



**SWISS
GLASCOAT**
EQUIPMENTS LIMITED

ANNUAL
REPORT

2017-18

**Corporate Identity Number (CIN)**

L26100GJ1991PLC016173

Board of Directors

| | |
|------------------------|--|
| Mr. Himanshu Patel | Chairperson and Managing Director |
| Mr. Aalap Patel | Executive Director (Technical) |
| Mr. Nilesh Patel | Non-Executive Director |
| Mr. Harsh Patel | Non-Executive Director |
| Mr. Sudarshan Amin | Non-Executive Director |
| Mr. Janardan Shukla | Independent Director |
| Ms. Vijayanti Punjabi | Independent Director |
| Mr. Mahesh Kabutarwala | Independent Director (appointed w.e.f. 29.05.2017) |
| Mr. Yatish Parekh | Independent Director (appointed w.e.f. 29.05.2017) |
| Mr. Sandeep Randery | Independent Director (appointed w.e.f. 29.05.2017) |

Company Secretary & Compliance Officer

Ms. Dhvani Shah

Chief Financial Officer

Mr. Bipin Thakkar

Secretarial AuditorD. G. Bhimani & Associates
Anand**Statutory Auditors**M/s. M. M. Nissim & Co.
Mumbai**Internal Auditor**CNK & Associates LLP, Chartered Accountants
Vadodara**Bankers**

State Bank of India

Registered OfficeH – 106, Phase – IV, G.I.D.C. Estate,
Vithal 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 27th Annual General Meeting of SWISS GLASCOAT EQUIPMENTS LIMITED will be held on Friday, 3rd August, 2018 at 2.30 p.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 Financial Statements of the Company for the financial year ended 31st March, 2018, including the Balance Sheet as at 31st March, 2018, the Statement of Profit and 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 the final dividend on Equity Shares of the Company for the financial year ended 31st March, 2018.
3. To appoint Director in place of Mr. Nilesh Patel (DIN 0141873), Director, who retires by rotation and being eligible, has offered himself for reappointment.

SPECIAL BUSINESS:

4. To provide Loan in accordance with Sections 185 and 186 of the Companies Act, 2013

To consider and if thought fit, to pass the following resolution as special resolution:

“RESOLVED THAT pursuant to Sections 185 and 186 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and subject to such approvals as may be necessary; the consent of Company be and is hereby accorded to the Board of Directors of the Company (including any Committee which the Board may have constituted or hereinafter constitute to exercise the power conferred by this Resolution) to give loan in form of inter-corporate deposits to HLE Engineers Private Limited and Yashashvi Rasayan Private Limited, provided that the aggregate amount of all such loans, investments and guarantees outstanding at any time shall not exceed the sixty per cent of paid up capital, free reserves and securities premium account or one hundred per cent of free reserves and securities premium account whichever is more.

RESOLVED FURTHER THAT the Board or a duly constituted Committee thereof be and is hereby authorized to decide and finalize the terms and conditions while making investments, giving loans or guarantees or providing securities within the aforesaid limits including with the power to execute all deeds, documents and other writings and to do all such acts, deeds, matters and things, as may be necessary and expedient for implementing and giving effect to this resolution.”

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

Sd/-

Ms. Dhvani Shah

Company Secretary

Date: 19th May, 2018

Place: V. U. Nagar

NOTES:

- (A) **The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No. 4 of the accompanying notice is annexed hereto.**
- (B) **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. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other Member.
- (C) **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. THE BLANK PROXY FORM IS ANNEXED HERETO.**
- (D) An instrument appointing proxy is valid only if it is properly stamped as per the applicable law. Blank or incomplete, unstamped or inadequately stamped, undated proxies or proxies upon which the stamps have not been cancelled will be considered as invalid. If the Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last will be considered as valid. If such multiple proxies are not dated or they bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.



