Sr. No. 124, Sitabag Colony, Parvati, Pune - 30 and hypothecation of Plant & Machinery and other moveable fixed assets and current Assets and against the Personal Guarantee of a Director	4,146,823.41	3,061,118.83
HDFC Bank Ltd.	Secured against Hypothecation Vehicles		1,557,482.77	1,648,102.00
		<b>Total</b>	<b>5,704,306.18</b>	<b>4,709,220.83</b>

**Note 6 Other long-term liabilities**

(Rs. in Lacs)

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Others:		
(i) Compensated absences (net of funding)	-	-
(ii) Gratuity (net of funding)	1,365,855.00	1,272,692.00
(iii) Unclaimed Dividends	-	-
(iv) Security Deposit received	-	-
<b>Total</b>	<b>1,365,855.00</b>	<b>1,272,692.00</b>

Note - 1) The Company has not ascertained the amount of Compensated absences

2) Gratuity - The Liability has been ascertained by the company. The Company does not have funding arrangements.

3) No Provision is made for the amount towards earned leave, amount amount not ascertained by the company

**Note 7 Short-term borrowings**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(a) Loans repayable on demand		
From banks : Secured (Refer Note (i) below)		
Bank of Maharashtra -CC	7,474,160.84	5,224,715.15
Bank of Maharashtra	16,837,221.00	11,300,392.00
<b>Total</b>	<b>24,311,381.84</b>	<b>16,525,107.15</b>

The Company has defaulted in payment of interest thereon during the year Rs. 15.15 lacs.

Notes: (i) Details of security for the secured short-term borrowings from banks:

Particulars	Nature of security
Loans repayable on demand	
Bank of Maharashtra	1. Includes Rs. 16.54/- Lacs being the instalment due within one year for the repaying date refer. Note No.5 2. <b>One Time Packing Credit</b> - Secured by mortgage of immovable property situate at Chakan Plot No. 36, WMDC Industrial Area, Ambethan Road, Chakan, & Pune & Apt 6 & 7 Sr. No. 124, Sitabag Colony, Parvati Pune - 30 and hypothecation of Plant & Machinery and other moveable fixed asset and current assets and against the Personal Guarantee of a Director & Hypothecation of Finished Goods and Debtors upto maximum 120days considered for DP

**Note 8 Trade payables**

(Rs. in Lacs)

**Particulars**

	<b>As at 31 March, 2015</b>	<b>As at 31 March, 2014</b>
Trade payables :		
Acceptances	-	-
Other than Acceptances	28,079,292.27	25,431,380.03
Due to Subsidiary Company	-	-
<b>Total</b>	<b>28,079,292.27</b>	<b>25,431,380.03</b>

**Note 9 Other current liabilities**

(Rs. in Lacs)

**Particulars**

	<b>As at 31 March, 2015</b>	<b>As at 31 March, 2014</b>
(a) Current maturities of long-term debt	-	-
(b) Interest accrued and due on borrowings	-	-
(c) Other payables	-	-
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	362,740.00	295,124.00
(ii) Advances from customers	5,325,439.00	2,112,563.00
(iii) Income Tax Payables	-	-
(iv) Others	282,684.30	273,192.00
<b>Total</b>	<b>5,970,863.30</b>	<b>2,680,879.00</b>
(a) Term loans		
(i) From banks		
Secured	0.00	0.00
	0.00	0.00
(ii) From other parties		
Unsecured	349,663.00	6,947,919.80
	349,663.00	6,947,919.80
<b>Total</b>	<b>6,320,526.30</b>	<b>9,628,798.80</b>

**Note 10 Short-term provisions**

(Rs. in Lacs)

**Particulars**

	<b>As at 31 March, 2015</b>	<b>As at 31 March, 2014</b>
(a) Provision for employee benefits :		
(i) Provision for bonus	744,041.00	500,129.00
(ii) Provision for other defined benefit plans	-	-
(iii) Provision for other employee benefits	931,037.00	668,720.00
	1,675,078.00	1,168,849.00
(b) Provision - Others :		
(i) Provision for tax (net of advance tax /TDS (As at 31 March, 2015)	-	-
(ii) Provision for proposed equity dividend	-	-
(iii) Provision for tax on proposed dividends	-	-
(iv) Provision - others	-	-
	-	-
<b>Total</b>	<b>1,675,078.00</b>	<b>1,168,849.00</b>

## Note 11 Fixed assets

(Figures in Rs.)

