



**20<sup>TH</sup> ANNUAL REPORT**  
**2010 - 2011**





**Board of Directors**

**Chairman** Mr. Kanubhai K. Patel

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

**Technical Director** Mr. Ambalal P. Patel

**Executive Director** Ms. Phagun Amin

**Directors**  
Mr. Paresh S. Shah  
Mr. Shashikant P. Patel  
Mr. Bhanubhai B. Patel  
Mr. Jagrut H. Bhatt  
Mr. Kaushik R. Shah  
Mr. Bharat R. Patel  
Mr. Dharmesh J. Patel

**Company Secretary** Ms. Dhvani Shah

**Statutory Auditors**  
Darji and Associates  
Chartered Accountants  
204, SIGMA, Opp. Pragati Mandal,  
Nr. Sardar Patel Statue,  
V. V. Nagar - 388120

**Company Law Consultant**  
D. G. Bhimani & Associates  
Company Secretaries,  
Anand - 388 001.

**Bankers**  
State Bank of India  
Karur Vysya Bank

**Registered Office**  
H - 106, Phase - IV, G.I.D.C. Estate,  
Vithal Udyognagar - 388121.  
Dist. Anand, Gujarat



## NOTICE

**NOTICE** is hereby given that the 20th Annual General Meeting of **SWISS GLASCOAT EQUIPMENTS LIMITED** will be held on Thursday, September 22, 2011 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, 2011 and the Profit & Loss Account and Cash Flow Statement 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 2010-11.
3. To appoint a Director in place of Mr. Jagrut Bhatt, Director, who retires by rotation and being eligible, has offered himself for reappointment.
4. To appoint a Director in place of Mr. Bharat Patel, Director, who retires by rotation and being eligible, has offered himself for reappointment.
5. To appoint a Director in place of Mr. Dharmesh Patel, Director, who retires by rotation and being eligible, has offered himself for reappointment.
6. To appoint Statutory Auditors and fix their remuneration.

### **SPECIAL BUSINESS:**

7. To consider and if thought fit, to pass with or without modification, following Resolution as a Special Resolution:  
"RESOLVED THAT pursuant to provisions of Sections 198, 269, 309, 310, 314 and other applicable provisions, if any, read with Schedule XIII, of the Companies Act, 1956 and subject to such other approvals as may be necessary, the appointment of Mr. Sudarshan P. Amin as the Managing Director of the Company for a period of three years with effect from October 1, 2011 upon the terms and conditions including remuneration as set out in the draft Agreement, sanctioned by the Board of Directors, be and is hereby, approved.  
RESOLVED FURTHER THAT the Board of Directors, be and is hereby, authorised take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."
8. To consider and if thought fit, to pass with or without modification, following Resolution as a Special Resolution:  
"RESOLVED THAT pursuant to provisions of Sections 198, 269, 309, 310, 314 and other applicable provisions, if any, read with Schedule XIII, of the Companies Act, 1956 and subject to such other approvals as may be necessary, the appointment of Mr. Ambalal P. Patel as the Technical Director of the Company for a period of three years with effect from October 1, 2011 upon the terms and conditions including remuneration as set out in the draft Agreement, sanctioned by the Board of Directors, be and is hereby, approved.  
RESOLVED FURTHER THAT the Board of Directors, be and is hereby, authorised take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."
9. To consider and if thought fit, to pass with or without modification, following Resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of the Companies Act, 1956, Ms. Phagun S. Amin, Additional Director of the Company, who holds office up to this Annual General Meeting and in respect of whom a notice has been received under Section 257 of the Companies Act, 1956 proposing her candidature as a Director of the Company liable to retire by rotation, be and is hereby appointed as a Director of the Company liable to retire by rotation."
10. To consider and if thought fit, to pass with or without modification, following Resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 314 and other applicable provisions, if any, read with Schedule XIII, of the Companies Act, 1956 and subject to such other approvals as may be necessary, the appointment of Ms. Phagun S. Amin as an Executive Director - Planning & Administration of the Company for a period of five years with effect from May 7, 2011 upon the terms and conditions including remuneration as set out in the draft Agreement, sanctioned by the Board of Directors, be and is hereby, approved."



RESOLVED FURTHER THAT the Remuneration Committee, be and is hereby, authorized to revise, increase, vary, modify or amend the terms and conditions including payment of remuneration and providing of perquisites by the Company to the Executive Director in accordance with the Articles of Association of the Company and within the limits prescribed under relevant Sections and provisions of the Companies Act, 1956, or any amendments thereto.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby, authorised take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."

