



20TH ANNUAL REPORT
2010 - 2011



Board of Directors

Chairman Mr. Kanubhai K. Patel

Managing Director Mr. Sudarshan P. Amin

Technical Director Mr. Ambalal P. Patel

Executive Director Ms. Phagun Amin

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

Company Secretary Ms. Dhvani Shah

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

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

Bankers
State Bank of India
Karur Vysya Bank

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



NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of **SWISS GLASCOAT EQUIPMENTS LIMITED** will be held on Thursday, September 22, 2011 at 10.00 a.m. at the Registered Office of the Company situated at H-106, G.I.D.C. Estate, Vitthal Udyognagar – 388 121 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account and Cash Flow Statement for the year ended on that date together with the Report of the Auditor and the Directors' Report thereon.
2. To declare dividend on Equity Shares of the Company for the year 2010-11.
3. To appoint a Director in place of Mr. Jagrut Bhatt, Director, who retires by rotation and being eligible, has offered himself for reappointment.
4. To appoint a Director in place of Mr. Bharat Patel, Director, who retires by rotation and being eligible, has offered himself for reappointment.
5. To appoint a Director in place of Mr. Dharmesh Patel, Director, who retires by rotation and being eligible, has offered himself for reappointment.
6. To appoint Statutory Auditors and fix their remuneration.

SPECIAL BUSINESS:

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



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

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

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

Date : 30.07.2011
Place : V. U. Nagar

Ms. Dhvani Shah
Company Secretary

NOTES:

- (A) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING. BLANK PROXY FORM IS ENCLOSED.**
- (B) Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
- (C) The Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of business under Item Nos. 7 to 10 are annexed hereto.
- (D) Members are requested to intimate to the Company queries, if any, regarding the accounts/ notices at least ten days before the Annual General Meeting to enable the Management to keep the information ready at the meeting.
- (E) The Register of Members and Share Transfer Books of the Company will remain closed from 12.09.2011 to 19.09.2011 (both days inclusive) for the purpose of the payment of Dividend, subject to the approval by the shareholders in the ensuing Annual General Meeting.
- (F) Dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be payable to those Members, whose names appear on the Register of Members of the Company, after giving effect to valid share transfers in physical form lodged with the Company on 11.09.2011, to its registered address and the respective Beneficial Owners as per the list provided by the National Securities Depository Ltd and the Central Depository Services Ltd at the close of business hours on 11.09.2011.
- (G) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the Members.
- (H) Members are requested to notify immediately any change of address quoting their Folio Number/ DP ID, Banker's name and Account number to ensure prompt and safe receipt of dividend warrants :
- (i) to their Depository Participants (DPs) in respect of their shares held in electronic form, and
 - (ii) to MCS Ltd, the Registrar and Share Transfer Agents of the Company, in respect of their physical shares,
- (I) Shareholders are advised to encash their dividend warrants within the validity period. Thereafter, the payment of unencashed dividend warrants shall be made after expiry of initial validity period and receipt of unpaid list after reconciliation of Dividend Account from Bank.
- (J) Shareholders who have so far not encashed dividend warrant(s) of the earlier years 2003-04 to 2009-10 are requested to claim payments in writing to the Company. The Company shall allow claims for unpaid dividend for the year 2003-04 only



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

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

- (K) Members are requested to note that as per SEBI Circular dated May 20, 2009, it has been made compulsory, from the date of issue of the circular, for every market participant dealing in shares in physical form to provide a PAN Card copy to the Company or its Registrar and Share Transfer Agent for processing any type of requests viz, transfer, transmission, consolidation, etc. Hence, the transferee(s) are requested to submit their application for transfer/ transmission, etc of physical shares, along with a photocopy of both sides of their PAN Card(s) for expeditious transfer of shares.
- (L) Shareholders holding shares in identical order of names in more than one folio are requested to write to the Registrar and Share Transfer Agent of the Company, enclosing their Share Certificates, for consolidation of their shares.
- (M) Members are requested:-
- (i) to bring their copies of Annual Report, Notice and Attendance Slip duly filled in at the time of the Meeting.
 - (ii) to quote their Folio Nos. / DP ID Nos. in all correspondence.