a.	Tangible assets	Gross block							Net block			
		Balance as at 1 April, 2014	Additions	Disposals	Acquisition through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2013	
	(a) Land	919,820	-	-	-	-	6,580,180.00	-	-	-	7,500,000.00	
	Leasehold	477,000	-	-	-	-	26,172,532.00	-	-	-	26,649,532.00	
	Buildings	18,172,952	-	-	-	-	1,383,693.76	-	-	-	19,556,645.76	
	Own use Flat	416,575	-	416,575.00	-	-	-	-	-	-	-	
	(c) Plant and Machinery	14,642,457	10,001.00	-	-	-	-	-	-	-	14,652,458	
	Owned Vehicles	4,973,769	1,585,977.42	677,802.67	-	-	-	-	-	-	58,81,944	
	(d) Owned	1,938,331.00	-	-	-	-	-	-	-	-	1938331	
	(e) Office equipment	599,618	-	-	-	-	-	-	-	-	599618	
	(f) Officer Furniture	70,114	-	-	-	-	-	-	-	-	70114	
	(g) Tools	42,210,636.00	1,595,978.42	1,094,377.67	-	-	34,136,405.76	-	-	-	76,848,642.51	
	<b>Total</b>											
	<b>Intangible assets</b>											
	Non-Competition	87,50,000.00	-	-	-	-	-	-	-	-	8,750,000.00	
	<b>Total</b>	50,960,636.00	1,595,978.42	-	260,062.83	-	-	-	-	-	85,598,642.51	
	<b>Previous year</b>	47,450,132.00	3,770,567.00	-	-	-	-	-	-	-	509,60636.17	
b.	Tangible assets	Accumulated depreciation and impairment							Net block			
		Balance as at 1 April, 2014	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of Profit & Loss	Reversal of impairment losses recognised in statement of Profit & Loss	Other adjustments	Balance as at 31 March 2015	Balance as at 31 March 2014		
	(a) Land	-	-	-	-	-	-	-	-	-	919820	
	Freehold	1,02,506.00	5,126.00	-	-	-	-	-	107,632.00	7,500,000.00	374494	
	Leasehold *	4,423,357.00	8,59,350.00	-	-	-	-	-	5,282,707.00	26,541,900.00	13749595	
	(b) Buildings	130,066.00	3,300.00	-	133366	-	-	-	-	14,273,938.76	286509	
	Own use Flat	8,917,123.00	6,52,461.00	-	-	-	-	465,747.00	10,035,331.00	4,617,127.00	5725334	
	(c) Plant and Equipment	2,302,853.54	4,66,714.21	-	-	-	-	-	2,769,567.75	3,112,376.00	2670915.63	
	Owned Vehicles	1,565,771.00	97,205.00	-	-	-	-	-	1,906,909.00	31,422.00	372560	
	(d) Owned	426,236.00	25,925.00	-	-	-	-	-	459,959.00	139,659.00	173382	
	(e) Office equipment	6,680.00	4,531.00	-	-	-	-	-	11,211.00	58,903.00	63434	
	(f) Officer Furniture	17,874,592.54	2,114,612.21	-	133,366.00	-	-	717,478.00	20,573,316.75	56,275,325.76	24,336,043.63	
	(g) Tools	8,675,000.00	75,000.00	-	-	-	-	-	8,750,000.00	-	75,000.00	
	<b>Total</b>	26,549,592.54	2,189,612.21	-	-	-	-	-	56,275,325.76	24,411,043.63	24,411,043.63	
	<b>Previous year</b>	24,827,704.13	1,927,400.63	-	-	-	-	-	26,542,912.54	24,411,043.63		

a. In accordance with the provisions of Schedule II of the Act, in case of Fixed Assets which have completed the useful life as at 1/4/2014, the carrying value (net of residual value) amounting to Rs 7.17 lacs as a transitional provision has been recognized in Reserves.

b. During the year the Freehold land has been revalued at Rs 75 lacs as per revaluation report dated 31/3/2015.

c. During the year the Leasehold land and building has been revalued to Rs 4.08 crores the depreciation on which has not been considered since the revaluation is on 31/3/2015.

d. Vehicles include addition of car amounting to Rs 5.92 lacs on 31/3/2015 hence no depreciation has been considered.