- (E) A Proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on poll.
- (F) Corporate/ Society Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the Board Resolution/ Authority letters together with specimen signature of their representative(s), who are authorized to attend and vote on their behalf at the Meeting.
- (G) Members, Proxies and Authorized Representatives are requested to bring to the Meeting, the attendance slips enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/ Folio No.
- (H) In case of joint holders attending the meeting, only that joint-holder who is highest in the order of names shall be entitled to vote.
- (I) The relevant information of the Director seeking re-appointment, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the revised Secretarial Standard-2 (SS-2) on General Meetings, is provided in the section relating to the Corporate Governance. Requisite declaration has been received from the Director seeking re-appointment.
- (J) Members desirous of any relevant information or clarifications on the accounts at the Annual General Meeting are requested to write to the Company at least ten days before the date of the Annual General Meeting so as to enable the Management to keep the information ready at the Meeting.
- Relevance of question and order of speakers at the Meeting shall be decided by the Chairperson.
- (K) The Register of Members and Share Transfer Books of the Company, for the shares held in physical form, will remain closed from 28th July, 2018 to 31st July, 2018 (both days inclusive) for the purpose of the payment of Dividend, subject to the approval by the shareholders at the ensuing Annual General Meeting.
- (L) The payment of Dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, would commence from 24th August, 2018 to those Members, whose names appear in the Register of Members of the Company after the close of business hours on 27th July, 2018, after giving effect to valid share transfers in physical form lodged with the Company on or before 27th July, 2018, 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 27th July, 2018.
- (M) Shareholders are advised to encash their dividend warrants for the proposed Dividend for FY 2017-18, if declared, within the validity period. Thereafter, the Shareholders will have to request the Company for issuing fresh/ revalidated dividend warrants by writing to the Company.
- (N) Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, dividends which remain unpaid or unclaimed for a period of 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March, 2011 or any subsequent financial years, are requested to make their claims to the Company at the earliest. It may be noted that once the unclaimed dividend is transferred, on the expiry of seven years, to the Investor Education and Protection Fund, as stated herein, no claim with the Company shall lie in respect thereof. The due date for closure of the unpaid dividend account for FY 2010-11 and transfer of all the unclaimed amount lying therein is 19th November, 2018.
- (O) In accordance with the Investor Education and Protection Fund (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 2009-10 to 2015-16 as on the date of the 26th Annual General Meeting of the Company i.e. 28th August, 2017, on the Company's website: www.glascoat.com under Investors Guide -Unclaimed and Unpaid Dividend Details- Form IEPF-2 and IEPF website: www.iepf.gov.in
- A separate reminder was also sent to those Shareholders having unclaimed dividends related to FY 2009-10 to 2015-16.
- (P) Members holding shares in their single name are advised to make a nomination in respect of their shareholding in the Company. Nomination facility is available to -
- (a) Members holding shares in physical form by filing Form SH-13 with the Company's Registrar and 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.
- (Q) 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 self-attested PAN card copy to Link Intime India Pvt. Ltd., Baroda, Registrar and Share Transfer Agent of the Company. (Form for availing ECS facility is available on the Company's website: www.glascoat.com under Investors Guide -Investors Information.



- (R) Members holding shares in electronic form may note that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar 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.
- (S) In view of the circular issued by SEBI dated 20th April, 2018 ref: SEBI/HO/MIRSD/DOP1/CIR/P/2018/73, it is also mandatory to provide the Bank Mandate (Beneficiary Bank name and Beneficiary account number) on the face of the Warrant/ DD for all warrant printing cases/ DD cancellation and reissuance/ initial DD issuance/ DD issuance against electronic payment rejects.
- (T) Members are requested to notify immediately:
- (a) Any change in their residential address.
 - (b) Income-tax Permanent Account Number (PAN).
 - (c) Bank details – Name and address of the bank; A/c No., type of A/c
- (U) Members are requested to note that the Securities and Exchange Board of India (SEBI) has mandated to furnish Permanent Account Number (PAN) by every participant dealing in securities market. Members holding shares in electronic form are, accordingly, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
- (V) 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.
- (W) 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.
- (X) 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.
- (Y) 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: www.glascoat.com under Investors Guide - Investors Information).
- (Z) Electronic copy of the Annual Report 2017-18 is being sent to all the Members who have registered their e-mail ids with the Company/ Depository Participants except to those who have specifically requested hard copy of the same. For the Members who have not registered their e-mail ids, physical copy of the Annual Report 2017-18 is being sent in permitted mode.