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

Date : 30.07.2011
Place : V. U. Nagar

Ms. Dhvani Shah
Company Secretary

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

Item No. 7

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

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

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

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

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

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

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

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



Item No. 8

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

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

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

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

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

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

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

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

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

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

Item No. 9 & 10

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

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

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

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

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

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

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

Annual Increment : As decided by the Remuneration Committee

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

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

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


Annexure to the Explanatory Statement

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

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

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

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



DIRECTORS' REPORT

Dear Members

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

(1) FINANCIAL AND WORKING RESULTS

(Rs. In '000)

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

(2) PERFORMANCE REVIEW

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

(3) DIVIDEND

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

(4) DEPOSITS

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

(5) TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

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

(6) DIRECTORS

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

(7) CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION ANALYSIS REPORT

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



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

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

(9) PARTICULARS OF EMPLOYEES

There was no employee drawing remuneration of Rs.60,00,000 or more per annum or Rs.5,00,000 or more per month or for any part of the year and hence particulars as required under section 217(2A) of the Companies Act, 1956 have not been furnished.

(10) DIRECTORS RESPONSIBILITY STATEMENT

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

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

(11) AUDITORS AND AUDITORS' REPORT

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

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

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

(12) ACKNOWLEDGEMENTS

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

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

Date: : 30.07.2011

Place: : Vitthal Udyognagar

Mr. Kanubhai K. Patel

Chairman

Mr. Sudarshan P. Amin

Managing Director



ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(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 31-03-2011

CONSERVATION OF ENERGY

The Company is aware of the importance of saving energy consumption at all levels and has endeavored to conserve energy wherever possible.

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

Total Electric Consumption (net of units generated by windmill)

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

FOREIGN EXCHANGE EARNINGS AND OUTGO :

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

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

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

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

Date : 30.07.2011

Place : Vitthal Udyognagar

Mr. Kanubhai K. Patel

Chairman

Mr. Sudarshan P. Amin

Managing Director



CORPORATE GOVERNANCE 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 should meet stakeholders' aspirations and societal expectations and bring about sustained corporate growth.

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 2010-11, are as under:

Name of Directors	Category of Directorship	Attendance	Sitting Fees paid (Rs in '000s)	Whether Attended Last AGM	Other Public Companies		
					Directorship held	Members in Committee	Chairman in Committee
Kanubhai K. Patel	Independent Director	6	60.00	Yes	0	0	0
Sudarshan P. Amin	Managing Director	6	N. A.	Yes	0	0	0
Ambalal P. Patel	Technical Director	6	N. A.	Yes	0	0	0
Shashikant P. Patel	Non Executive Director	6	60.00	Yes	0	0	0
Paresh S. Shah	Non Executive Director	6	60.00	Yes	0	0	0
Bhanubhai B. Patel	Independent Director	6	60.00	Yes	0	0	0
Jagrut H. Bhatt	Independent Director	5	50.00	Yes	0	0	0
Kaushik R. Shah	Independent Director	6	60.00	Yes	0	0	0
Bharat R. Patel	Independent Director	6	60.00	Yes	0	0	0
Dharmesh J. Patel	Independent Director	4	40.00	Yes	0	0	0

The Board of Directors met 6 (six) times during the year on the following dates: 22.04.2010, 20.07.2010, 30.08.2010, 30.10.2010, 17.01.2011, and 29.01.2011.