**Note 11 Fixed assets (contd.)**

(Rs. in Lacs)

**b. Depreciation and amortisation relating to continuing operations :**

Particulars	For the Year Ended 31 March, 2015	For the Year Ended 31 March, 2014
Depreciation and amortisation for the year on tangible assets as per Note 12 A	2,189,612.21	1,927,400.63
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to continuing operations	<u>2,189,612.21</u>	<u>1,927,400.63</u>

**Note 12 Non-current investments**

Particulars	As at 31 March, 2015			As at 31 March, 2014		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments (At cost) :						
A Other investments						
(a) Investment in equity instruments						
(i) of subsidiaries	-	-	-	-	-	-
(ii) of others	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-
(b) Investment in preference shares						
(i) of subsidiaries	-	-	-	-	-	-
(c) Investment in Govt. Securities	-	-	-	-	-	-
Total	-	-	-	-	-	-
Less: Provision for diminution in value of investments			-			-
<b>Total</b>			-			-
Aggregate amount of unquoted investments			-			-

**Note 13 Long-term loans and advances**

Particulars	As at 31 March, 2015	As at 31 March, 2014
(i) Capital Advances		
Secured, considered good	-	-
(ii) Other loans and advances		
Unsecured, considered good	-	9,174,500.43
<b>Total</b>	<u>-</u>	<u>9,174,500.43</u>

Note - 2) Out of above amount the Company has filed a suits for recovery against the Harvest Financial Ltd Rs. 35,91,760/- and Harvest Infrastructure & D Ltd Rs. 35,41,053/- In our Opinon the realisability of this amount is Doubtful

**Note 14 Other non-current assets**

Particulars	As at 31 March, 2014	As at 31 March, 2013
(a) Unamortised expenses		
(i) Deferred Revenue expenditure	-	-
(b) Others		
(i) Income Tax refund receivable	0.00	0.00
(ii) Others	211,019.00	367,448.00
<b>Total</b>	<u>211,019.00</u>	<u>367,448.00</u>

**Note 15 Inventories**

(At lower of cost and net realisable value)

Particulars	(Rs. in Lacs)	
	As at 31 March, 2015	As at 31 March, 2014
(a) Raw materials	1,911,708.00	2,387,789.00
Goods-in-transit	-	0.00
	<u>1,911,708.00</u>	<u>2,387,789.00</u>
(b) Work-in-progress (Refer Note below)	7,639,563.00	5,359,810.00
(c) Finished goods	-	0.00
(d) Stock-in-trade	-	0.00
(e) Stores and spares	-	0.00
<b>Total</b>	<u><u>9,551,271.00</u></u>	<u><u>7,747,599.00</u></u>

**Note 16 Trade receivables**

Trade receivables outstanding for a period less than six months from the date they were due for payment

	0.00	
Unsecured, considered good	8,882,938.01	836,726.00
Doubtful	-	-
	<u>8,882,938.01</u>	<u>836,726.00</u>
Less: Provision for doubtful trade receivables	-	-
	<u>8,882,938.01</u>	<u>836,726.00</u>
Other Trade receivables		
Unsecured, considered good	8,261,571.00	11,348,647.26
Doubtful	7,928,963.35	8,538,106.42
	<u>16,190,534.35</u>	<u>19,886,753.68</u>
<b>Total</b>	<u><u>25,073,472.36</u></u>	<u><u>20,723,479.68</u></u>

**Note 17 Cash and cash equivalents**

(a) Cash on hand	209.00	12,845.00
(b) Cheques, drafts on hand	-	-
(c) Balances with banks		
(i) In current accounts	16,804.09	769,360.37
(ii) In deposit accounts	6,505,862.00	4,938,773.00
	<u>6,522,875.09</u>	<u>5,720,978.37</u>
<b>Total</b>	<u><u>6,522,875.09</u></u>	<u><u>5,720,978.37</u></u>

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 *Cash Flow Statements* is

	6,522,875.09	5,720,978.37
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Note - Note - Deposits with Banks Rs. 65.05/- Lacs ( P.Y. Rs. 49.38/- Lacs)  
are against the guarantee and LCs given by the bank.

