



**NOTICE** is hereby given that the 19th Annual General Meeting of **SWISS GLASCOAT EQUIPMENTS LIMITED** will be held on Monday, August 30, 2010 at 10.00 a.m. at the Registered Office of the Company situated at H-106, G.I.D.C. Estate, Vitthal Udyognagar – 388 121 to transact the following business :

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date together with the Report of the Auditor and the Directors' Report thereon.
2. To declare dividend on Equity Shares of the Company for the year ended 31<sup>st</sup> March, 2010.
3. To appoint a Director in place of Shri Kanubhai K. Patel, Director, who retires by rotation and being eligible, has offered himself for reappointment.
4. To appoint a Director in place of Shri Bhanubhai B. Patel, Director, who retires by rotation and being eligible, has offered himself for reappointment.
5. To appoint a Director in place of Shri Kaushik R. Shah, Director, who retires by rotation and being eligible, has offered himself for reappointment.
6. To appoint Auditors and fix their remuneration.

By the order of the Board of Directors

For **SWISS GLASCOAT EQUIPMENTS LIMITED**

**Date:** 20.07.2010  
**Place:** V. U. Nagar

**Ms. Dhvani Shah**  
**Company Secretary**

**NOTES:**

- (A) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING. BLANK PROXY FORM IS ENCLOSED.**
- (B) Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
- (C) The Register of Members and Share Transfer Books of the Company will remain closed from 21.08.2010 to 28.08.2010 (both days inclusive) for the purpose of the payment of Dividend, subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (D) Dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be payable to those Members, whose names appear on the Register of Members of the Company, after giving effect to valid share transfers in physical form lodged with the Company on Friday, August 20, 2010, to their registered addresses and the respective Beneficial Owners as per the list provided by the National Securities Depository Ltd and the Central Depository Services Ltd at the close of business hours on Friday, August 20, 2010.



- (E) Members are requested to note that as per SEBI Circular dtd. May 20, 2009, it has been made compulsory, from the date of issue of the circular, for the Transferee to attach a PAN Card copy with the Share Transfer Forms. Hence, the transferee(s) are requested to lodge the share transfer forms for transfer of shares in physical form, along with a photocopy of both sides of their PAN Card(s) for expeditious transfer of shares.
- (F) Members are requested to notify immediately any change of address:-
- (i) to their Depository Participants(DPs) in respect of their shares held in electronic form, and
  - (ii) to MCS Ltd, the Registrar and Share Transfer Agents of the Company, in respect of their physical shares, if any, quoting their Folio Number, Banker's name and Account number to ensure prompt and safe receipt of dividend warrants.
- (G) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the Members.
- (H) Members are requested:-
- (i) to bring their copies of Annual Report, Notice and Attendance Slip duly filled in at the time of the Meeting.
  - (ii) to quote their Folio Nos. / DP ID Nos. in all correspondence.

By the order of the Board of Directors

For **SWISS GLASCOAT EQUIPMENTS LIMITED**

**Date:** 20.07.2010  
**Place:** V. U. Nagar

**Ms. Dhvani Shah**  
**Company Secretary**



## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 19<sup>th</sup> Annual Report together with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2010.

### (1) **FINANCIAL AND WORKING RESULTS**

(Rs. In '000s)

PARTICULARS	2009-10	2008-09
Turnover	454912.84	423842.12
Profit Before Depreciation and Tax	45620.83	36954.69
Profit Before Tax	35790.18	27974.66
Profit After Tax	24013.27	17953.53
Balance Available for Appropriation	38725.16	31731.59
<b><u>Appropriation</u></b>		
Proposed Dividend	8500.00	6000.00
Tax on proposed dividend	1444.58	1019.70
General Reserve	20000.00	10000.00
<b>Earning Per Share (EPS) (in Rs)</b>	<b>4.80</b>	<b>3.52</b>
<b>Face Value – Rs. 10 per share</b>		

### (2) **PERFORMANCE REVIEW**

Your Company has achieved a good performance during the year with an increase in turnover and profitability. The Company has reported turnover of Rs. 454912.84 thousands as against last year's turnover of Rs. 423842.12 thousands. The Company has earned Rs. 24013.27 thousands as Profit after Tax as against Rs. 17953.53 thousands last year.

