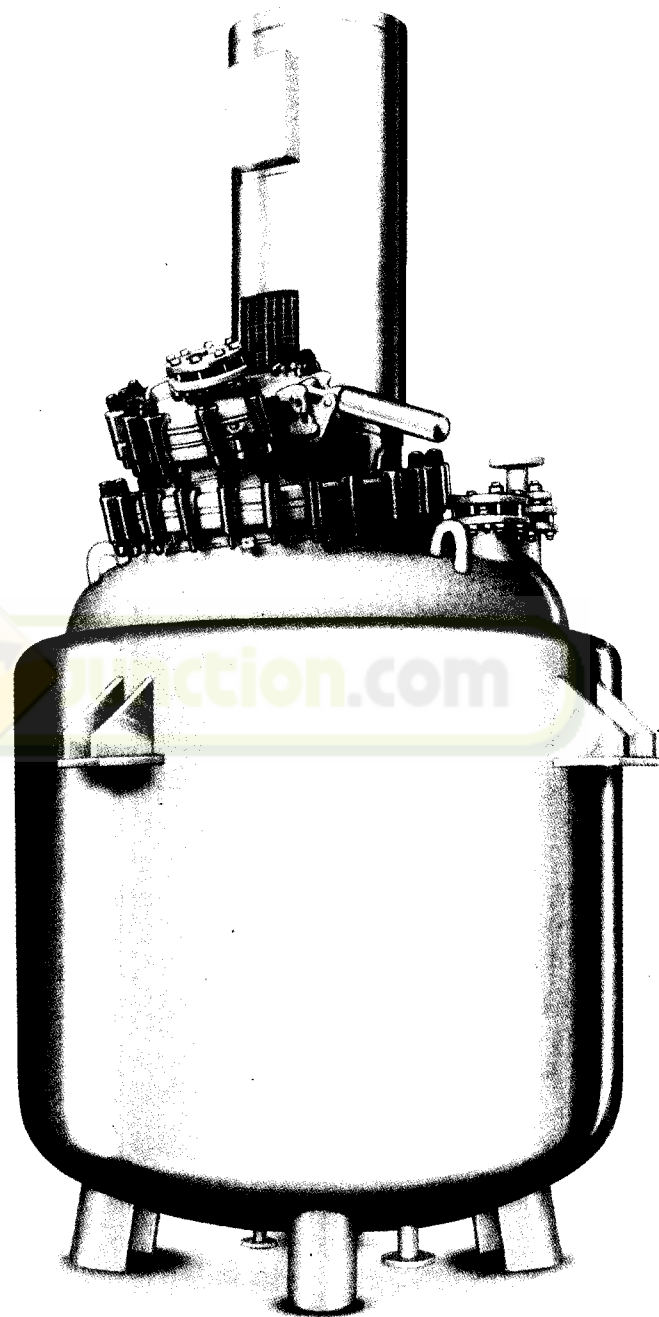


GLASCOAT



ANNUAL REPORT 2002 - 2003

SWISS GLASCOAT EQUIPMENTS LIMITED

Board of Directors	:	Kanubhai K. Patel <i>Chairman</i> Sudarshan Amin <i>Managing Director</i> Shashikant Patel Paresh Shah Ambalal Patel
Statutory Auditors	:	Darji and Associates Chartered Accountants S-403, Kavita Shopping Centre, Opp. G.P.O. ANAND
Legal Advisor	:	Ms. Varshaben Joshi Kishor Plaza Station Road Anand
Company Law Consultant	:	Darsha Rajesh Kikani Vadodara
Bankers	:	Oriental Bank of Commerce UTI Bank Ltd.
Registered Office & Works	:	H-106, G.I.D.C., Vitthal Udhyognagar 388 121 Gujarat.