BY THE ORDER OF THE BOARD OF  
**SWISS GLASCOAT EQUIPMENTS LTD.**

Date : 30.07.2011  
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 Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of business under Item Nos. 7 to 10 are annexed hereto.
- (D) Members are requested to intimate to the Company queries, if any, regarding the accounts/ notices at least ten days before the Annual General Meeting to enable the Management to keep the information ready at the meeting.
- (E) The Register of Members and Share Transfer Books of the Company will remain closed from 12.09.2011 to 19.09.2011 (both days inclusive) for the purpose of the payment of Dividend, subject to the approval by the shareholders in the ensuing Annual General Meeting.
- (F) 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 11.09.2011, to its registered address 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 11.09.2011.
- (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 to notify immediately any change of address quoting their Folio Number/ DP ID, Banker's name and Account number to ensure prompt and safe receipt of dividend warrants :
- (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,
- (I) Shareholders are advised to encash their dividend warrants within the validity period. Thereafter, the payment of unencashed dividend warrants shall be made after expiry of initial validity period and receipt of unpaid list after reconciliation of Dividend Account from Bank.
- (J) Shareholders who have so far not encashed dividend warrant(s) of the earlier years 2003-04 to 2009-10 are requested to claim payments in writing to the Company. The Company shall allow claims for unpaid dividend for the year 2003-04 only



upto the date of the ensuing Annual General Meeting. Thereafter, the said Dividend Account has to be closed as per the provisions of the Companies Act, 1956.

Kindly note that no claims shall lie against the Company in respect of any amounts, which being unclaimed and unpaid for a period of seven years from the date of its transfer to the dividend account, have been transferred to the Investors Education and Protection Fund(IEPF) as per the provisions of the Companies Act, 1956.

- (K) Members are requested to note that as per SEBI Circular dated May 20, 2009, it has been made compulsory, from the date of issue of the circular, for every market participant dealing in shares in physical form to provide a PAN Card copy to the Company or its Registrar and Share Transfer Agent for processing any type of requests viz, transfer, transmission, consolidation, etc. Hence, the transferee(s) are requested to submit their application for transfer/ transmission, etc of physical shares, along with a photocopy of both sides of their PAN Card(s) for expeditious transfer of shares.
- (L) Shareholders holding shares in identical order of names in more than one folio are requested to write to the Registrar and Share Transfer Agent of the Company, enclosing their Share Certificates, for consolidation of their shares.
- (M) 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  
**SWISS GLASCOAT EQUIPMENTS LTD.**

**Date :** 30.07.2011  
**Place :** V. U. Nagar

Ms. Dhvani Shah  
**Company Secretary**

## **EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

### **Item No. 7**

Mr. Sudarshan Amin has been associated with the Company since incorporation. His present term as the Managing Director of the Company is due for expiry and hence requires fresh appointment. Considering his reach, wide experience and expertise in the industry, long term associations with the Company and the substantial contribution to the growth of business of the Company, the Board of Directors recommends appointment of Mr. Sudarshan Amin as the Managing Director of the Company for a further period of three years with effect from October 1, 2011.

Further details regarding Mr. Sudarshan Amin are shown as Annexure hereto, which forms part of the Explanatory Statement.

The appointment is made subject to the terms and conditions contained in the draft agreement which is available for inspection at the registered office of the Company during office hours on any working day.

Mr. Sudarshan Amin shall be paid remuneration as decided by the Remuneration Committee, details of which are as under:

- Salary** : Monthly salary of Rs. 2, 25,000/- .
- Perquisites** : In addition to the above, the Managing Director shall be entitled to the perquisites as specified in the draft Agreement.
- Commission** : At the rate of 1% on the net profit of the Company.
- Annual Increment** : The monthly salary will be increased at the rate of 10% on annual basis.

The approval of the shareholders to the above appointment and remuneration being required by law, the matter is being placed for your consideration.

The Board of Directors recommends the resolution for your approval. Except Mr. Sudarshan Amin and Ms. Phagun Amin, none of the Directors is concerned or interested in the above resolution.

The explanatory statement is and should be treated as an abstract under section 302 of the Companies Act, 1956, as amended.

**Item No. 8**

Mr. Ambalal Patel has been associated with the Company as the Technical Director of the Company for quite a long time. His present term as the Technical Director of the Company is due for expiry and hence requires fresh appointment. Considering his reach, wide experience and expertise in the technical aspects of the glass-lining industry, long term associations with the Company and the substantial contribution to the growth of business of the Company, the Board of Directors recommends appointment of Mr. Ambalal Patel as the Technical Director of the Company for a further period of three years with effect from October 1, 2011.

Further details regarding Mr. Ambalal Patel are shown as Annexure hereto, which forms part of the Explanatory Statement.

The appointment is made subject to the terms and conditions contained in the draft agreement which is available for inspection at the registered office of the Company during office hours on any working day.

Mr. Ambalal Patel shall be paid remuneration as decided by the Remuneration Committee, details of which are as under:

Salary : Monthly salary of Rs. 1,50,000/- .