**Note 18 Short-term loans and advances**

Particulars	(Rs. in Lacs)	
	As at 31 March, 2015	As at 31 March, 2014
(a) Security deposits Unsecured, considered good	1,343,694.00	1,787,180.00
(b) Loans and advances to employees	6,2881.00	83,594.00
(c) Prepaid expenses	3,3434.00	150,731.00
(d) Balances with government authorities		
(i) VAT credit receivable	7,387,991.25	6,709,622.21
(ii) Excise Deposits	36,464.00	194,140.00
	<u>7,424,455.25</u>	<u>6,903,762.21</u>
(e) Advance to suppliers	1,119,886.00	127,822.00
Less: Provision for doubtful loans and advances	-	-
	<u>1,119,886.00</u>	<u>127,822.00</u>
<b>Total</b>	<u><b>9,984,350.25</b></u>	<u><b>9,053,089.21</b></u>

**Note 19 Other current assets**

(a) Unamortised expenses		
(i) Deferred Revenue expenses	-	-
(b) Accruals		
(i) Interest accrued on deposits	800,783.00	527,451.00
(ii) Dividend receivables	-	-
(c) Others		
(i) Insurance claims	-	-
(ii) Receivable in cash or in kind	-	-
<b>Total</b>	<u><b>800,783.00</b></u>	<u><b>527,451.00</b></u>

**Note 20 Revenue from operations**

Particulars	(Rs. in Lacs)	
	For the Year ended 31 March, 2015	For the Year ended 31 March, 2014
(a) Sale of products (Refer Note (i) below)	37,699,175.00	69,909,896.00
(b) Sale of services (Refer Note (ii) below)	0.00	0.00
(c) Other operating revenues (Refer Note (iii) below)	0.00	0.00
	<u>37,699,175.00</u>	<u>69,909,896.00</u>
Less :		
(d) Excise duty	2,799,509.00	0.00
<b>Total</b>	<u><b>34,899,666.00</b></u>	<u><b>69,909,896.00</b></u>

Note

**(i) Sale of products comprises of:****Manufactured goods**

Mini Dairy Plant	25,596,000.00	62,755,508.00
Plate Heat Exchanger	5,868,911.00	4,154,500.00
Others	3,434,755.00	2,999,888.00
Total - Sale of manufactured goods	<u>34,899,666.00</u>	<u>69,909,896.00</u>
Total - Sale of services	<u>0.00</u>	<u>0.00</u>

**(iii) Other operating revenues comprises of:**

Total - Other operating revenues	<u>0.00</u>	<u>0.00</u>
<b>Total - operating revenues</b>	<u><b>34,899,666.00</b></u>	<u><b>69,909,896.00</b></u>

**Note 21 Other income**

Particulars	(Rs. in Lacs)	
	For the Year ended 31 March, 2015	For the Year ended 31 March, 2014
(a) Interest income (Refer Note (i) below)	529,920.00	458,413.00
(b) Dividend income :		
from long-term investments		
subsidiaries -	0.00	0.00
others	0.00	0.00
(c) Net gain on foreign currency transactions and translation	539,609.00	319,596.00
(d) Other non-operating income (Refer Note (ii) below)	6,701,481.12	458,467.39
<b>Total</b>	<b>7,771,010.12</b>	<b>1,236,476.39</b>
Note		
(i) Interest income comprises :		
Interest from banks on :		
Deposits	529,920.00	458,413.00
Interest on loans and advances	0.00	0.00
Total - Interest income	529,920.00	458,413.00
(ii) Other non-operating income comprises:		
Rental income from operating leases	0.00	0.00
Liabilities / provisions no longer required written back	0.00	-
Miscellaneous income :		
Sundry balances written back	6,628,236.12	5,907.00
Profit on Sale of Assets		16,559.39
Expenses Reimbursement	0.00	0.00
Miscellaneous income	73,245.00	436,001.00
Total - Other non-operating income	6,701,481.12	458,467.39

**Note 22. a Cost of materials consumed**

Opening stock	2,387,789.00	7,016,174.00
Add: Purchases	23,053,723.71	35,150,607.00
	25,441,512.71	42,166,781.00
Less: Closing stock	1,911,708.00	2,387,789.00
<b>Cost of material consumed</b>	<b>23,529,804.71</b>	<b>39,778,992.00</b>
Material consumed comprises :		
Homoginiser & Spares	10,005,780.00	10,015,780.00
Cream Seperator	3,578,900.00	-
Others	9,469,043.71	25,134,827.00
<b>Total</b>	<b>23,053,723.71</b>	<b>35,150,607.00</b>



