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**SWISS GLASCOAT EQUIPMENTS LIMITED**

**Regd. Office :** H-106, Phase IV, G.I.D.C.,  
Vitthal Udyognagar - 388 121  
Dist. Anand, Gujarat, INDIA



**SWISS  
GLASCOAT**  
EQUIPMENTS LIMITED

**ANNUAL REPORT  
2015 - 2016**





**Corporate Identity Number (CIN)**

L26100GJ1991PLC016173

**Board of Directors**

Mr. Kanubhai Patel  
Mr. Sudarshan Amin  
Mr. Tanmay Patel  
Mr. Paresh Shah  
Ms. Phagun Amin  
Mr. Jagrut Bhatt  
Mr. Kaushik Shah  
Mr. Bharat Patel  
Mr. Dharmesh Patel

**Non-Executive Director [Chairperson]**  
**Managing Director**  
**Executive Director (Technical)**  
**Non-Executive Director**  
**Non-Executive Director**  
**Independent Director**  
**Independent Director**  
**Independent Director**  
**Independent Director**

**Company Secretary & Compliance Officer**

Ms. Dhvani Shah

**Chief Financial Officer**

Mr. Bipin Thakkar

**Secretarial Auditor**

Mr. D. G. Bhimani  
D. G. Bhimani & Associates  
Anand

**Statutory Auditors**

M/s. Darji and Associates  
V. V. Nagar

**Internal Auditor**

M/s Kiran Patel & Co.  
Anand

**Bankers**

State Bank of India  
Karur Vysya Bank

**Registered Office**

H – 106, Phase – IV, G.I.D.C. Estate,  
Vitthal Udyognagar – 388121.  
Dist. Anand, Gujarat

**Registrar & Share Transfer Agent**

Link Intime India Pvt Limited  
B-102 & 103, Shangrila Complex, First Floor,  
Opp. HDFC Bank, Nr. Radhakrishna Char Rasta,  
Akota, Vadodara - 390 020



## NOTICE

**NOTICE** is hereby given that the 25<sup>th</sup> Annual General Meeting of SWISS **GLASCOAT** EQUIPMENTS LIMITED will be held on July 25, 2016 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, 2016 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Reports of the Auditor and the Board thereon.
2. To declare Dividend on Equity Shares of the Company for the year 2015-16.
3. To elect Director in place of Mr. Kanubhai K Patel (DIN 01814675), Director, who retires by rotation and being eligible, has offered himself for reappointment.
4. To ratify appointment of the Statutory Auditors including their remuneration.

### SPECIAL BUSINESS:

5. Appointment of Mr. Janardan Shukla (DIN 00906146) as the Independent Director:

To consider and if thought fit, to pass with or without modification, following Resolution as an Ordinary Resolution:

#### “RESOLVED THAT

- (i) pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and Regulation 17 & 25 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. Janardan Shukla (DIN 00906146), Additional Director (Independent) of the Company, who holds office up to this Annual General Meeting and in respect of whom a notice has been received proposing his candidature as the Independent Director of the Company, is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, and to hold the office for five consecutive years for a term up to the conclusion of the 30<sup>th</sup> Annual General Meeting of the Company for the financial year ended on 31<sup>st</sup> March 2021;
- (ii) the Board of Directors is 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 Limited**

**Date:** 21.06.2016

**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 person can act as proxy on behalf of members not exceeding Fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company.

**AN INSTRUMENT OF PROXY 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/ Society Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution/ Authority letters as applicable, authorizing their representatives to attend and vote on their behalf at the Meeting.
- (C)** In case of joint holders attending the meeting, only that joint-holder who is higher in the order of names shall be entitled to vote.
- (D)** Members desirous of any relevant information or clarifications on accounts at the Annual General Meeting are requested to write to the Company at least ten days before date of the Annual General Meeting so as to enable the Management to keep the information ready at the Meeting.

Relevancy of questions and order of speakers at the Meeting shall be decided by the Chairperson.

- (E)** The Register of Members and Share Transfer Books of the Company will remain closed from 20.07.16 to 25.07.16 (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 in the Register of Members of the Company, after giving effect to valid share transfers in physical form lodged with the Company on 19.07.16, 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 (India) Ltd after the close of business hours on 19.07.16.



