



GLASCOAT

21st ANNUAL REPORT

2011-12



SWISS **GLASCOAT** EQUIPMENTS LIMITED

Board of Directors

Chairman	Mr. Kanubhai K. Patel
Managing Director	Mr. Sudarshan P. Amin
Technical Director	Mr. Ambalal P. Patel
Executive Director Planning & Administration	Ms. Phagun Amin
Directors	Mr. Paresh S. Shah 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

Company Secretary in Practice

D. G. Bhimani & Associates
Anand

Statutory Auditors

Darji and Associates
V. V. Nagar

Cost Auditors

Nanty Shah and Associates
Surat

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 21st Annual General Meeting of **SWISS GLASCOAT EQUIPMENTS LIMITED** will be held on September 17, 2012 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, 2012 and the Statement of Profit & Loss 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 2011-12.
3. To appoint a Director in place of Mr. Kanubhai Patel, Director, who retires by rotation and being eligible, has offered himself for reappointment.
4. To appoint a Director in place of Mr. Pares Shah, Director, who retires by rotation and being eligible, has offered himself for reappointment.
5. To appoint Statutory Auditors and fix their remuneration.

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

Date : 25.07.2012
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 ANNEXED HERETO.**
- (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) 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.
- (D) The Register of Members and Share Transfer Books of the Company will remain closed from 04.09.2012 to 11.09.2012 (both days inclusive) for the purpose of the payment of Dividend, subject to the approval by the shareholders in the ensuing Annual General Meeting.
- (E) 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 03.09.2012, 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 03.09.2012.
- (F) 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.
- (G) 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.
- (H) 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.
- (I) Shareholders who have so far not encashed dividend warrant(s) of the earlier years 2004-05 to 2010-11 are requested to claim payments by writing to the Company. The Company shall allow claims for unpaid dividend for the year 2004-05 only up to 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.

- (J) 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.
- (K) 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.
- (L) 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 : 25.07.2012
Place : V. U. Nagar

Ms. Dhvani Shah
Company Secretary

DIRECTORS' REPORT

Dear Members

Your Directors are pleased to present the 21st Annual Report together with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2012.

(1) FINANCIAL AND WORKING RESULTS

(INR in '000)

Particulars	2011-2012	2010-2011
Turnover	704,022.46	5,29,536.04
Profit Before Depreciation and Tax	62,941.23	54,646.80
Profit Before Tax	46,415.12	38,662.24
Profit After Tax	28,075.40	27,070.21
Appropriation		
Proposed Dividend	11,000.00	10,000.00
Tax on proposed dividend	1,784.48	1,622.25
General Reserve	12,000.00	18,000.00
Earning Per Share (EPS)	5.62	5.41

* The figures are regrouped and rearranged wherever necessary.

(2) PERFORMANCE REVIEW

Your Company has been able to steer through financial year 2011-12, 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 INR 704022.46 thousands as against last year's turnover of INR 529536.04 thousands. The Company has earned INR 28075.40 thousands as Profit after Tax as against INR 27070.21 thousands in last year.

Your Company has installed Welding Robot to enhance productivity.

With a view to strengthen its global presence, the Company had exhibited its products in theACHEMA, an international exhibition held in Frankfurt, Germany, so as to meet its global end users and to understand their needs.

(3) DIVIDEND

Looking to the profitability of the Company, your Directors are pleased to recommend a Dividend of INR 2.20 (@ 22 %) per share for the year 2011-12, subject to the approval of the Members in the ensuing Annual General Meeting. The Dividend, if approved by the Members, will result in cash outflow of INR 12784.48 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 INR 191.80/- thousands pertaining to the year 2003-04, which remained unpaid and/or unclaimed for a period of seven years, has been transferred to the Investor Education and Protection Fund.

(6) DIRECTORS

WE MOURN THE DEATH OF MR. SHASHIKANT PURSHOTTAMDAS PATEL, ONE OF THE PROMOTERS AND NON-EXECUTIVE DIRECTORS OF THE COMPANY. MAY HIS SOUL REST IN PEACE.