**Note 22. b Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	(Rs. in Lacs)	
	For the Year ended 31 March, 2015	For the Year ended 31 March, 2014
<u>Inventories at the end of the year :</u>		
Finished goods	-	0
Work-in-progress	7,639,563.00	5,359,810.00
Stock-in-trade	-	0
	<u>7,639,563.00</u>	<u>5,359,810.00</u>
<u>Inventories at the beginning of the year :</u>		
Finished goods	-	0
Work-in-progress	5,359,810.00	7,099,863.00
Stock-in-trade	-	0
	<u>5,359,810.00</u>	<u>7,099,863.00</u>
<b>Net (increase) / decrease</b>	<u><b>(2,279,753.00)</b></u>	<u><b>1,740,053.00</b></u>

**Note 23 Employee benefits expense**

Salaries and wages	7,884,004.00	7,198,078.00
Contribution to provident fund and other funds	758,756.00	851,020.00
Staff Welfare expenses	60,855.00	58,478.00
<b>Total</b>	<u><b>8,703,615.00</b></u>	<u><b>8,107,576.00</b></u>

**Note 24 Finance costs**

(a) Interest expense on :		
(i) Borrowings - Loans	1,699,412.89	1,781,337.00
(ii) Borrowings - others	2,246,078.00	2,226,983.11
(b) Other borrowing costs		
(Bank charges and other Finance Charges)	175,327.58	112,723.19
<b>Total</b>	<u><b>4,120,818.47</b></u>	<u><b>4,121,043.30</b></u>

**Note 25 Other expenses****Manufacturing Expenses**

Consumption of stores and spare parts & Packing & Forwarding	948,278.00	743,439.00
Power and fuel	411,380.00	347,181.00
Transport & Octroi	658,796.00	710,519.00
Labour Processing Charges	3,785,794.32	2,806,298.00
Erection & Commissioning	727,789.00	456,089.00
Repairs and maintenance - Machinery	47,445.00	74,290.00
Repairs and maintenance - Others	226,335.00	392,544.10
Insurance	92,074.00	70,795.00
Water charges	62,961.00	69,260.00

**Administrative Expenses**

Advertisement Expenses	-	184,018.00
Rates and taxes	86,321.00	8,900.00
Travelling and conveyance	1,153,305.00	1,052,399.00
Printing and stationery	70,971.00	137,516.90
Marketing & Saleing Expenses	83,125.00	632,558.00
Books and Periodicals	6,607.00	4,766.00
Testing and Inspection	-	29,229.00
Legal and professional	656,821.60	697,793.00

**Note 25 Other expenses (Contd.)**

(Rs. in Lacs)

Particulars	For the Year ended 31 March, 2015	For the Year ended 31 March, 2014
Membership and Subscription	110,731.00	100,052.00
Communication	281,264.72	291,726.00
Miscellaneous expenses	618,660.50	549,765.00
Payments to auditors (Refer Note (i) below)	60,000.00	60,000.00
Registration and Licence Fees	-	45,945.00
Labour Welfare Fund	480.00	468.00
Sundry balances written off	55,211.79	23,521.87
Commission Paid	259,940.00	4,239,523.00
Tender Expenses	-	1,079,159.00
Tea Snacks & Lunch Expenses	210,604.00	134,268.00
Security Charges	468,338.00	448,333.00
<b>Total</b>	<b>11,083,232.93</b>	<b>15,390,355.87</b>
(i) Payments to the auditors comprises (net of service tax input credit, where applicable) :		
As auditors - statutory audit	60,000.00	60,000.00
For taxation matters	0.00	-
Reimbursement of expenses	0.00	-
<b>Total</b>	<b>60,000.00</b>	<b>60,000.00</b>

**Note 26. Exceptional items**

Advances with Merchant Bankers for public

issue in previous years written off

Profit/(Loss) on sale of Asset

7,132,813.01	-
(1,946,442.58)	-
-	-
<b>Total</b>	<b>5,186,370.43</b>

**Note 27 Additional information to the financial statements****27.1 Contingent liabilities and commitments (to the extent not provided for)**

(i) Contingent liabilities		
(a) Bank Guarantees	10,831,824.00	6,725,763.00
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	300,000.00	500,000.00

**27.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.00	0
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**Note 27 Additional information to the financial statements (Contd.)**

(Rs. in Lacs)