Your Directors are very keen to work in the direction of managing costs and improving profitability of the Company. Hence, a 1.25 MW Windmill has been installed at Baradia located in Jamnagar district for purpose of captive consumption. The Windmill will cater one-third of the annual demand of the electricity consumption of the Company. The commissioning of the Windmill started in mid-March, 2010.

### (3) **DIVIDEND**

Looking to the profitability of the Company, your Directors are pleased to recommend a Dividend of Rs. 1.70 (@ 17%) per share of Rs. 10 each, subject to the approval of the Members in the ensuing Annual General Meeting for the year 2009-10. The Dividend, if approved by the Members, will result in cash outflow of Rs. 9944.58 thousands, including dividend tax.

### (4) **DEPOSITS**

The Company is not accepting any deposits from the public.

### (5) **TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND**

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, amount of dividend of Rs. 179.40 thousands, which remains unpaid or unclaimed for a period of seven years, has been transferred to the Investor Education and Protection Fund.



**(6) DIRECTORS**

Shri Kanubhai K. Patel, Shri Bhanubhai B. Patel and Shri Kaushik R. Shah are to retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

**(7) CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION ANALYSIS STATEMENT**

A Report on Corporate Governance and also a Management Discussion Analysis Statement are annexed hereto and forms part of this Report.

**(8) PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report.

**(9) PARTICULARS OF EMPLOYEES**

There was no employee drawing remuneration of Rs.24,00,000 or more per annum or Rs.2,00,000 per month or for any part of the year and hence no particulars have been furnished as required under section 217(2A) of the Companies Act, 1956.

**(10) DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm that:

- (i) the applicable Accounting Standards read with requirements set out under Schedule VI to the Companies Act, 1956 have been followed while preparing the Annual Accounts;
- (ii) appropriate Accounting Policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Annual Accounts have been prepared on a going concern basis.

**(11) AUDITORS**

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

**(12) ACKNOWLEDGEMENTS**

Your Directors thank the Company's customers, vendors, investors, business associates, bankers for their continued support. Your Directors also take this opportunity to applaud the contributions made by all the employees of the Company to the operations of the Company during the year.

On Behalf of the Board of Directors  
For **SWISS GLASCOAT EQUIPMENTS LIMITED**

Date: 20.07.2010  
Place: Vitthal Udyognagar

Mr. Kanubhai Patel  
Chairman

Mr. Sudarshan Amin  
Managing Director



## **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 31-03-2010**

### **CONSERVATION OF ENERGY**

The Company is aware of the importance of saving energy consumption at all levels and has endeavored to conserve energy wherever possible. Being a power-intensive unit, Your Company has installed a 1.25 MW Windmill at Baradia in Jamnagar district to promote green technology.

#### **Total Electric Consumption**

Units	:	Units	75,93,280
Rupees	:	Rs.	5,67,36,104
Rate per unit	:	Rs.	7.47
Total Fuel Consumption of Oil Gas and Lubricants	:	Rs.	18,36,046

### **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

1) Total foreign exchange earned	:	Rs.	31,43,750
2) Total foreign exchange used	:	Import of goods	Rs. Nil
		Traveling	Rs. Nil
		Dividend	Rs. 5,96,880
		Certification Fees	Rs. Nil

On Behalf of the Board of Directors  
For **SWISS GLASCOAT EQUIPMENTS LIMITED**

**Date:** 20.07.2010  
**Place:** Vitthal Udyognagar

**Mr. Kanubhai Patel**  
**Chairman**

**Mr. Sudarshan Amin**  
**Managing Director**



## CORPORATE GOVERNANCE REPORT

### **COMPANY PHILOSOPHY**

The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. The philosophy of your Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosure and enhance shareholder value without compromising in any way the compliance with laws and regulations. Your Company believes that good governance brings about sustained corporate growth and long term benefits for stakeholders.