Mr. Kanubhai Patel and Mr. Paresh Shah 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 INR 60,00,000 or more per annum or INR 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 explanation 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, hold 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) COST AUDITOR'S APPOINTMENT

Consequent to the Cost Audit Order dated 24.01.2012 issued by the Ministry of Corporate Affairs, the Company has appointed M/s. Nanty Shah & Associates, Cost Accountants, Surat, with the approval of the Central Government.

The Company has received the letter from him to the effect that his appointment, if made, would be in accordance with Section 233(2) read with Section 224(1B) and Section 226(3) & (4) of the Companies Act, 1956.

(13) 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: : 25.07.2012
Place : Vitthal Udyognagar

Mr. Kanubhai K. Patel
Chairman

Mr. Sudarshan P. 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 31-03-2012

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 the year 2009-10, your Company had installed 1.25MW Windmill at Baradia in Jamnagar. During the Financial Year 2011-12, nearly 23 lacs units have been generated through Windmill and consumed by the Company; consequently promoting green and clean energy.

(i) Total Electric Consumption

(a)	Purchased Units (in '000s)	:	11841.36
	Total Cost (INR in '000s)	:	66596.95
	Rate per unit (INR)	:	5.624
(b)	Generation through Windmill (units in '000s)	:	2084.44

(ii) Total Fuel Consumption of Oil Gas and Lubricants (INR in '000s)

: 1795.47

FOREIGN EXCHANGE EARNINGS AND OUTGO :

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

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

1)	Total foreign exchange used	:	Import of goods	INR	5067.15
			Dividend	INR	994.80
			Professional Fees	INR	514.20
2)	Total foreign exchange earned	:	Exports	INR	1762.36

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

Date : 25.07.2012

Place : Vitthal Udyognagar

Mr. Kanubhai K. Patel

Chairman

Mr. Sudarshan P. Amin

Managing Director

**CORPORATE GOVERNANCE REPORT**

Forming part of the Directors Report

COMPANY PHILOSOPHY

The Company's essential character revolves around core ethical values based on transparency, integrity, professionalism and accountability. The philosophy of your Company in relation to Corporate Governance is adherence to these ethical values by ensuring transparency in all its operations, making timely disclosures and enhancing shareholder values without compromising in any way the compliance with laws and regulations. Your Company believes that the good governance process has a positive impact on the Company's reputation, employees, customers and stakeholders at large.

BOARD OF DIRECTORS

The details of the Director, including their positions and performance by way of attendance in the Board Meetings held during the year 2011-12, are as under:

Name of Directors	Category of Directorship	Attendance	Sitting Fees paid (INR in '000s)	Whether Attended Last AGM	Other Public Companies		
					Directorship held	Members in Committee	Chairman in Committee
Kanubhai K. Patel	Independent Director	4	40.00	Yes	0	0	0
Sudarshan P. Amin	Managing Director	5	N. A.	Yes	0	0	0
Ambalal P. Patel	Technical Director	5	N. A.	Yes	0	0	0
Phagun S. Amin	Executive Director-						
	Planning & Administration	4	N. A.	Yes	0	0	0
Shashikant P. Patel	Non Executive Director	3	30.00	Yes	0	0	0
Pareesh S. Shah	Non Executive Director	5	50.00	Yes	0	0	0
Bhanubhai B. Patel	Independent Director	5	50.00	Yes	0	0	0
Jagrut H. Bhatt	Independent Director	5	50.00	Yes	0	0	0
Kaushik R. Shah	Independent Director	5	50.00	Yes	0	0	0
Bharat R. Patel	Independent Director	5	50.00	Yes	0	0	0
Dharmesh J. Patel	Independent Director	4	40.00	Yes	0	0	0

The Board of Directors met 5 (FIVE) times during the year on the following dates: 07.05.2011, 30.07.2011, 22.09.2011, 08.11.2011 and 10.02.2012.