SWISS GLASCOAT EQUIPMENTS LIMITED

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 12th Annual General Meeting of the member of SWISS GLASCOAT EQUIPMENTS LIMITED will be held on 20th September, 2003 at the Registered Office of the Company at H-106, G.I.D.C. Estate, Vitthal Udyogonagar 388 121 at 11.30 a.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2003 and the Profit and Loss Account for the financial year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares of the company for the year ended 31st March, 2003.
3. To appoint Director in place of Shri Paresb Shah who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

By order of the Board

Date : 28/06/2003

SWISS GLASCOAT EQUIPMENTS LIMITED

Place : H-106, GIDC ESTATE

Vitthal Udyogonagar 388121

Sudarshan Amin

Managing Director

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NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. Proxies, in order to be effective, should be duly stamped, completed signed must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
3. Pursuant to section 154 of the Companies Act, 1956, Register of Members and Shares Transfer Books of the company will remain closed from 11/09/2003 to 18/09/2003 (both days inclusive)
4. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
5. Members are requested to intimate, if shares are held in the same name or in the same order and names, but in more than one account to enable the Company to club the said accounts into one account and to notify immediately the registered address, to the Company.
6. Members are requested to notify change in address, if any, immediately to the company at its registered office quoting their folio numbers.
7. MCS Limited : Neelam Apartment, 88, Sampatrao Colony, Alkapuri, Baroda are our Registrar and Share Transfer Agents. Equity Shares of the Company can now be traded in dematerialised form only. Share holders are requested to opt for the demat facility now available for safe and secure transfers.

By order of the Board

Date : 28/06/2003

SWISS GLASCOAT EQUIPMENTS LIMITED

Place : H-106, GIDC ESTATE

Vitthal Udyogonagar - 388121

Anand.

Sudarshan Amin

Managing Director

SWISS GLASCOAT EQUIPMENTS LIMITED**DIRECTORS' REPORT**

To,
The Members,

Your Directors have great pleasure in presenting the 12th Annual Report on the business and operations of your Company for the financial year ended 31st March, 2003.

	(Rs. in Lacs)	
SUMMARY OF FINANCIAL RESULTS :	2002-2003	2001-2002
A. INCOME FROM OPERATIONS	1737.08	1229.88
B. GROSS PROFIT	161.05	126.94
C. LESS : DEPRECIATION	45.59	41.28
D. PROFIT BEFORE TAX	115.46	85.66
E. LESS : PROVISION FOR TAX	35.55	27.33
F. PROFIT AFTER TAX	79.91	58.33
G. BALANCE BROUGHT FORWARD FROM PREVIOUS YEAR	55.84	97.50
H. BALANCE AVAILABLE FOR APPROPRIATION	135.75	155.83
APPROPRIATION :		
PROPOSED DIVIDEND	40.00	50.00
TAX ON PROPOSED DIVIDEND	5.13	-
I. GENERAL RESERVE FUND		50.00
J. NET PROFIT CARRIED FORWARD	90.62	55.83

PERFORMANCE :

The Company has produced impressive results during the year ended 31st March, 2003. This is despite keen competition in all the areas of the Company's activities and low market enthusiasm due to general uncertain economic and political condition prevalent in the country. The sales has increased by more than 40%.

DIVIDEND :

Your Directors are pleased to recommend payment of dividend @ 8% on its augmented equity paid up capital of Rs.500.00 lacs for the year 2002-2003 resulting in payment of Rs.40.00 lacs.

The dividend pay out for the year under review has been formulated in accordance with the Company's policy of striving to pay stable dividend linked to long term performance, keeping in view the Company's need for capital, its growth plans and the intent to finance such plans through internal accruals to the maximum. Your Directors believe that this would increase shareholders value and eventually lead to a higher return threshold.

OPERATIONS :

The turnover of the Company has increased by more than 40%. Despite the uncertain economic and political situation in world economy the Company has managed to increase its turnover due to various efforts made by the company to reduce costs and to improve efficiency in operations. The Company's order booking for the current year is continued to be excellent.

DIRECTORS :

Shri Paresh Shah retires by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting. You are requested to re-appoint him.