Particulars	For the Year ended 31 March, 2015	For the Year ended 31 March, 2014
<b>27.3 Value of imports calculated on CIF basis :</b>		
Raw materials	-	-
Spare parts and Components	-	-
Capital goods	-	-
Stock In Transit	-	-
<b>27.4 Expenditure in foreign currency :</b>		
Gain Due to Fluctuation	922,910.00	1,037,153.00
Loss due to Fluctuation	383,301.00	717,557.00
<b>27.5 Details of consumption of imported and indigenous items</b>	<b>For the year ended 31 March, 2015</b>	
	Amount	%
<b>Imported</b>		
Raw materials	-	-
	0.00	-
<b>Total</b>	-	-
	0.00	-
<b>Indigenous</b>		
Raw materials	23,053,723.71	100.00
<b>Total</b>	23,053,723.71	100.00
	0.00	-
Note : Figures / percentages in brackets relates to the previous year		
	<b>For the Year ended 31 March, 2015</b>	<b>For the Year ended 31 March, 2014</b>
<b>27.6 Earnings in foreign exchange :</b>		
Export of goods calculated on FOB basis	5,291,828.00	29,242,085.00
<b>27.7</b> In the opinion of the Board, all the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.		

**Note 28 Disclosures under Accounting Standards (Contd.)****28.1** Related party transactions**28.2** Details of related parties :

Description of relationship	Names of related parties
Relative	Bertron Equipment Pvt. Ltd.
Comman Director	Schmidt Bretten India Pvt. Ltd.
Relative	Real Centrifuge Asia Pvt. Ltd.
Relative	Fristam Pumps (I) Pvt. Ltd.
Relative	Filtron India
Comman Director	Pune Precicast Pvt. Ltd.
Comman Director	Nerb India Pvt. Ltd.

Note: Related parties have been identified by the Management.

**28.3** Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015 :

(Rs. in Lacs)

	Berton Equipment Pvt Ltd	Schmidt Bretten India Pvt Ltd	Real Centrifuge Asia Pvt Ltd	Fristam Pumps (I) Pvt Ltd	Nerb India Pvt Ltd	Pune Precicast Pvt Ltd	Filtron India	Total
Purchases	0	2365546	0	1096694	0	0	0	3462240
	0	(4003232)	0	(2230536)	0	0	0	-6233768
<b>Balances outstanding at the end of the year</b>	782484 (841802)	198594 (1653008)	1204956 (752440)	4177768 (3903751)	0 (839123)	0 0	0 (1202564)	6363802 9197490

Note: Figures in bracket relates to the previous year

**Note 28 Disclosures under Accounting Standards (contd.)**

(Rs. in Lacs)

**Particulars**

**For the  
Year ended  
31 March, 2015**

**For the  
Year ended  
31 March, 2014**

**28.4** Earnings per share

Basic

**28.4.a** Continuing operations

Net profit / (loss) for the year from continuing operations	<b>(10,533,991.63)</b>	65,451.59
Less: Preference dividend and tax thereon	—	—
Net profit / (loss) for the year from continuing operations attributable to the equity shares	<b>(10,533,991.63)</b>	65,451.59
Weighted average number of equity shares (Nos.)	<b>2,616,500.00</b>	2,616,500.00
Par value per share (Rs.)	<b>100.00</b>	100.00
Earnings per share from continuing operations - Basic	<b>(402.60)</b>	2.50

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Particulars	For the year ended 31 March, 2015	(Rs. in Lacs) For the year ended 31 March, 2014
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	(10,533,991.63)	80,951.59
Adjustments for:		
Depreciation and amortisation	2,189,612.21	1,927,400.63
Finance costs	4,120,818.47	4,121,043.30
Interest income	(529,920.00)	(458,413.00)
Dividend income	0.00	0.00
Profit on Sale of Assets	(1,969,852.00)	(16,559.39)
	<b>3,810,658.68</b>	<b>5,573,464.10</b>
<b>Operating profit / (loss) before working capital changes</b>	<b>(6,723,332.95)</b>	<b>5,654,415.69</b>
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets :		
Inventories	(1,803,672.00)	6,368,438.00
Trade receivables	(4,349,992.68)	7,221,834.53
Short-term loans and advances	(931,261.04)	3,827,460.00
Other current assets	(273,332.00)	(226,199.00)
Other non-current assets	9,330,929.43	(30,722.00)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	2,647,912.32	3,088,556.08
Other current liabilities	(3,308,272.50)	(4,724,626.00)
Other long-term liabilities	93,163.00	90,192.00
Short-term provisions	506,229.00	294,732.00
Tax provisions	0.00	(15,500.00)
	<b>1,911,703.53</b>	<b>15,894,165.61</b>
	<b>(4,811,629.42)</b>	<b>21,548,581.30</b>
Cash flow from extraordinary items	-	-
Cash generated from operations	-	-
Net income tax (paid) / refunds	-	0.00
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(4,811,629.42)</b>	<b>21,548,581.30</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital		
Payments for purchase of fixed assets	(2,048,826.42)	(13,720,535.00)
Inter-corporate deposits (net)		
Sale of Vehicle	2,548,141.41	71,117.01
Interest received		
- Subsidiaries		
- Others	529,920.00	458,413.00
Dividend received		
- Subsidiaries	-	-
- Others	-	-
	<b>1,029,234.98</b>	<b>(13,191,005.00)</b>
Net income tax (paid) / refunds		
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>1,029,234.98</b>	<b>(13,191,005.00)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from long-term borrowings	918,834.58	4,645,236.19
Repayment of long-term borrowings		
Proceeds from other short-term borrowings	7,786,275.03	(7,826,825.21)
Repayment of other short-term borrowings	-	-
Finance cost	(4,120,818.47)	(4,121,043.30)
Dividends paid	0.00	0.00
Tax on dividend		0.00
	<b>458,4291.14</b>	<b>(7,302,632.32)</b>
Cash flow from extraordinary items		
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>4,584,291.14</b>	<b>(7,302,632.32)</b>