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 22.04.2010, 20.07.2010, 30.10.2010 and 29.01.2011 and the attendance of the Members at the Meetings was as follows:

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



SHAREHOLDERS GRIEVANCE COMMITTEE

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

During the year, 3 (Three) Meetings were held during the year on following dates:

20.07.2010, 30.10.2010 and 29.01.2011 and the attendance of the Members at the Meetings was as follows:

Name of Member	Designation	Attendance
Mr. Bharat R. Patel	Chairman	3
Mr. Ambalal P. Patel	Member	3
Mr. Kaushik R. Shah	Member	3

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:

Opening : 0 Received : 4 Disposed Off : 3 Pending : 1

During the year under review, the Company had 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	114
Transmission of Shares	2
Issue of Duplicate Share Certificates	8
Consolidation of Shares	2
Name Deletion	8
TOTAL	134

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, details of whom are as under:

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

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
2007-08	27/09/2008	10.00 A.M.	ANNUAL GENERAL MEETING	AT THE REGISTERED OFFICE : H-106, G I D C ESTATE, VITTHAL UDYOGNAGAR - 388 121
2008-09	26/09/2009	10.00 A.M.	ANNUAL GENERAL MEETING	
2009-10	30/08/2010	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. Transactions with the related parties are disclosed in detail in Note No. 7, Schedule 19 – Notes on Accounts, annexed to the financial statements of the year.

(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 Rs. 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.

The details of remuneration paid by the Company for the year 2010-11 are given below:

(Rs.in '000s)

Name Of Director	Basic Salary	Allowances, Bonus & Perquisites	Commission	Total
Mr. Sudarshan P. Amin	1083.46	897.51	443.85	2424.82
Mr. Ambalal P. Patel	662.12	742.95	-	1405.07
TOTAL	1745.58	1640.46	443.85	3829.89

Note:

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



- (c) The number of shares held by the Board Members as on 31.03.2011 is stated hereunder:

Name of the Director	No. of Shares	Name of the Director	Shares Held
Mr. Kanubhai Patel	19500	Mr. Bhanubhai Patel	2600
Mr. Sudarshan Amin	571800	Mr. Jagrut Bhatt	Nil
Mr. Ambalal Patel	61300	Mr. Kaushik Shah	Nil
Mr. Shashikant Patel	351300	Mr. Bharat Patel	Nil
Mr. Paresh Shah	203375	Mr. Dharmesh Patel	Nil

(D) Management

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

(E) Shareholders

Mr. Jagrut Bhatt, Mr. Bharat Patel and Mr. Dharmesh Patel, are the Independent Directors of the Company, retiring by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

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

Particulars	Mr. Jagrut Bhatt	Mr. Bharat Patel	Mr. Dharmesh Patel
Date of Birth	22.02.1956	15.01.1953	10.05.1966
Date of Appointment	07.04.2009	07.04.2009	07.04.2009
Qualifications	B.Com	B.Com	Under Graduate
Expertise	Finance & Tax	Finance & Management	Administration
Directorships held in other public cos.	None	None	None
No. of shares held in the Co.	Nil	Nil	Nil

(F) Compliance

There were no instances of non-compliances or any matter viz imposition of penalties or strictures on the Company by the Stock Exchange or SEBI or any statutory authority, related to the capital markets during the last Three Years.

The Company has complied with all mandatory requirements as stipulated in Clause 49 of the Listing Agreement.

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

CEO/CFO CERTIFICATION

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

MEANS OF COMMUNICATION

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

***Website:** Your Company is in the process of strengthening its website www.glascoat.com to provide comprehensive information on its financial performance, operational performance and press releases.

***Media:** Announcements and periodical financial results, etc. are published in newspapers, namely, Business Standards and Jansatta.

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

***Annual Report:** Annual Report containing inter alia Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to Members and others entitled thereto.