FIXED DEPOSITS :

The Company has not accepted Fixed Deposits from Public as envisaged under Section 58 A and 58 B of the Companies Act, 1956, read with the Companies (Acceptance of Deposits Rules, 1975).

AUDITORS :

M/s. Darji & Associates, Chartered Accountants. Statutory Auditors of the Company, are retiring at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment as Auditors.

SWISS GLASCOAT EQUIPMENTS LIMITED**CORPORATE GOVERNANCE :**

A separate section on corporate Governance is included in the Annual Report & the certificate from the company's auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock exchanges is annexed there to.

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

Particulars regarding the conservation of energy, technological absorption and foreign exchange earnings and outgo as envisaged by Sec. 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors Rules 1988) enclosed in annexure 'A' to the Director's Reports.

PARTICULARS OF EMPLOYEES :

The particulars as envisaged by Section 217 (2-A) read with the Companies (particulars of Employees), Rules 1975 need not be given as no employee is covered there under.

Your Directors would like to place on record their appreciation of the contribution made by the employees at all levels. Employees continue to remain our major assets, in our continuing endeavors in the pursuit for excellence.

DIRECTORS RESPONSIBILITY STATEMENT :

In terms of Section 217 (2AA) of the Companies Act, 1956, the Directors would like to state :

- * That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- * That the directors had selected such accounting policies and applied them consistently and made judgement 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 on 31 March, 2003 and of the profit of the company for the year ended on that date;
- * We have taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provision of the Company's Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- * We have prepared the annual accounts on a going concern basis.

This is a step in right direction, steering the companies towards global accounting practices.

ACKNOWLEDGEMENT :

The Board of Directors are pleased to place on record their sense of gratitude for the continued financial support and co-operation received from banks, Government Authorities, Customers, Vendors and other associates.

For and behalf of the Board

SWISS GLASCOAT EQUIPMENTS LIMITED

Date : 28/06/2003

Place : Vitthal Udyognagar 388121

Sudarshan Amin

Managing Director

Ambalal Patel

Director

SWISS GLASCOAT EQUIPMENTS LIMITED**ANNEXURE TO DIRECTORS' REPORT**

INFORMATION AS PER SECTION 217 (1) (E) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31-03-2003

CONSERVATION OF ENERGY :

Company is aware of the importance of saving energy consumption at all levels and has made endeavors to conserve energy wherever possible.

Total Electric Consumption

Units	:	Units	3345690
Rupees	:	Rs.	17299367
Rate per unit	:	Rs.	5.17
Total Fuel Consumption of Oil Gas and Lubricants	:	Rs.	3561470

FOREIGN EXCHANGE EARNINGS AND OUTGO :

a). The company as started exporting its product during the year.

b). Total Foreign Exchange Used and Earned :

1) Total foreign exchange used	:	Import of goods	Rs.	527692
		Traveling	Rs.	Nil
2) Total foreign exchange earned	:		Rs.	1862294

On behalf of the Board of Directors,

Place : Vitthal Udyognagar
Date : 28th June, 2003

Sudarshan Amin
Managing Director

Ambalal Patel
Director

SWISS GLASCOAT EQUIPMENTS LIMITED**CORPORATE GOVERNANCE REPORT****1. Company's Philosophy on Corporate Governance**

The Company has established good practices in Corporate Governance which is implemented by professional Board of Directors. Corporate Governance has attained paramount importance for ensuring fairness, transparency, accountability and responsibility to all stakeholders. Company has proactively institutionalized the best practices in respect of good corporate governance. as a means of effective control and enhancement of stakeholders value.

2. Board of Directors

The management of Company is entrusted to the Managing Director. The Board of Directors monitors the performance of the Company and its management. The Board has 5 Directors of whom 2 are wholtime Directors : Mr. S.P.Amin. Managing Director (M.E.) and Mr.Ambalal Patel (B.Sc.) Technical Director. The Board has a non-executive Chairman Mr. Kanubhai K. Patel (Industrialist), Mr.Paresh Shah (B.Com.) who guides company's marketing activities. Mr.Shashikant Patel (B.A.) Industrialist.