### **BOARD OF DIRECTORS**

The details of the Director, including their positions and performance by way of attendance in the meetings held, are as under:

Name of Directors	Category of Directorship	No. of Board Meetings Attended	Sitting Fees paid (Amt. Rs.)	Whether Attended Last AGM	Other Companies		
					Director-ships held	Members in Committee	Chairman in Committee
Kanubhai K. Patel	Independent Chairman	3	3000	Yes	0	0	0
Sudarshan P. Amin	Managing Director	7	Not Applicable	Yes	0	0	0
Ambalal P. Patel	Technical Director	6	Not Applicable	Yes	0	0	0
Shashikant P. Patel	Non Executive Director	7	16000	Yes	0	0	0
Paresh S. Shah	Non Executive Director	6	15000	Yes	0	0	0
Bhanubhai B. Patel	Independent Director	7	16000	Yes	0	0	0
Jagrut H. Bhatt	Independent Director	2	11000	Yes	0	0	0
Kaushik R. Shah	Independent Director	5	14000	Yes	0	0	0
Bharat R. Patel	Independent Director	4	4000	Yes	0	0	0
Dharmesh J. Patel	Independent Director	4	13000	Yes	0	0	0

The Board of Directors met 7 (seven) times during the year on the following dates:

07.04.2009    29.04.2009    22.06.2009    25.07.2009    26.09.2009    27.10.2009    27.01.2010.

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.

### **AUDIT COMMITTEE**

The Audit Committee was formed by the Board at their Meeting held on 27.01.2001. The Committee comprises of 4 (Four) Independent and One Non-Executive Directors.



The rules and terms of reference of the Audit Committee are wide enough to cover the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

The Committee met 5 (five) times during the year on 29.04.2009, 22.06.2009, 25.07.2009, 27.10.2009 and 27.01.2010 and the attendance of the Members at the Meetings was as follows:

Name of Member	Status	Category	No. of Meetings Attended
Kaushik R. Shah	Chairman	Independent Director	4
Kanubhai K. Patel	Member	Independent Director	1
Bhanubhai B. Patel	Member	Independent Director	5
Bharat R. Patel	Member	Independent Director	3
Paresh S. Shah	Member	Non-Executive Director	4

The Company Secretary acts as the Secretary to the Audit Committee.

### **SHARE TRANSFER COMMITTEE**

Since all types of share related activities are being carried out by the MCS Ltd, the Registrar & Share transfer Agent of the Company in accordance with the powers delegated to the latter in the agreement entered on 14.02.2003, the Board of Directors in the Board Meeting held on 27.01.2010 decided to dissolve the Share Transfer Committee and to authorize Ms. Dhvani Shah, Compliance Officer, to look after the share transfer activities carried out by the MCS Ltd. The decision of the dissolution of the Committee is as per the provisions stipulated in Clause 49(IV) (G) (iv) of the Listing Agreement.

During the year, up to 27.01.2010 (Date of Dissolution of the Committee), 18 (Eighteen) Meetings were held on 06.04.2009, 28.04.2009, 05.05.2009, 20.05.2009, 30.06.2009, 05.07.2009, 20.07.2009, 20.08.2009, 05.09.2009, 19.09.2009, 05.10.2009, 20.10.2009, 05.11.2009, 20.11.2009, 05.12.2009, 21.12.2009, 05.01.2010 and 20.01.2010 and the attendance of the Members at the Meetings was as follows :

Name of Member	Status	Category	No. Of Meetings Attended
Shashikant P. Patel	Chairman	Non-Executive Director	16
Paresh S. Shah	Member	Non-Executive Director	18
Kaushik R. Shah	Member	Independent Director	15

During the year under review, the Company has received 169 service requests from the shareholders which were promptly responded and resolved to the satisfaction of the respective shareholders.