GENERAL SHAREHOLDERS INFORMATION

Compliance Officer	:	Ms. Dhvani Shah Mr. Bipin Thakkar (in absence of Ms. Dhvani Shah)
Date, Time and Venue of the 20th Annual General Meeting	:	September 22, 2011 at 10.00 a.m. at H-106, G I DC Estate, Vitthal Udyognagar – 388 121
Financial Calendar	:	April 1 to March 31
Date of Book Closure	:	12.09.2011 to 19.09.2011
Dividend Payment	:	15.10.2011
Listing on Stock Exchange	:	The Bombay Stock Exchange Limited The requisite listing fees have been paid in full to the Stock Exchange.
Registrar and Share Transfer Agents	:	MCS LTD. Neelam Apartments, 88, Sampatrao Colony, Alkapuri, Vadodara – 390 007 Phone No. : 0265-2339397 Fax no. : 0265-2341639 E-Mail Id : mcsbarodaltd@yahoo.com
ISIN of DEMAT Shares	:	INE461D01010

SHARE TRANSFER SYSTEM

The transfer of Shares in Physical form is processed and completed by MCS LIMITED within the period specified from the date of receipt thereof.

DISTRIBUTION OF SHAREHOLDING

(A) Distribution of shares as per Category as on 31st March, 2011

Category Code	Category of Shareholders	No. of Shareholders	Total No. of Shares	% of (A+B+C)
(A)	Shareholding of Promoter & Promoter Group			
(1)	Indian	22	2171694	43.43
(2)	Foreign	0	0	0.00
	Total	22	2171694	43.43
(B)	Public Shareholding			
(1)	Institutions	0	0	0.00
(2)	Non-Institutions	5446	2828306	56.57
	Total	5446	2828306	56.57
(C)	Shares held by Custodians and against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	0	0	0.00
(2)	Public	0	0	0.00
	Total	0	0	0.00
	GRAND TOTAL (A+B+C)	5468	5000000	100.00


(B) Distribution of shares by size as on 31st March, 2011

Category of Shares	Number of Shareholders	% Holders	Number of shares	% Shares
1 to 500	4867	89.01	916595	18.33
501 to 1,000	353	6.46	295072	5.90
1,001 to 2,000	142	2.60	216687	4.33
2,001 to 3,000	30	0.55	76978	1.54
3,001 to 4,000	9	0.16	31787	0.64
4,001 to 5,000	17	0.31	79933	1.60
5,001 to 10,000	18	0.33	140842	2.82
10,001 to 50,000	19	0.35	570931	11.42
50,001 to 1,00,000	5	0.09	371500	7.43
1,00,001 & Above	8	0.14	2299675	45.99
TOTAL	5468	100.00	5000000	100.00

DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's shares are available for dematerialization on both the depositories viz National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Shareholders holding shares of the Company in physical form are requested to dematerialize their shares for easy and expeditious transfer thereof.

ADDRESS FOR CORRESPONDENCE
Registered Office:

Swiss Glascoat Equipments Limited
H-106, G I D C Estate,
Vitthal Udyognagar – 388 121.

E-mail ID:

share@glascoat.com

To allow us to service the Shareholders with greater speed and efficiency, the Company strongly recommends e-mail based correspondence on all issues which do not require signature verification for being processed.

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

Date : 30.07.2011

Place : V. U. Nagar

Ms. Dhvani Shah
Company Secretary



Declaration by the Managing Director under Clause 49(I)(D) of the Listing Agreement regarding adherence to the Company's Code of Conduct

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all Directors and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct laid down by the Company, as applicable to them for the Financial Year ended March 31, 2011.

For **Swiss Glascoat Equipments Limited**

Mr. Sudarshan P. Amin
Managing Director

Date: 30.07.2011

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of
Swiss Glascoat Equipments Limited

We have examined the compliance of conditions of Corporate Governance by Swiss Glascoat Equipments Limited for the year ended on 31st March, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders and Investors' Grievance Committee/ Share Transfer Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Darji and Associates
Chartered Accountants
(Registration No. 116519W)

C.A. L.B. Darji
Proprietor
M.No. 30992

Date: 30.07.2011
Place: V. V. Nagar



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A) Industry structure and Development

The Glass line Industry is engaged in manufacturing of specialized Glass lined equipments used for reactions of corrosive chemicals by the Pharmaceuticals, Agro-based and other Chemical Industries. The core element of the Glass line Industry lies in the technology for manufacturing of glass frit and its applications.