(G) Shareholders are advised to encash their dividend warrants of the proposed Dividend for FY 2015-16 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 the Bank.

(H) Shareholders who have so far not claimed their dividend(s) of the earlier years from 2008-09 to 2014-15 are requested to claim their unrealised dividend by writing to the Company. The due date for closure of Dividend Account for FY 2008-09 is 24.10.2016. Thereafter, the said account shall be closed and any unpaid/ unclaimed amount lying therein shall be transferred to the Investors Education and Protection Fund(IEPF) as per the provisions of the Companies Act, 2013.

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 unpaid dividend account, have been transferred to the Investors Education and Protection Fund(IEPF) in accordance with the provisions of Sections 205A & 205C of the Companies Act, 2013.

(I) In accordance with the IEPF (Uploading of Information regarding Unpaid and Unclaimed Amounts lying with the Companies) Rules, 2012, the Company has uploaded the information, in respect of Unclaimed Dividends related to FY 2007-08 to 2013-14 as on the date of the 24<sup>th</sup> Annual General Meeting of the Company i.e. 10.09.2015, on the Company's website: [www.glascoat.com](http://www.glascoat.com)>Investors Guide>Unpaid Dividend Details and IEPF website: [www.iepf.gov.in](http://www.iepf.gov.in)

A separate reminder was also sent to those members having unclaimed dividends related to FY 2008-09 to 2013-14.

(J) Nomination facility is available to -

(a) members holding shares in physical form by filing Form SH-13 with the Company's Registrar & Share Transfer Agent. Form SH-13 is available on the Company's website and shall also be provided on request.

(b) members holding shares in dematerialized form by lodging their request with their DPs.

(K) In order to avoid any loss/ interception in postal transit and also to get prompt credit of dividend through Electronic Clearing Service (ECS), Members are requested to provide their ECS details viz bank name and account no., branch name and code, account type, MICR no., etc. quoting their folio nos. along with a cancelled blank cheque and PAN card copy to Link Intime India Pvt Ltd, Baroda, Registrar & Share Transfer Agent of the Company. **(Form for availing ECS facility is available on the Company's website)**

(L) 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.

(M) Members are requested to notify immediately any change/ correction of address quoting their Folio Number/ DP ID 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 Link Intime India Pvt Ltd, the Registrar and Share Transfer Agent of the Company, in respect of their physical shares.

(N) Members are requested to note that SEBI has mandated for every participant dealing in securities market to provide a PAN Card copy to the Company or its Registrar and Share Transfer Agent (for physical share holders) or Depository Participants (for demat account holders).

(O) Shareholders holding shares in more than one folios are requested to write to the Registrar and Share Transfer Agent of the Company, enclosing their Share Certificates, for consolidation of their folios.

(P) 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.

(Q) Non-resident members are requested to inform their Depository Participants/ Link Intime India Pvt Ltd, immediately of-

(i) change in their residential status to India for permanent settlement;

(ii) particulars of their bank account(s) maintained in India with complete name, branch, account type, account number and address of bank, with Pin code number.

(R) Members who have not registered their e-mail addresses so far are requested to register the same with the Company or Link Intime India Pvt Ltd for receiving all communication electronically from the Company. **(Form for registering e-mail IDs is available on the Company's website)**

(S) Electronic copy of the Annual Report 2015-16 is being sent to all the Members who have registered their e-mail ids with the Company/ Depository participants except to those who have requested hard copy of the same. For the Members who haven't registered their e-mail ids, physical copy of the Annual Report 2015-16 is being sent in permitted mode.

25<sup>th</sup> Annual Report for FY 2015-16 of the Company is also available on the Company's website: [www.glascoat.com](http://www.glascoat.com)>Investors Guide>Financial Information>Yearly Reports and on the BSE website: [www.bseindia.com](http://www.bseindia.com)

(T) **Voting through electronic means**

(1) In accordance with Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended to date) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is offering remote e-voting facility as an alternate, to all the Shareholders of the Company to cast their votes electronically on all resolutions set forth in the Notice herein.