Perquisites : In addition to the above, the Technical Director shall be entitled to the perquisites as specified in the draft Agreement.

Annual Increment : The monthly salary will be increased at the rate of 10% on annual basis.

The approval of the shareholders to the above appointment and remuneration being required by law, the matter is being placed for your consideration.

The Board of Directors recommends the resolution for your approval. Except Mr. Ambalal Patel, none of the Directors is concerned or interested in the above resolution.

The explanatory statement is and should be treated as an abstract under section 302 of the Companies Act, 1956, as amended.

**Item No. 9 & 10**

Ms. Phagun Amin is the daughter of Mr. Sudarshan Amin and hence, in a way, has been associated with the Company since long. She has attained her Graduation degree from the University of Texas, U. S. A. The Company, being in expansion stage due to increase in work orders in hand, is in the need of an Executive Director to assist the Managing Director to handle the increased workload. Further, infusion of young blood at the managerial level is the need of hour, and Ms. Phagun Amin, being young, enthusiastic and well versed with the Company's working, will greatly contribute towards effective management of the Company. Further, with a view to take benefit of Ms. Phagun Amin's skills in the working of the Company as expeditiously as possible, she has been appointed as an Additional Director of the Company with effect from 07.05.2011.

Also, looking to the exigency of the hour, she has been appointed as an Executive Director-Planning & Administration of the Company for a period of five years with effect from May 7, 2011, subject to the approval of the shareholders in the ensuing Annual General Meeting. Hence, the Board of Directors recommends appointment of Ms. Phagun Amin as an Executive Director-Planning & Administration of the Company for a period of five years with effect from May 7, 2011.

Further details regarding Ms. Phagun Amin are shown as Annexure hereto, which forms part of the Explanatory Statement.

The appointment is made subject to the terms and conditions contained in the draft agreement which is available for inspection at the registered office of the Company during office hours on any working day.

Ms. Phagun Amin shall be paid remuneration as decided by the Remuneration Committee, details of which are as under:

Salary : Monthly salary of Rs. 24,500/- .

Perquisites : In addition to the above, the Executive Director shall be entitled to the perquisites as specified in the draft Agreement.

Annual Increment : As decided by the Remuneration Committee

The approval of the shareholders to the above appointment and remuneration being required by law, the matter is being placed for your consideration.

The Board of Directors recommends the resolution for your approval. Except Ms. Phagun Amin and Mr. Sudarshan Amin, none of the Directors is concerned or interested in the above resolution.

The explanatory statement is and should be treated as an abstract under section 302 of the Companies Act, 1956, as amended.


**Annexure to the Explanatory Statement**

Details of the Managerial Personnel seeking Appointment / Re-Appointment at the 20th Annual General Meeting:

Particulars	Mr. Sudarshan Amin	Mr. Ambalal Patel	Ms. Phagun Amin
Date of Birth	06.02.1954	28.02.1944	05.03.1986
Date of Appointment	26.08.1991	01.09.1995	07.05.2011
Qualifications	M.E.(Machine Design)	M.Sc	* B.Sc. (Business & Administration) * Associate in Sciences, with Physics, Geology and Mathematics as special subjects.
Expertise	Being a Technocrat with more than 31 years of experience, he is involved in day-to-day management of the Company. He also looks after new project design and implementation. He is a Partner in M/s Chemfilt – a partnership firm fabricating process equipments, resin and entire chemical plants and also in M/s Euro Mixers– a firm manufacturing industrial mixing system.	He has experience of more than 40 yrs in the area of glass lining, the highly advanced and technical aspect of manufacturing of our Company's product.	Being a major in the field of Planning & Administration, she is capable to make your Company more efficient in this area.
Directorships held in other public cos.	None	None	None
No. of shares held in the Co.	571800	61300	217200
Relations with Other Directors	Father of Ms. Phagun Amin	None	Daughter of Mr. Sudarshan Amin
Pecuniary Relations with the Company	Except receipt of remuneration as per the Agreements entered into with the Company, none of the above Executive Directors have any pecuniary relations with the Company.		

The remuneration payable to all the Executive Directors is in line with that payable in the industry and the companies of similar size and nature. Further, the Remuneration Committee and the Board in their respective meetings held on 07.05.2011 and 30.07.2011 has determined remuneration payable to Mr. Sudarshan Amin, the Managing Director, Mr. Ambalal Patel, the Technical Director and Ms. Phagun Amin, Executive Director – Planning & Administration and the same is put before the shareholders in the ensuing Annual General Meeting for their approval.

The information about the glass line industry and the Company has been provided in the Directors' Report and Management Discussion and Analysis Report attached thereto.