Swiss Glascoat Equipments Ltd. is engaged in the manufacture and sale of glass lined equipments and spares in India and abroad. The Company offers glass lined reactors, process tanks, evaporation vessels, RCVDs, distillation columns, mixers and agitators, heat exchangers, dryers, blenders, agitated filters, pipes, valves and fittings, and other paraphernalia for use in pharmaceuticals, dyes and chemical and fertilizers industries. These equipments are manufactured under approved Quality Plan of the Company.

At present, India has three major suppliers, including your Company, of Glass lined equipments; and your Company today stands second biggest supplier servicing every end user of Indian Pharmaceuticals, Agro-based and other Chemical Industries.

During the year under review, the Management of your Company has continuously strived for achieving cost effectiveness in various areas of operations, quality maintenance which has resulted in profitable gains to the Company.

The business environment continues to be challenging; however due to the sustainable Government efforts for recovery of a stable Economy and also the Company's Management to tackle the increasing inflation rates, the Company, as expected achieved a high turnover this year. Your Company believes in firm and steady growth and is continuously heading towards that direction.

Consequent upon progress in pharmaceutical and chemical industries and subsequent increase in orders for the products of your Company with sustainable marketing efforts, even in turbulent times witnessed by the Indian economy, Your Company has been able to register a profitable performance during 2010-11.

B) Opportunities, Threats, Risk and Concerns

Your Company always tries to find the opportunities in the Glass-lined Industry through its strength, technology edge and management expertise. These opportunities are linked directly to the growing demand from the customers. Your Company has designed user-friendly Glass lined reactors which have been very well accepted by the customers.

The threats for your Company are mostly associated with rising inflation, the cause to every adverse factor, be it adverse fluctuation in raw material prices or increasing interest rates and moderating GDP growth. In the forthcoming year, rising input prices and interest rates are likely to remain a major cause to worry for manufacturing companies; close to three-fourths (72%) of the companies in the manufacturing sector anticipate input prices to continue their upward journey during FY12. Also, non-availability of adequate skilled manpower has the potential to adversely affect the growth of the Company.

Your Company has identified the major thrust areas to concentrate on, which it believes to be critical for achievement of organizational goals. A well defined structure has been laid down to assess, monitor and mitigate risk associated with these areas. Hence, your Company is optimistic to tide over the problems and fulfill the profit expectations of the members.

C) Outlooks for 2011-12

In a dynamic economic environment mainly featured by growth and rising inflation, gauging the optimism of the business community provides an assessment of the overall growth prospects of an economy. The Indian Economy, bruised with financial crisis around the world, was strong enough to digest it and move along the development path firmly and steadily. According to a Report the, Indian Companies in the manufacturing sector have a robust outlook on demand conditions in FY12; as much as 88% of the manufacturing companies surveyed expect sales volumes to increase over FY11.

The outlook for the Glass-lined Industry depends on the recovery of the Global Economy, Government's stance for taming inflation and interest costs, the prices of steel and steps for growth of the Indian Economy.



The growth of the Glass-lined Industry mainly depends on the growth of the Pharmaceutical and Chemical Industries, besides that on Dyes & Pigments and Food Processing Industries. According to IMS Health, in the forthcoming year, the pharmaceutical industry is expected continue to witness major challenges like sluggish prescription trends, EU pricing pressure, intensifying generic competition, pipeline failures and limited late-stage catalysts; consequently its growth will be restricted to the mid-single digits (5-8%) through 2014. However, with a healthy order book portion in hand, your Company expects to maintain a profitable growth.

Further, domestic steel prices have increased by Rs. 2500-5000 since the beginning of January 2011 mainly on account on increase in prices of key inputs. Also, a report of an accredited rating agency has quoted further increase in steel prices in 2011 from current level due to cost push and robust domestic demand. This shall affect our Company's operations since major chunk of our raw materials consists of steel inputs. However, due to cost management and aggressive marketing of the Company's products, the Company continues to maintain its positive stance.

The Industry is widely expected to continue its growth performance in the medium and long term.