The Board functions either as a full Board or through Committees. The Board of Directors and its Committees meet at regular intervals. Policy formulation, setting up of goals and evaluation of performance and control functions vest with the Board, while the Committees oversee operational issues.

The Board has constituted two committees. viz. The Audit Committee and the Share Transfer Committee. The names of the Directors constituting these Committees are given below :

AUDIT COMMITTEE

1. KANUBHAI PATEL
2. SHASHIKANT PATEL
3. PARESH SHAH

SHARE TRANSFER COMMITTEE

1. PARESH SHAH
2. AMBALAL PATEL

Five meetings of the Board of Directors were held during the year. They were held on June 29, July 27, October 26 and November 9 in 2002 and on January 31 in 2003.

The Company has not entered into any materially significant transactions with its promoters, Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.

Details of other directorships of the directors and their attendance at the Board/Committee meetings and Annual General meeting are given in the Table :

Directors	Total number of membership/ Chairmanship of committee held (other than in private companies as on 31-03-2003	No.of Directorship held (excluding alternate Directorship and directorship in private companies) as on 31-03-2003	No.of Board Meetings attended	Attendance at last Annual General Meeting
1. KANUBHAI PATEL	-	1	3	YES
2. SUDARSHAN AMIN	-	1	5	YES
3. SHASHIKANT PATEL	-	2	4	YES
4. PARESH SHAH	-	1	4	YES
5. AMBALAL PATEL	-	1	5	YES

SWISS GLASCOAT EQUIPMENTS LIMITED

The names of members of Company's Board of Directors. their attendance at Board meetings and the number of their other directorships are set out below.

Name of Directors	Board Meetings attended during the year	Attendance at last AGM (21/09/2002)	Number of Directorships	
			Indian Co.'s	Other Co's
1. KANUBHAI PATEL	3	YES	-	-
2. SUDARSHAN AMIN	5	YES	-	-
3. SHASHIKANT PATEL	4	YES	1	-
4. PARESH SHAH	4	YES	-	-
5. AMBALAL PATEL	5	YES	-	-

3. Audit Committee

The Audit Committee provides directions to the audit function in the Company and monitors the quality of internal audit and management audit. The responsibility of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment/removal of external auditors and fixing their remuneration, reviewing the annual financial statements before submission to the Board, reviewing adequacy of internal control systems and adequacy, structure and staffing of the internal audit function, reviewing findings of internal investigations, discussing the scope of audit with external auditors.

The Audit Committee was constituted by the Board of Directors at its Meetings held on January 27, 2001 and comprises three non-executive Directors. Four meetings of the Audit Committee were held during the year. The composition of the Audit Committee is given below.

Name of Member	Category	Meetings attended
1. KANUBHAI PATEL	CHAIRMAN	Four
2. SHASHIKANT PATEL	MEMBER	Four
3. PARESH SHAH	MEMBER	Four

4. Share Transfer Committee / Share Holders Committee

Terms of Reference

The functions and powers of the Share Transfer Committee include approval/allotment/rejection of transfer/transmission of equity shares, issue of duplicate certificates, allotment of shares and securities issued from time to time.

Composition

The Share Transfer Committee comprises of two Directors (one executive and one non executive) and Santosh Ingle (Accounts Executive) is designated as Compliance Officer.

Fifteen meetings of the Share Transfer Committee were held during the year on April 20, May 20, June 5, July 5, July 20, August 5, August 20, September 11, October 21, November 11 November 30 of 2002 and on January 4, January 20, February 5, and March 5 of 2003.

Name of Member	Category	Meetings attended
1. PARESH SHAH	DIRECTOR	FIFTEEN
2. AMBALAL PATEL	DIRECTOR	FIFTEEN

No. of Shareholders complaints received so far	:	16
No. of complaints not solved to the satisfaction of the shareholders :		NII
No. of pending share transfers.	:	NII