### **SHAREHOLDERS GRIEVANCE COMMITTEE**

For handling the grievances of shareholders, the Board has constituted a Shareholders Grievance Committee, comprising of 3 (Three) Directors – Two Independent and One Executive Directors, in the Board Meeting held on 07.04.2009.

The Shareholders' Grievance Committee was reconstituted in the Board meeting held on January 27, 2010.

During the year, 1 (One) Meeting of the Shareholders' Grievance Committee was held during the year on 27.01.2010 and the attendance of the Members at the Meetings was as follows:

Name of Member	Status	Category	No. Of Meetings Attended
Bharat R. Patel	Chairman	Independent Director	0
Ambalal P. Patel	Member	Technical Director	1
Kaushik R. Shah	Member	Independent Director	1



The status of the complaints received by the Company during the year under review is as under:

**No. of Complaints Received: 1    No. of Complaints Disposed Off: 1    No. of Complaints Pending: 0**

**NON EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

There are no pecuniary relationships or transactions with the Non-Executive and Independent Directors. The sitting fees paid to the Non-Executive and Independent Directors for attending the Board Meetings are paid within the limits specified in the Companies Act, 1956.

**CODE OF CONDUCT**

The Board has laid down a Code of Conduct for all Board Members and the Senior Management of the Company. All the Board Members and the Senior Management personnel have affirmed their compliance with the Code of Conduct during the year. A Declaration to this effect, duly signed by the Managing Director, is annexed here to. The Code of Conduct is available on the website of the Company [www.glascoat.com](http://www.glascoat.com).

**SUBSIDIARY COMPANIES**

The Company does not have any subsidiary company.

**GENERAL BODY MEETINGS**

Details of last three Annual General Meetings of the Company are given below:

Financial Year	Date	Time	Type	Location
2006-07	29/09/2007	10.00 A.M.	Annual General Meeting	At the Registered Office at H-106, G I D C Estate, Vitthal Udyognagar – 388 121
2007-08	27/09/2008	10.00 A.M.	Annual General Meeting	
2008-09	26/09/2009	10.00 A.M.	Annual General Meeting	

**POSTAL BALLOT**

No Postal Ballots were used for voting in the aforesaid Meetings. At the forth coming Annual General Meeting there is no item on the agenda that needs approval by Postal Ballot.

**DISCLOSURES**

**(A) Basis of Related Party Transactions:**

There were no materially significant transactions with related parties i.e. Promoters, Directors or the Management, their subsidiaries or relatives conflicting with the Company's interest. All transactions with the related parties are put before the Board for their approval as and when required.

**(B) Board Disclosures – Risk Management**

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

**(C) Remuneration of Directors**

- The Non-Executive Directors do not receive any remuneration except sitting fees of Rs. 10000 w.e.f. 27.01.2010 (earlier, Rs. 1000) per meeting of the Board of the Company. The details of the sitting fees paid to the Non-Executive Directors for attending the Board Meeting have been disclosed in the beginning of this Report.
- The Company pays remuneration to the Executive Directors within the limits as specified in the Schedule XIII and other applicable provisions of the Companies Act, 1956.





The details of remuneration paid by the Company for the year 2009-2010 are given below:

(Rs in '000s)

Name Of Director	Relationship with Other Directors	Basic Salary	Allowances, Bonus & Perquisites	Commission	Total
Shri Sudarshan P. Amin	None	1086.92	1035.01	395.50	2517.43
Shri Ambalal P. Patel	None	664.23	525.68	N. A.	1189.91

**Note:**

The abovementioned Directors are entitled to Allowances and Perquisites as agreed in the agreements entered into with them.