COMMITTEES:

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 of the Company comprises of four Independent and one Non-Executive Directors. The Company Secretary acts as the Secretary of the Audit Committee.

The rule and terms of reference of the Audit Committee 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 4 (four) times during the year on 07.05.2011, 30.07.2011, 08.11.2011 and 10.02.2012 and the attendance of the Members at the Meetings was as follows:

Name of Member	Designation	Attendance
Kaushik R. Shah	Chairman	4
Kanubhai K. Patel	Member	3
Bhanubhai B. Patel	Member	4
Bharat R. Patel	Member	4
Paresh S. Shah	Member	4

SHAREHOLDERS GRIEVANCE COMMITTEE

The Shareholders' Grievance Committee has been formed for solving the grievances of the shareholders of the Company. It comprises of 3 (Three) Directors – Two Independent and 1 Executive Director. The Company Secretary acts as the Secretary of the Shareholders' Grievance Committee.

During the year, 4 (Four) Meetings were held during the year on following dates:

07.05.2011, 30.07.2011, 08.11.2011 and 10.02.2012 and the attendance of the Members at the Meetings was as follows:

Name of Member	Designation	Attendance
Mr. Bharat R. Patel	Chairman	4
Mr. Ambalal P. Patel	Member	4
Mr. Kaushik R. Shah	Member	4

The Company Secretary of the Company has been entrusted with the role of Compliance Officer to look after day-to-day requests and the grievances of the shareholders.

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

As on 01.04.11: 1 Received: 6 Disposed Off: 7 Pending: 0

During the year under review, the Company received following types of requests from the shareholders, which have been responded within reasonable time and resolved to the satisfaction of the respective shareholders:

Nature of Requests	Nos.
Transfer of Shares	49
Transmission of Shares	0
Issue of Duplicate Share Certificates	8
Consolidation of Shares	0
Name Deletion	0
TOTAL	57

REMUNERATION COMMITTEE:

On 07.05.2011, the Remuneration Committee has been formed to determine with agreed terms of reference, the Company's policy on remuneration packages and regulate remuneration of the managerial personnel in accordance with the provisions of the Companies Act, 1956, on behalf of and subject to the approval of the Board and the shareholders.

The Committee comprises of 3(three) Independent Directors. During the year, The Committee Members met twice for the appointment of the Executive Directors and fixation of remuneration thereof on following dates: 07.05.2011 and 30.07.2011; and the attendance of the Members at the Meetings was as follows:

Name of Member	Designation	Attendance
Mr. Jagrut Bhatt	Chairman	2
Mr. Kaushik Shah	Member	2
Mr. Bharat Patel	Member	2

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

The Non-Executive and Independent Directors do not have any pecuniary relationships or transactions with the Company.

The sitting fees paid to the Non-Executive and Independent Directors for attending the Board Meetings are within the limits specified in the Companies Act, 1956.

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all the Board Members and the Senior Management personnel of the Company. The said Code is available on the Company's website. All the Board Members and the Senior Management personnel have affirmed their compliance with the Code. The Managing Director of the Company has given Declaration to the Company regarding the affirmation, which forms part of this Annual Report.

GENERAL BODY MEETINGS

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

Financial Year	Date	Time	Type	Location
2008-09	26/09/2009	10.00 A.M.	ANNUAL GENERAL MEETING	AT THE REGISTERED OFFICE : H-106, G I D C ESTATE, VITTHAL UDYOGNAGAR - 388 121
2009-10	30/08/2010	10.00 A.M.	ANNUAL GENERAL MEETING	
2010-11	22/09/2011	10.00 A.M.	ANNUAL GENERAL MEETING	

POSTAL BALLOT

No business has been transacted using Postal Ballots for voting at the aforesaid Meetings.

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. The prior Government approvals whenever required have also been obtained by the Company before entering into any related party transactions.

(B) Board Disclosures – Risk Management

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures, which 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 INR 10000 per meeting of the Board of the Company. The details of the sitting fees paid to the Non-Executive Directors for attending the Board Meetings 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.