D) 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 sufficient internal control systems to detect and mitigate irregularities and frauds. To further strengthen the internal control systems, an external agency has also been appointed as the internal auditors of the Company, apart from appointment of the statutory auditors.

E) Material Developments on Human Resources

Long term agreements have been concluded with all the concerned levels of employees. We have been having excellent co-operation and support from the entire hierarchy of personnel, resulting in a sharp improvement in productivity and overall growth of the Company during the current year.



AUDITORS REPORT

To the Members of Swiss Glascoat Equipments Limited.

We have audited the attached Balance Sheet of SWISS GLASCOAT EQUIPMENTS LTD. as at 31st March, 2011 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. This financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors Report) Order 2003, issued by the Central Government of India in terms sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraph 4 and 5 of the said Order.
2. Further to our comments in the annexure referred to in paragraph 1 above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of those book;

- c) The Balance sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet and profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) On the bases of written representation received from the Directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that non of the Directors are disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Significant Accounting Policies and notes thereon, give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011;
 - (ii) in case of Profit & Loss Account of the profit for the year ended on that date; and
 - (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For, **Darji And Associates**
Chartered Accountants
(Registration No. 116519W)

CA L. B. DARJI
Proprietor
M.No. 030992

Place : Vitthal Udyognagar,
Date : 30th July, 2011



ANNEXURE TO AUDITORS REPORT

(Refer to in Paragraph I of Report of even date)

- I) In respect of its fixed assets;
- The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
 - The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - During the year, the Company has not disposed off substantial part of fixed assets that affects the going concern status of the Company.
- II) In respect of its inventories;
- As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories and no material discrepancies were noticed on physical verification.
- III) In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
- The Company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clause (b), (c) and (d) of clause 4(iii) of the order are not applicable to the Company.
 - The Company has taken unsecured loans amounting to Rs.100.00 lacs from six parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year and also the year end balance was Rs.125.00 lacs.
- c. The rate of interest and other terms and conditions on which loans have been taken are not prima-facie, prejudicial to the interest of the Company.
- d. The payment of the principal amount and the interest was regular during the year.
- IV) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regards to purchases of inventory, fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in such internal control system.
- V) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of knowledge and belief and according to the information and explanations given to us:
- The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section 1956 have been so entered.
 - Where each of such transaction is in excess of Rs. 5.00 lacs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time except in respect of certain purchases for which comparable quotations are not available and in respect of which we are unable to comment.
- VI) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of clause 4(vi) of the Order are not applicable to the Company.
- VII) In our opinion, the Company's present internal audit carried out by a firm of Chartered Accountants is commensurate with size and nature of its business.
- VIII) The Central Government has not prescribed the



maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act for any of its products. Therefore, the provisions of clause 4 (viii) of the Order are not applicable to the Company.

IX) In respect of statutory dues:

- a. The Company has generally been regular in depositing undisputed dues, including Provident Funds, Investor Education & Protection Fund, Income tax, Sales tax, Customs duty, Service tax, Excise duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Funds, Investor Education & Protection Fund, Income tax, Sales tax, Customs duty, Excise duty, Service tax and Cess were in arrears, as at 31st March, 2011 for a period of more than six months from the date of they became payable.
- c. Details of dues of Sales tax and Income tax which have not been deposited as on 31st March, 2011 on account of disputes are given below:

Particulars	Period of which amount relates	Forum where the dispute is pending	Amount (Rs. in lacs)
Central Sales Tax	2000-01	Jnt. Comm. (Appeals)	0.88
	2003-04	Dpt. Comm. (Appeals)	3.62
Central Excise	2002-03 to 2005-06	Comm. (Appeals)	9.17
Income Tax	1999-00	Commissioner of Income Tax (Appeals)	0.30
	2000-01		0.20
	2001-02		0.18
	2002-03		10.00
	2003-04		45.00
	2003-04		2.90
	2004-05		14.93

X) The Company neither has any accumulated losses nor incurred any cash losses during the financial year covered by the audit and immediately preceding financial year.