Particulars	For the year ended 31 March, 2015	(Rs. in Lacs) For the year ended 31 March, 2014
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>801,896.72</b>	1,054,944.00
Cash and cash equivalents at the beginning of the year	<b>5,720,978.37</b>	4,666,034.37
<b>Cash and cash equivalents at the end of the year</b>	<b>6,522,875.09</b>	5,720,978.37
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 17)		
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)		
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 17		
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) (Refer Note (ii) to Note 16 Current investments)		
<b>Cash and cash equivalents at the end of the year *</b>	<b>6,522,875.09</b>	5,720,978.37
* Comprises:		
(a) Cash on hand	209.00	12,845.00
(b) Cheques, drafts on hand	-	-
(c) Balances with banks		
(i) In current accounts	16,804.09	769,360.37
(ii) In EEFC accounts		
(iii) In deposit accounts with original maturity of less than 1 Year	6,505,862.00	4,938,773.00
(iv) In earmarked accounts (give details) Refer Note (ii) below		
(d) Others (specify nature)	<b>6,522,875.09</b>	5,720,978.37

**Notes:**

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

**See accompanying notes forming part of the financial**

As per our Report attached of even date  
For and on behalf of

**A. A. Bhat & Co.**  
Chartered Accountants  
(Firm Reg. No. 101282W)

**Nishikant V. Badwe**  
Partner  
Membership No. 31637

**Pune, 30 May 2015**

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

MR. SADANAND HEGDE  
CHAIRMAN & WHOLE TIME DIRECTOR

MR. M. V. RAO  
MANAGING DIRECTOR

**Pune, 30 May 2015**

Form No. MGT-11

**PROXY FORM**

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

**FILTRON ENGINEERS LIMITED**

CIN: L57909PN1982PLC026929

Regd. Office: Plot No. 36, WMDC Industrial Area, Ambethan Road, Chakan, Pune- 410501

Website: www.\_\_\_\_\_

Name of the member (s) : .....

Registered address : .....

E-mail Id: .....

Folio No/ Client Id: .....

DP ID: .....

I/We, being the member (s) of ..... shares of the above named Bank, hereby appoint

1. Name:.....Address:.....

E-mail Id: .....Signature:....., or failing him

2. Name:.....Address:.....

E-mail Id: .....Signature:....., or failing him

3. Name:.....Address:.....

E-mail Id: .....Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of the Company to be held on Saturday, 26th September, 2015 at 04.00 p.m. at Filtron House, 6, Sita Baug Colony, Sinhagad Road, Pune 411030 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Optional *	
	For	Against
<b>Ordinary Business</b>		
1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the Report of the Directors and the Auditors thereon.		
2. To appoint a Director in place of Venkat Giri (DIN: 06585289) who retires by rotation and being eligible offer himself for re-appointment.		
3. To re-appoint Auditors and to fix the remuneration		
<b>Special Business</b>		
4. Approval of Candidature of Mrs. Hemali Alandkar as Independent Director		
5. Approval of appointment of Mr. M.V. Rao as Managing Director and Chairman of the Company		
6. Approval of appointment of Mr. Sadanand Hegde as Whole-time Director of the Company		
7. Approval of Related Party Transactions		

Signed this ..... day of ..... 2015.