The 27th Annual Report for FY 2017-18 of the Company is also available on the Company's website: www.glascoat.com under Investors Guide - Financial Information -Yearly Reports and on the BSE website: www.bseindia.com

(AA) 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 Members 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 Members 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 Members who have not used Remote E-voting facility to cast their votes.
- (4) The Members who have cast their votes electronically prior to the 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 Remote E-voting are as under:
- i. The remote e-voting period commences on 31st July, 2018 (9:00 a.m. IST) and ends on 2nd August, 2018 (5:00 p.m. IST). During this period, Members, holding shares either in physical form or dematerialised form, as on cut-off date 28th July, 2018, 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. 2nd August, 2018.



- ii. The Shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- iv. Then Members should enter their 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 Members are holding shares in demat form and have logged on to www.evotingindia.com and voted on an earlier voting of any company, then their existing password should be used.
- vii. If Members are first-time users, follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|--|---|
| PAN | Enter 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed in address stickers. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in their demat account or in the company records in order to login. <ul style="list-style-type: none"> 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). |

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. 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 their password with any other person and take utmost care to keep their password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the **EVSN 180619013** for **SWISS GLASCOAT EQUIPMENTS LIMITED**.
- xii. On the voting page, Members 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 Members assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if Member wish to view the entire Resolution details.
- xiv. After selecting the resolution Members have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If Members wish to confirm their vote, click on "OK", else to change their vote, click on "CANCEL" and accordingly modify their vote.
- xv. Once Members "CONFIRM" their vote on the resolution, they will not be allowed to modify their vote.
- xvi. Members can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. 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 and enter the details as prompted by the system.
- xviii. Members can also use Mobile app - "m-Voting" for e voting. m-Voting app is available on IOS, Android and Windows based Mobile. Members may log in to m-Voting using their e voting credentials to vote for the company resolution(s).
- xix. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
 - After receiving the login details, 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 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 Members have any queries or issues regarding e-voting, Members may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- xxi. Please Note-**
 - Once Members have confirmed their vote on any of the resolutions, Members will not be allowed to modify their vote. During the voting period, Members can login any number of times till they have voted on the resolution(s).
 - Voting has to be done for each item of the Notice separately. In case Members do not desire to cast their 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 a 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 Scrutinizer 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 at least two (2) witnesses not in the employment of the Company. Thereafter, he shall make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and within a period not exceeding two (2) working days from the conclusion of the AGM, forward to the Chairperson or any person authorised by him in writing, who shall countersign the same.

(AB) Transfer of share certificates to the Company's Unclaimed Suspense Demat A/c and IEPF Suspense Demat A/c:

In accordance with the provisions of Regulation 39 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has transferred the unclaimed physical share certificates lying with it to the Demat A/c namely- "Swiss Glascoat Equipments Limited - Unclaimed Suspense Account" after sending three reminders at regular intervals at the last available address of the concerned Shareholders as available in the records of the Company/ Depository database. The details of the number of shares transferred to and from the said account have been provided in the Corporate Governance Report as an annexure to the Board Report.

Kindly note that the said Suspense Account is maintained by the Company purely on behalf of those Shareholders whose share certificates have been transferred to the said Demat A/c and the concerned Shareholders are entitled to approach the Company for possession of the shares entitled to them. After due legal formalities, the Company shall transfer the entitled shares to the respective Shareholder applicant.

Further, pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") notified by the Ministry of Corporate Affairs effective from 7th September, 2016 and amended from time to time, the Company has communicated individually to and a notice was published in the newspapers in English and the local language for the concerned Shareholders whose shares are liable to be transferred to IEPF Suspense Account under the said IEPF Rules for taking appropriate actions(s).