(c) The number of shares held by the Board Members is stated hereunder:

Name of the Director	Designation	No. of Shares Held
Shri Sudarshan P. Amin	Executive Director	571,800
Shri Ambalal P. Patel	Executive Director	61,300
Shri Shashikant P. Patel	Non-Executive Director	348,300
Shri Paresh S. Shah	Non-Executive Director	203,375
Shri Kanubhai K. Patel	Independent Director	19,500
Shri Bhanubhai B. Patel	Independent Director	2,600
Shri Jagrut H. Bhatt	Independent Director	Nil
Shri Kaushik R. Shah	Independent Director	Nil
Shri Bharat R. Patel	Independent Director	Nil
Shri Dharmesh J. Patel	Independent Director	Nil

**(D) Management**

The Management Discussion & Analysis Report pertaining to external and internal environment of the Company has been annexed herewith.

**(E) Shareholders**

Shri Kanubhai K. Patel, Shri Bhanubhai B. Patel and Shri Kaushik R. Shah, are Independent Directors of the Company, retiring by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

Details of the Directors proposed to be re-appointed are as under:

Particulars	Shri Kanubhai Patel	Shri Bhanubhai Patel	Shri Kaushik Shah
Date of Birth	January 1, 1929	January 3, 1927	February 22, 1956
Date of Appointment	April 8, 1994	January 31, 2004	April 7, 2009
Qualifications	L.L.B.	B.Sc	B.Com
Expertise	Automobile Sector	Chemical & Paint Industry	Finance and Income Tax
Directorships held in other public cos.	Nil	Nil	Nil
No. of shares held in the Co.	19500	2600	Nil



## (F) Compliance

There were no instances of non-compliance or any matter related to the capital markets during the last Three Years.

The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and the same is annexed hereto.

## CEO/CFO CERTIFICATION

The Managing Director (de-facto Chief Executive Officer and the Chief Financial Officer) of the Company has certified to the Board regarding review of financial statements for the year, compliance with the Accounting Standards, maintenance of internal control for financial reporting, accounting policies, etc.

## MEANS OF COMMUNICATION

The Company believes that all stakeholders should have access to adequate information regarding the Company's position to enable them to accurately assess its future potential.

**\*Website:** Your Company has strengthened its Web site to provide comprehensive information on its financial performance, operational performance and press releases.

**\*Financial Results:** The annual, half-yearly and quarterly results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement are published in newspapers, namely, **Economic Times** (Gujarati and English versions).

**\*Annual Report:** Annual Report containing inter alia Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report.

**\*Corporate Filing:** Announcements, Periodical Financial Results, Shareholding Pattern, etc. of the Company regularly filed by the Company, are also available on the website of the Bombay Stock Exchange – [www.bseindia.com](http://www.bseindia.com), whereon the shares of the Company are listed.

## GENERAL SHAREHOLDERS INFORMATION

Compliance Officer	:	Ms. Dhvani Shah Mr. Bipin Thakkar (in absence of Ms. Dhvani Shah)
Date, Time and Venue of the 19 <sup>th</sup> Annual General Meeting	:	August 30, 2010 at 10.00 a.m. at H-106, G I DC Estate, Vitthal Udyognagar – 388 121
Financial Calendar	:	April 1 to March 31
Date of Book Closure	:	21.08.2010 to 28.08.2010
Dividend Payment	:	On or after 31.08.2010
Listing on Stock Exchange	:	The Bombay Stock Exchange Limited <b>Scrip Code:</b> 522215 The requisite listing fees have been paid in full to the Stock Exchange.
Registrar and Share Transfer Agents	:	MCS LTD. Neelam Apartments, 88, Sampatrao Colony, Alkapuri, Vadodara – 390 007 Phone No. : <b>0265-2339397</b> Fax no. : <b>0265-2341639</b> E-Mail Id : <a href="mailto:mcsbaroda@yahoo.com">mcsbaroda@yahoo.com</a>
ISIN of DEMAT Shares	:	INE461D01010