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Re. 1/-  
Revenue  
Stamp

**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Bank carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

\* it is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

**FILTRON ENGINEERS LIMITED**

**CIN: L57909PN1982PLC026929**

Regd. Office: Plot No. 36, WMDC Industrial Area, Ambethan Road, Chakan, Pune- 410501

**THIRTY THIRD (33RD) ANNUAL GENERAL MEETING**

PPlease fill this attendance slip and hand it over at the entrance of the venue of the meeting.

	Name and Address:	No. of Shares held:
<b>*Name</b>		
<b>Address</b>		
<b>No. of Shares held</b>		
<b>DP ID No.</b>		
<b>Client Id No</b>		
<b>Regd. Folio No</b>		

I certify that I am a member/ proxy / authorized representative for the member of the Company.

I hereby record my presence at the Thirty Third Annual General Meeting of Filtron Engineers Limited on Saturday, 26th September, 2015 at 04.00 p.m. at Filtron House, 6, Sita Baug Colony, Sinhagad Road, Pune-411030

\_\_\_\_\_  
Name of the Member / proxy (in block letters)

Signature of the Member / Proxy



**FILTRON ENGINEERING LIMITED**  
**CIN: L57909PN1982PLC026929**

Regd. Office: Plot No. 36, WMDC Industrial Area, Ambethan Road, Chakan, Pune- 410501

**BALLOT FORM**

(To be returned to scrutinizer appointed by the Company)

Serial No.:

1. **Name(s) of Shareholder(s)** :  
(Including Joint-holders, if any)
2. **Registered address of the sole/First named Shareholder** :
3. **Registered Folio No./DP ID No./Client Id No.\*** :  
(\*Applicable to investors holding shares in demat form)
4. **Number of shares held** :
5. I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) enumerated below by recording my/our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below:

Sr. No.	Description	Type of Resolution	No of Shares	I/We assent to the Resolution (For)	I/We dissent to the Resolution (Against)
1.	Adoption of the Audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the Report of the Directors and the Auditors thereon.	Ordinary Resolution			
2.	Appointment of Director in place of Mr. Venkat Giri, (DIN: 06585289), who retires by rotation and being eligible offers himself for re-appointment.	Ordinary Resolution			
3.	Re-appointment of Auditor	Ordinary Resolution			
4.	Appointment of Mrs. Hemali Alandkar as Independent Director of the Company	Ordinary Resolution			
5.	Appointment of Mr. M.V. Rao as Managing Director of the Company	Ordinary Resolution			
6.	Appointment of Mr. Sadanand Hegde as Whole-time Director of the Company	Ordinary Resolution			
7.	Approval of Related Party Transactions	Special Resolution			

Place :

Date :

\_\_\_\_\_  
Signature of the Shareholder(s)

**Note :** Please read the instructions printed overleaf carefully before exercising your vote  
Last date for receipt of Postal Ballot Forms by Scrutinizer is Friday, 25th September, 2015

**INSTRUCTIONS**

1. A Shareholder(s) desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is

permitted) and send it to the Scrutinizer in the attached self addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered/speed post at the expense of the registered shareholder will also be accepted.

2. Alternatively, a Member may vote through electronic mode as per the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.
3. Consent must be accorded by either placing a tick mark (?) in the appropriate column in the Ballot form. This Form should be completed and signed by the Shareholder(s) (as per the specimen signature registered/recorded with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
4. Duly completed Postal Ballot Form should reach the Company not later than Friday, 25th September, 2015 by 5:00 P.M. All Postal Ballot Forms received after this date will be strictly treated as if the reply from Shareholder(s) has not been received.
5. A Shareholder may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot form should reach the Scrutinizer not later than Friday, 25th September, 2015 by 5:00 P.M.
6. There will be only one Postal Ballot Form for every folio / Client ID irrespective of the number of joint Shareholder(s).
7. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board resolution/Power of Attorney / authority letter / attested specimen signatures, etc.
8. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Shareholders as on Friday, 19th September, 2015.
9. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage envelope, in as much as, all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the Company would not be able to act on the same.
10. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
11. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
12. The result of the Postal Ballot will be posted on the website of the Company.



**BOOK-POST**

*If undelivered, Please return to :*

**FILTRON ENGINEERS LIMITED**

6 Sitabaug Colony, Filtron House, Sinhagad Road, Pune - 411030.