The Company has also uploaded full details of such Shareholders and shares were due to transfer and were transferred to IEPF Suspense Account on its website: www.glascoat.com under Investors Guide-Details related to shares/ dividend transferred to IEPF Authority. The said shares have been transferred to IEPF Authority after completion of due legal formalities by the Company in December 2017.

Further, in the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

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

Sd/-

**Ms. Dhvani Shah
Company Secretary**

Date: 19th May, 2018
Place: V. U. Nagar



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.4

In view of increased turnover and profitability during past years, sometime company may have surplus funds, not immediately required for business. For better utilization of these liquid funds the Company may invest the same for its profitable use.

The Company currently has not given any loans or made investments or given guarantee to HLE Engineers Private Limited and Yashashvi Rasayan Private Limited. It is proposed to give inter corporate loans upto Rs.15,00,00,000/- (Rupees Fifteen Crore) to each company subject to Section 186 of the Companies Act, 2013. The loans to be given to HLE Engineers Private Limited and Yashashvi Rasayan Private Limited will be used by them for their principal business activities and general corporate purpose. The terms of the loans shall not be prejudicial to the interest of shareholders.

Accordingly your Company is required to obtain approval by passing special resolution in general meeting.

Except Mr. Himanshu Patel, Mr. Nilesh Patel, Mr. Aalap Patel and Mr. Harsh Patel, none of the other Directors or Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.



BOARD REPORT

Dear Members,

Your Directors are pleased to present the 27th Annual Report together with the Audited Financial Statements for the Financial Year ended on 31st March, 2018.

➤ FINANCIAL HIGHLIGHTS*

(Rs. in lakhs)

| PARTICULARS | 2017-18 | 2016-17 |
|--|-------------|-------------|
| Revenue from Operations | 9876.29 | 8948.78 |
| Other Income | 101.13 | 26.09 |
| Profit Before Interest, Depreciation and Tax | 1122.35 | 955.93 |
| Less: Finance Charges | 144.12 | 227.94 |
| Less: Depreciation | 303.56 | 254.60 |
| Profit Before Tax | 674.67 | 473.39 |
| Less: Current Tax | 193.27 | 132.88 |
| Less: Deferred Tax | (54.51) | 28.47 |
| Profit After Tax | 535.91 | 312.04 |
| Earnings Per Share (EPS) | 8.24 | 6.24 |

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

➤ STATE OF COMPANY'S AFFAIRS

Even though the economic conditions in FY 2017-18 were relatively subdued, your Company achieved an enhanced sales turnover of Rs. 9876.29 lakhs as against Rs. 8948.78 lakhs during the previous year and earned a Net Profit After Tax of Rs. 535.91 lakhs as against Rs. 312.04 lakhs during the previous year. Your Company has considerably improved its manufacturing and operational efficiency during the year under review and these management endeavours will continue during the coming year. There has been an improvement in the economic outlook for the pharmaceutical and agro-chemical industries, which are the key target customers of your Company. These factors have been reinforced by certain Government and the Reserve Bank of India initiatives to bring inflation under control, reduction of repo and reverse repo rate leading to moderate reduction of interest rates, bringing pharmaceutical sector under 100% Automatic FDI route and the implementation of Goods and Services Tax during the year. Your Company has a robust order book, which provides encouraging visibility of the revenues in the first few months of FY 2018-19. The Management continues to take active steps to reduce the operating costs and improve capacity utilisation. The Management is confident to achieve a much better performance in the current year with improved revenues and profits.

➤ DIVIDEND

Your Directors are pleased to recommend a Dividend of Rs. 2.00 (@ 20%) per equity share of Rs. 10/- each, for the financial year 2017-18, 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 Rs. 157.52 Lakhs, including dividend distribution tax of Rs. 27.52 Lakhs.

➤ TRANSFER TO RESERVES

Your Company has transferred Rs. 1,00,00,000 to General Reserve during the year.

➤ SHARE CAPITAL

Your Company's paid-up Equity Share Capital as on 31st March, 2018 is Rs. 6.50 crore, comprising of 65,00,000 Equity Shares of Rs.10 each, fully paid up.