## DIRECTORS' REPORT

Dear Members

Your Directors are pleased to present the 20th Annual Report together with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2011.

### (1) FINANCIAL AND WORKING RESULTS

(Rs. In '000)

Particulars	2010-2011	2009-2010
Turnover	5,29,536.04	4,54,912.84
Profit Before Depreciation and Tax	54,646.80	45,620.83
Profit Before Tax	38,662.24	35,790.18
Profit After Tax	27,070.21	24,013.27
Balance Available for Appropriation	35,850.80	38,725.16
<b>Appropriation</b>		
Proposed Dividend	10,000.00	85,00.00
Tax on proposed dividend	1,622.25	1,444.58
General Reserve	18,000.00	20,000.00
<b>Earning Per Share (EPS)</b>	<b>5.41</b>	<b>4.80</b>

### (2) PERFORMANCE REVIEW

Your Company has been able to steer through financial year 2010-11, which was another challenging year witnessing rapidly rising inflation rate, and has achieved a good performance with an increase in turnover and profitability. The Company has reported an increase in turnover of Rs. 5,29,536.04 thousands as against last year's turnover of Rs. 4,54,912.84 thousands. The Company has earned Rs. 27,070.21 thousands as Profit after Tax as against Rs. 24,013.27 thousands last year.

### (3) DIVIDEND

Looking to the profitability of the Company, your Directors are pleased to recommend a Dividend of Rs. 2.00 (@ 20%) per share, subject to the approval of the Members in the ensuing Annual General Meeting for the year 2010-11. The Dividend, if approved by the Members, will result in cash outflow of Rs. 11,622.25 thousands, including dividend tax.

### (4) DEPOSITS

The Company has accepted the deposits from the promoters, directors and their friends and relatives in compliance with Section 58A of the Companies Act, 1956 and rules made there under.

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

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend of Rs. 176.72 thousands pertaining to the year 2002-03, which remained unpaid and/or unclaimed for a period of seven years, has been transferred to the Investor Education and Protection Fund.

### (6) DIRECTORS

Mr. Jagrut Bhatt, Mr. Bharat Patel and Mr. Dharmesh Patel are to retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting. The profile of these Directors is provided in the Corporate Governance Report.

### (7) CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION ANALYSIS REPORT

A Report on Corporate Governance and also a Management Discussion Analysis Report are annexed hereto 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.60,00,000 or more per annum or Rs.5,00,000 or more per month or for any part of the year and hence particulars as required under section 217(2A) of the Companies Act, 1956 have not been furnished.

**(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 along with proper explanations relating to material departure, if any, 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 AND AUDITORS' REPORT**

M/s. Darji & Associates, Chartered Accountants, V. V. Nagar, the Statutory Auditor of the Company, holds office until the conclusion of this Annual General Meeting and is eligible for re-appointment.

The Company has received the letter from him to the effect that his reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that he is not disqualified for reappointment within the meaning of Section 226 of the said Act.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**(12) ACKNOWLEDGEMENTS**

Your Directors thank the Company's customers, vendors, investors, business associates, bankers and other stakeholders 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.

BY THE ORDER OF THE BOARD OF  
**SWISS GLASCOAT EQUIPMENTS LTD.**

**Date:** : 30.07.2011

**Place:** : Vitthal Udyognagar

Mr. Kanubhai K. Patel

**Chairman**

Mr. Sudarshan P. Amin

**Managing Director**



## ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(I)(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 31-03-2011

### 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.

As a move to encourage Green Energy generation, in previous year 2009-10, your Company had installed 1.25MW Windmill at Baradia in Jamnagar. During the Financial Year 2010-11, nearly 21 lacs units have been generated through Windmill and consumed by the Company; consequently promoting green and clean energy.

### Total Electric Consumption (net of units generated by windmill)

Units (in '000s)	:	Units	8198.53
Amount (Rs. In '000s)	:	Rs.	51509.64
Rate per unit	:	Rs.	6.28
Fuel Consumption of Oil Gas and Lubricants (Rs. In '000s)	:	Rs.	2324.87

### FOREIGN EXCHANGE EARNINGS AND OUTGO :

a) The Company has exported its product during the year.

b) Total Foreign Exchange Used and Earned : (Rs in '000s)

1) Total foreign exchange used	:	Import of goods	Rs.	1083.95
		Traveling	Rs.	Nil
		Dividend	Rs.	845.58
		Certification Fees	Rs.	Nil
2) Total foreign exchange earned	:	Rs.	12790.16	

BY THE ORDER OF THE BOARD OF  
**SWISS GLASCOAT EQUIPMENTS LTD.**

**Date :** 30.07.2011

**Place :** Vitthal Udyognagar

Mr. Kanubhai K. Patel

**Chairman**

Mr. Sudarshan P. Amin

**Managing Director**