- (2) For this purpose, the Central Depository Services (India) Ltd (CDSL) shall provide facility for Remote E-voting to enable the Shareholders to cast their votes electronically. **Remote E-voting is optional.**
- (3) Facility of voting through ballot paper shall be made available at the AGM to those shareholders who have not used Remote E-voting facility to cast their votes.
- (4) The Members who have cast their votes electronically prior to AGM may attend the AGM but shall not be entitled to cast their vote again.
- (5) Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Member(s) on the cut-off date. Votes once cast shall not be allowed to change subsequently.
- (6) The instructions and other information relating to e-voting are as under:

- i. The remote e-voting period commences on July 22, 2016 (9:00 am IST) and ends on July 24, 2016 (5:00 pm IST). During this period, Members, holding shares either in physical form or dematerialised form, as on cut-off date July 19, 2016, may cast their vote electronically. Thereafter, the remote e-voting module shall be disabled by CDSL at 5.00 p.m. IST on the last day i.e. July 24, 2016.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii. Click on Shareholders.
- iv. 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.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. 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.
- vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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 in address slip.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- x. 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the **EVSIN 160620004** for **SWISS GLASCOAT EQUIPMENTS LIMITED**.
- xiii. 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.



- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xix. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - 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 a 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.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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.
- xx. 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).
- xxi. **Please Note-**
- Once you have confirmed your vote on any of the resolutions, you will not be allowed to modify your vote. During voting period, members can login any number of time till they have voted on the Resolution(s).
  - Voting has to be done for each item of notice separately. In case you do not desire to cast your vote on any specific resolution, it will be treated as abstained.
  - Members holding multiple folios/ demat accounts shall choose voting process separately for each of folios/ demat accounts.
- xxii. Mr. D. G. Bhimani, a Practicing Company Secretary and Proprietor of D. G. Bhimani & Associates, is appointed as the Scrutinizer to scrutinise the remote e-voting process and voting at AGM in fair and transparent manner.
- xxiii. The Chairperson of the AGM, after the end of the discussions on the resolutions on which voting is to be held, with the assistance of the Scrutiniser shall allow the voting by use of ballot paper to those Members attending the AGM and who have not cast their votes through remote e-voting.
- xxiv. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count votes cast in the AGM and then unlock the votes cast through remote e-voting in the presence of atleast two(2) witnesses not in the employment of the Company. Thereafter, he shall make within a period of not exceeding two(2) working days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, & forthwith the same to the Chairperson or any person authorised by him in writing who shall countersign the same.
- (U) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 2.00 pm to 5.00 pm on all working days (except Saturdays, Sundays and Public Holidays) up to the date of the 25<sup>th</sup> Annual General Meeting of the Company.

**By the Order of the Board of  
Swiss Glascoat Equipments Limited**

**Date:** 21.06.2016  
**Place:** V. U. Nagar

Ms. Dhvani Shah  
**Company Secretary**



## EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 5

Mr. Kaushik Shah- the Independent Director of the Company has provided his resignation to the Company with effect from 12.09.2016. Consequently, in compliance with Sections 149, 152 & 160 and any other applicable provisions of the Companies Act, 2013 and Regulations 17 & 25 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board recommends the appointment of Mr. Janardan Chandrashanker Shukla (**Mr. JC**) as the Independent Director of the Company.

#### **Brief profile of Mr. Janardan Shukla:**

Mr. JC is a Mechanical graduate and is an MBA graduate from IIM Ahmedabad. Mr. JC has over three decades of experience in operating at various capacities as CEO, Managing director, Adviser, and consultant.

Mr. JC is also an astute businessman. He has been on the advisory panels of many international organizations and they include:

- Consultant to Government of Germany for attracting investments near Berlin.
- Currently assisting Government of Kenya to address shortage of housing by arranging funds and technology from USA.
- Appointed as Observer by UNO in WSIS ( World summit on information society ) Geneva-2003.
- Invited by ITC/ WTO/ UNCTAD to conduct a hands -on seminar on using ICT (Information & Communications Technology) for global marketing-2003

#### ICT projects, conceived by Mr. JC, under implementation/ execution:

- Highway rescue project
- Food for all – RAM ROTI
- Blood for all
- Jobs for all - ESAF

#### Current Directorships positions:

- Managing Director of Nahak Overseas Ltd, an unlisted public company, providing consultancy and helping global clients in developing, and developed countries in finance, and corporate strategy areas.