Your Company has not issued any shares with differential rights and hence no information as per the provisions of Section 43(a)(ii) of the Companies Act, 2013 ("Act") read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Your Company has not issued any sweat equity shares during the financial year under review and hence no information as per the provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Your Company has not issued any equity shares under Employees Stock Option Scheme during the financial year under review and hence no information as per the provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

During the financial year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 and hence no information has been furnished.

➤ DEPOSITS

Your Company has not accepted/ renewed any deposits from the public or the Members, within the meaning of Section 73 of the Act read with Chapter V of the Act and the Companies (Acceptance of Deposits) Rules, 2014, during the financial year 2017-18.



The deposits, accepted in FY 2015-16 for a term of 3 years till 31st March, 2018 from the Members and the Directors of your Company, have been repaid either on the request of the deposit-holders before the expiry of the term or after the expiry of the term in accordance with the provisions of Section 73 of the Act read with Chapter V of the Act and the Companies (Acceptance of Deposits) Rules, 2014; and no amount of principal or interest on the said deposits was outstanding as of the Balance Sheet date.

➤ **CREDIT RATING**

Your Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations. ICRA, a reputed Rating Agency, has rated the banking facilities enjoyed by your Company from its Bankers as "BBB+" for the long term and fund-based limits and A3+ for the non-fund based limits.

➤ **PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES**

The particulars of loans, guarantees, investments and securities provided during the financial year under review, covered under the provisions of Section 186 of the Act have been provided in the Financial Statements, which forms part of this Annual Report. Your Company has complied with the provisions of Sections 185 and 186 of the Act to the extent applicable, with respect to the loans and investments made.

➤ **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Section 125 of the Act, dividend of Rs. 3.31 Lakhs pertaining to the financial year 2009-10, 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 TRANSACTIONS**

Your Company has implemented a policy related to Related Party Transactions as framed by the Audit Committee. The said Policy is available on the Company's website: www.glascoat.com under Investors Guide -Company Policies.

During the financial year under review, your Company has entered into related party transactions on an arm's length basis in accordance with Section 188 of the Act and the Rules thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the same are provided in Form AOC-2 annexed hereto, which forms part of this Report.

Further, all such contracts/ arrangements/ transactions were placed before the Audit Committee and Board, for their approval. Prior omnibus approval of the Audit Committee/ Board is obtained on an annual basis, which is reviewed and updated on quarterly basis.

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

The particulars as required under the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in the Annexure, which forms part of this Report.

➤ **PARTICULARS OF EMPLOYEES AND REMUNERATION**

(A) The details of the ratio of the remuneration of each director to the median remuneration of the employees and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed hereto and form part of this Report.

(B) The details of the top 10 employees of the Company in terms of remuneration drawn as required under Section 134 of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed hereto and form part of this Report.

(C) None of the employees of the Company are drawing remuneration of Rs. 1,02,00,000/- or more per annum or Rs. 8,50,000/- or more per month or for any part of the year and hence the particulars required to be disclosed under Section 134 of the Act read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not required to be furnished.

➤ **EXTRACT OF ANNUAL RETURN**

An extract of the Annual Return for the financial year 2017-18 in Form MGT-9 pursuant to the provisions of Section 92 of the Act read with Rule 2 of the Companies (Management and Administration) Rules, 2014 as required under Section 134 of the Act is annexed hereto and forms part of this Report.

➤ **CORPORATE GOVERNANCE**

Pursuant to the provisions of Regulation 34(3) read with Schedule V (C) of the Listing Regulations, the Report on Corporate Governance is annexed hereto and forms part of this Report. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics. The requisite Compliance Certificate as required under Part E of Schedule V of the Listing Regulations, issued by M/s. M. M. Nissim & Co., Chartered Accountants (Firm Registration No. 107122W), -Statutory Auditors, Mumbai, pertaining to the compliance of the conditions of Corporate Governance, is also annexed hereto.

➤ **MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to Regulation 34(3) read with Schedule V (B) of the Listing Regulations, the Report on Management Discussion and Analysis is annexed hereto and forms part of this Report.