XI) In our opinion and according to the information and

explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or bank.

XII) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the bases of security by way of pledge of shares, debentures or other securities.

XIII) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.

XIV) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Order are not applicable to the Company.

XV) In our opinion and according to the information and explanations given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions.

XVI) In our opinion and according to the information and explanations given to us, the term loans obtained have been applied for the purpose for which they were raised.

XVII) In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term bases have not been used during the year for long-term investment.

XVIII) The Company has not made any preferential allotment of shares to the parties or companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.

XIX) The Company has not issued any secured debentures during the year.

XX) The Company has not raised any money by way of public issue during the year.

XXI) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For, **Darji And Associates**
Chartered Accountants
(Registration No. 116519W)
CA L. B. DARJI
Proprietor
M.No. 030992

Place : Vitthal Udyognagar,

Date : 30th July, 2011

**BALANCE SHEET AS AT 31ST MARCH, 2011**

(Rs. in '000 s)

		As at 31-Mar-11	As at 31-Mar-10
	Sch.		
SOURCES OF FUND :			
SHAREHOLDERS' FUND:			
Share Capital	1	50,000.00	50,000.00
Reserve & Surplus	2	114,380.55	98,932.59
		<u>164,380.55</u>	<u>148,932.59</u>
LOAN FUNDS:			
Secured Loans	3	170,642.86	130,487.77
Unsecured Loans	4	28,504.00	18,504.00
		<u>199,146.86</u>	<u>148,991.77</u>
DEFERRED TAX LIABILITY	5	35,134.00	29,166.08
TOTAL FUNDS EMPLOYED		<u>398,661.41</u>	<u>327,090.44</u>
APPLICATIONS OF FUND:			
FIXED ASSETS	6		
(a) Gross Block		272,123.67	263,945.27
(b) Less : Depreciation		<u>86,858.66</u>	<u>72,271.92</u>
(c) Net Block		185,265.01	191,673.35
(d) Capital Work-in-Progress		19,753.47	-
INVESTMENT	7	2.50	2.50
CURRENT ASSETS, LOANS AND ADVANCES	8		
Inventories		359,067.14	202,777.64
Sundry Debtors		53,444.48	36,645.60
Cash and Bank Balances		21,370.74	23,226.55
Other Current Assets		572.60	775.36
Loans and Advances		<u>24,815.74</u>	<u>24,748.94</u>
		<u>459,270.70</u>	<u>288,174.09</u>
LESS: CURRENT LIABILITIES AND PROVISIONS	9	265,630.27	152,759.51
Net Current Assets		<u>193,640.43</u>	<u>135,414.58</u>
TOTAL ASSETS (NET)		<u>398,661.41</u>	<u>327,090.44</u>
Significant Accounting Policies	18		
Notes on Accounts	19		

As per our report attached
For Darji and Associates
Chartered Accountants
(Registration No. 116519W)

For and on behalf of the Board
Mr. Kanubhai Patel **Chairman**
Mr. Sudarshan Amin **Managing Director**
Ms. Dhvani Shah **Company Secretary**

CA L. B. DARJI
Proprietor
M.No. 030992

Place : Vitthal Udyognagar,
Date : 30th July, 2011



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in '000)