#### Other Details:

Date of Birth	09.10.1943
No. of shares held in the Swiss Glascoat Equipments Limited	None
Relations with Other Directors	None
Pecuniary Relations with the Company	None

On induction of Mr. JC, the Company shall be benefited with his entrepreneurial vision and foresight required to achieve better growth and development. The Company has received a notice, in accordance with Section 160 of the Companies Act, 2013, from Mr. Paresh Shah, the shareholder of the Company proposing candidature of Mr. JC as the Independent Director of the Company. The Nomination & Remuneration Committee, considering the qualifications, capability and achievements has approved his appointment as the Independent Director of the Company, subject to approval of the shareholders in the ensuing AGM.

The Company has received consent from Mr. JC, for his appointment as the Independent Director of the Company and also a declaration that he isn't disqualified to become a Director in accordance with the Companies Act, 2013. Further, Mr. JC also fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company; and has submitted the Declaration for Independence as required by the said Act.

The Board of Directors recommends the resolution for your approval as ordinary resolution for appointment of Mr. JC as the Independent Director of the Company in the ensuing Annual General Meeting for five consecutive years to the conclusion of the 30<sup>th</sup> Annual General Meeting of the Company for the financial year ended on 31<sup>st</sup> March 2021.

Except Mr. Janardan Shukla, none of the Directors or Key Managerial Persons or their relatives are in any way interested or concerned in the resolution.



## BOARD REPORT

Dear Members,

Your Directors are pleased to present the 25<sup>th</sup> Annual Report together with the Audited Financial Statements for the Financial Year ended on 31st March, 2016.

### ➤ FINANCIAL HIGHLIGHTS\*

(Amt in INR)

PARTICULARS	2015-16	2014-15
Turnover	924,236,052	884,461,865
Profit Before Depreciation and Tax	85,217,562	80,793,999
Profit Before Tax	62,639,414	56,882,507
Profit After Tax	41,538,317	45,399,313
<b>Appropriation</b>		
Proposed Dividend	11,000,000	13,500,000
Tax on proposed dividend	2,239,342	2,699,198
General Reserve	25,000,000	10,000,000
<b>Earnings Per Share (EPS)</b>	<b>8.31</b>	<b>9.08</b>

\* The figures are regrouped, rearranged and recast wherever considered necessary.

### ➤ PERFORMANCE & OPERATIONS

The economic condition in FY 2015-16 was not so robust. However, your Company on the operational front has maneuvered through the Financial Year 2015-16 leading to a good demonstration. In the last year, your Company, keeping its focus on operational efficiency and sustainable marketing efforts, has crossed turnover of INR 924,236,052 as against last year's turnover of INR 884,461,865. The Company has earned INR 41,538,317, as Profit after Tax as against INR 45,399,313 last year.

Your Company has always continued to remain a preferred supplier for servicing every end user of Indian Pharmaceuticals, Agro-based and other Chemical Industries.

### ➤ DIVIDEND

Your Directors are pleased to recommend a Dividend of INR 2.20 (@ 22%) per share for the year 2015-16, 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 13,239,342, including dividend tax.

### ➤ DEPOSITS

The Company has accepted the deposits from the shareholders in compliance with Section 73 of the Companies Act, 2013 and rules made there under. The details of the same are as under:

Deposits accepted during 2015-16 (Amt in INR) 34234000.00

Deposits remaining unpaid or unclaimed as at 31.03.2016 (Amt in INR) Nil

The Company hasn't made any default during FY 2015-16 in repayment of deposits or payment of any interest thereon. All payments and repayments related to the deposits have been duly made to the concerned deposit-holders upon their request, if any.

### ➤ TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

Pursuant to the provisions of Section 125 of the Companies Act, 2013, dividend of INR 296,935 pertaining to the year 2007-08, which remained unclaimed and unpaid for a period of seven years from the date of its transfer to the Unpaid Dividend Account, has been transferred to the Investor Education and Protection Fund established by the Central Government.

### ➤ RELATED PARTY CONTRACTS/ ARRANGEMENTS

The Company has implemented a policy related to Related Party Transactions as framed by the Audit Committee. An extract of the said Policy is available on the Company's website: [www.glascoat.com](http://www.glascoat.com) > Investors Guide > Extract of Company Policies.

During FY 2015-16, the Company has executed contracts with the related parties on an arm's length basis in accordance with Section 188 of the Companies Act, 2013 and the Rules there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (erstwhile Listing Agreement). The details of the same are provided in Form AOC-2 annexed hereto which forms part of this Report.

### ➤ PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The aforesaid information as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is annexed hereto and forms part of this Report.

### ➤ PARTICULARS OF EMPLOYEES & REMUNERATION THEREOF

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 134 of the Companies Act, 2013 have not been furnished.





## ➤ **ANNUAL RETURN**

An extract of Annual Return in Form MGT-9 pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 2 of the Companies (Management and Administration) Rules, 2014 is annexed hereto and forms part of this Report.

## ➤ **CORPORATE SOCIAL RESPONSIBILITY**

The Company has formed a Corporate Social Responsibility (CSR) Committee for framing and implementing CSR activities with an objective of paying back to the society.

Further, during FY 2015-16, the Company has initiated following programs as its CSR activities in the field of "preventive health care":

- "Vatsala Matrusambhal" program (undertaken jointly with Charusat Healthcare and Research Foundation (CHRF), a Trust established and working in this field since January 2012; and
- "Sparsh-Nidaan" program (undertaken jointly with Charutar Arogya Mandal (CAM), a NGO established in 1972 and working in this field since long.

The details related to the CSR of the Company during FY 2015-16 are annexed hereto which forms part of this Report. The said details are also available on the Company's website: [www.glascoat.com](http://www.glascoat.com)>Corporate Social Responsibility

## ➤ **CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION ANALYSIS REPORT**

A Report on Corporate Governance and compliance certificate there upon and also a Management Discussion Analysis Report are annexed hereto this Report and form part of the latter.

## ➤ **RISK MANAGEMENT BY THE COMPANY**

The Company recognizes the importance of managing risk in the business to sustain growth. Hence, a Risk Management Committee had formed for implementing and monitoring the risk management plan for the company in accordance with the Risk Management Policy framed by the Audit Committee. The Risk Management Committee has been dissolved by the Board of Directors with effect from 05.11.2015 since the Audit Committee overviews the functions of that Risk Management Committee and the functions of the same were entrusted to the Audit Committee for better results.

## ➤ **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

- (a) the applicable accounting standards had been followed along with proper explanation relating to material departures, if any, in the preparation of the annual accounts;
- (b) 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 profit and loss of the company for that period;
- (c) 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;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) proper internal financial controls have been laid down and followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all the applicable laws have been devised and that such systems were adequate and are working effectively.

## ➤ **DIRECTORS & KEY MANAGERIAL PERSONS**

The Directors of the Company are well experienced with expertise in the respective fields of management and administration of the Company. The Company is fortunate to have experienced and enthusiastic persons as the Directors who are always eager to contribute in the growth of the Company.

The day-to-day operations of the Company are very well managed by its Key Managerial Persons (KMP) i.e., the Managing Director, the Company Secretary, the Chief Financial Officer and the Executive Director (Technical).

Mr. Kanubhai Patel, Non-Executive Director, is to retire by rotation and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting. Details of Mr. Kanubhai Patel have been provided in the Corporate Governance Report annexed hereto and forming part of this Report.

Mr. Kaushik Shah, Independent Director of the Company has tendered his resignation as the Director of the Company with effect from 12.09.2016. In his place, appointment of Mr. Janardan Shukla as the Independent Director is being placed before the shareholders in the ensuing 25<sup>th</sup> AGM of the Company for their approval. Further details of Mr. Janardan Shukla have been provided in the explanatory statement to the Notice of this Annual report.

The Nomination & Remuneration Committee has formulated policy relating to the appointment and remuneration of the Directors of the Company laying down criteria for determining attributes, independence, etc. The Company policies governing the appointment and remuneration of the Directors are annexed hereto which form part of this Report.

The Independent Directors have affirmed to the Board regarding compliance with all the requirements as prescribed by Section 149 (6) of the Companies Act, 2013 and Schedule IV thereto. A statement by the Managing Director regarding the said affirmation by the Independent Directors is annexed to this Report forming part of the same.

The details related to the remuneration of managerial personnel as required under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed hereto which form part of this Report.



## ➤ **PERFORMANCE EVALUATION OF THE DIRECTORS AND KMPs OF THE COMPANY**

During the FY 2015-16, the Board of Directors of the Company has carried out an Annual Performance evaluation of the Board/ Committees and that of all the individual Directors as per the Company's policy for Performance Evaluation of Directors.

The Independent Directors in their separate meeting held on 09.02.2016 carried out the performance evaluation task of the non-Independent Directors, with a special attention to leadership criteria for Chairperson and the Executive Directors for period from January 1, 2015 to December 31, 2015.

The Board in its meeting held on 09.02.2016 performed the evaluation task of the Board/ Committees collectively and Independent Directors individually for period from January 1, 2015 to December 31, 2015.

Performance evaluation sheets were already distributed before the meeting dates. The outcome of the above exercise of performance evaluation of all the Directors collectively and individually and the Board/ Committees was announced in the Meetings, which was satisfactory as everybody appreciated and acknowledged the others' contribution towards the growth of the Company.

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

We have strong integrated systems which are adequate for our class and size of the business. The Company has established effective internal control systems to ensure accurate, reliable and timely compilation of financial statements, to safeguard assets of the company, and to detect and mitigate irregularities and frauds. The Company's Management has adequate internal control procedures over financial reporting.

## ➤ **WHISTLE BLOWER MECHANISM**

The Board of the Company has formulated and implemented a Whistle Blower Policy incorporating Vigil mechanism with a view to provide a mechanism for employees of the Company to raise concerns against any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. and protection against their victimisation as the whistle blower.

The Policy covers malpractices and/or events related to all issues that could have grave impact on the operations and performance of the business of the Company. The concerned matters are to be reported to the Compliance Officer and/ or the Chairperson of the Audit Committee. The Audit Committee monitors the Vigil mechanism of the Company.

During FY 2015-16, no employee has been denied access to the Compliance Officer/ the Chairperson of the Audit Committee. Also, no employee has availed vigil mechanism during FY 2015-16.

An extract of Whistle Blower Policy incorporating Vigil mechanism and the contact details of the Whistle Officers are available on the Company's website: [www.glascoat.com](http://www.glascoat.com) > Investors Guide > Whistle Blower Mechanism.

## ➤ **STATUTORY AUDITORS AND INDEPENDENT AUDITORS' REPORT**

The shareholders in the 23<sup>rd</sup> AGM of the Company has appointed M/s. Darji & Associates, Chartered Accountants firm located in Vallabh Vidyanagar (Membership No. 030992), as the Statutory Auditor for a tenure of 3 years from conclusion of the last Annual General Meeting held on September 11, 2014.

The continuance of appointment and remuneration of the above Auditor is to be ratified in the ensuing AGM of the Company as per Section 139 of the Companies Act, 2013. The Company has received consent from M/s. Darji & Associates to continue their appointment as the Statutory Auditor of the Company for FY 2016-17.

The remarks/comments referred to in the Independent Auditors Report for FY 2015-16 are self-explanatory and do not call for any further comments.

## ➤ **SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

The Company has appointed M/s D. G. Bhimani and Associates, Anand (Membership No. FCS 8064) as the Secretarial Auditor of the Company for the Financial Year 2016-17 in accordance with Section 204 of the Companies Act, 2013. The Company has received consent from D. G. Bhimani and Associates for their appointment.

The remarks/ comments referred to in the Secretarial Audit Report for FY 2015-16 are self-explanatory and do not call for any further comments.

## ➤ **INTERNAL AUDITOR**

The Company has appointed M/s Kiran Patel & Co., Chartered Accountants firm, Anand, (Membership No. 105190W), for conducting internal audit of the Company for the financial year 2016-17. The Company has received consent from M/s Kiran Patel & Co. for their appointment.

## ➤ **GENERAL**

The Directors state that during the year under review, there were no cases or complaints pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## ➤ **ACKNOWLEDGEMENTS**

The Company is completing 25 years on this August 26, 1991. Your Directors take this opportunity to 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 these 25 years of successful journey of the Company.

Your Directors look forward to do a long and fruitful association with all of them.

**By the Order of the Board of  
Swiss Glascoat Equipments Ltd**

**Date :** 21.06.2016  
**Place :** Vitthal Udyognagar

**Mr. Kanubhai Patel  
Chairperson**

**Mr. Sudarshan Amin  
Managing Director**