		Year Ended 31-Mar-11	Year Ended 31-Mar-10
	Sch.		
INCOME			
Sales		565,563.80	480,896.57
Labour Income		10,085.61	8,326.29
Less : Excise		46,113.36	34,310.02
Turnover		529,536.04	454,912.84
Other Income	10	1,682.55	2,534.07
Increase/Decrease in Stock	11	102,943.73	4,303.18
		634,162.31	461,750.08
EXPENDITURE			
Cost of Raw Material	12	327,809.60	208,395.87
Manufacturing Expenses	13	151,860.58	128,908.73
Employees Remuneration and Benefits	14	34,290.97	29,401.27
Interest and Finance Charges	15	25,823.05	19,063.43
Selling, General and Administration Expenses	16	39,731.32	30,358.14
Depreciation	6	15,984.56	9,830.65
		595,500.08	425,958.08
PROFIT		38,662.24	35,792.00
Previous year adjustments	17	-	1.82
PROFIT BEFORE TAXATION		38,662.24	35,790.18
PROVISION FOR TAXATION			
Current tax		7,706.00	6,085.00
Deferred tax		5,967.92	8,496.60
MAT credit entitlement		(2,081.89)	(2,196.60)
Tax Adjustment of Earlier Year		-	(608.10)
PROFIT AFTER TAX		27,070.21	24,013.27
Add:Brought forward profit		8,780.59	14,711.89
PROFIT AVAILABLE FOR APPROPRIATION		35,850.80	38,725.16
APPROPRIATION:			
Proposed Dividend		10,000.00	8,500.00
Tax on Proposed Dividend		1,622.25	1,444.58
Transferred to General Reserve		18,000.00	20,000.00
Balance Carried to Balance Sheet		6,228.55	8,780.59
		35,850.80	38,725.16
Basic and Diluted Earning per share (Face Value Rs. 10 per share) (Refer Note 6, Schedule 19)		5.41	4.80
Significant Accounting Policies	18		
Notes on Accounts	19		

As per our report attached
For Darji and Associates
Chartered Accountants
(Registration No. 116519W)

CA L. B. DARJI
Proprietor
M.No. 030992

For and on behalf of the Board

Mr. Kanubhai Patel **Chairman**
Mr. Sudarshan Amin **Managing Director**
Ms. Dhvani Shah **Company Secretary**

Place : Vitthal Udyognagar,
Date : 30th July, 2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011****(Pursuant to the Listing Agreement with Stock Exchange)**

	As at 31-Mar-2011 Rupees in '000s	As at 31-Mar-2010 Rupees in '000s
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax and extraordinary items	38,662.24	35,792.00
Adjustments for:		
(Profit)/Loss on fixed assets sold/discarded	1,442.51	52.56
Depreciation	15,984.56	9,830.65
Exchange rate difference	-	(839.85)
Interest Expenses	25,823.05	19,063.43
Interest income	(850.56)	(1,031.73)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	81,061.79	62,867.06
Adjustments for:		
Inventories	(156,289.50)	1,975.73
Trade receivables	(16,798.88)	10,556.58
Other receivables	(1,601.50)	4,131.37
Current Liabilities (Excluding proposed dividend, Tax on distributed profits, Income-tax Provision)	111,193.09	31,974.77
CASH GENERATED FROM OPERATIONS	17,565.00	111,505.51
Direct Taxes Paid (Net)	(4,089.40)	(9,242.31)
Cashflow before Extraordinary Items	13,475.60	102,263.20
Extraordinary items	-	-
NET CASH FROM OPERATING ACTIVITIES	13,475.60	102,263.20
B. CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(31,601.94)	(63,474.54)
Sale of Fixed Assets	829.75	106.50
Interest income	850.56	1,031.73
NET CASH FROM/ (USED) IN INVESTING ACTIVITIES	(29,921.63)	(62,336.31)
C. CASHFLOW FROM FINANCING ACTIVITIES		
Change in short term borrowing (Net)	55,050.83	(36,017.26)
Change in long term borrowing (Net)	(4,895.73)	21,563.80
Interest paid	(25,823.05)	(19,063.43)
Dividend paid (Including tax on distributed profits)	(9,944.58)	(7,019.70)
NET CASH USED IN FINANCING ACTIVITIES	14,387.47	(40,536.59)
Net increase/ (Decrease) in cash and cash equivalents (A+B+C)	(2,058.57)	(609.70)
Cash and cash equivalents Opening Balance	24,001.91	24,611.61
Cash and cash equivalents Closing Balance	21,943.34	24,001.91
Net increase/ (Decrease) in cash and cash equivalents	(2,058.57)	(609.70)

As per our report attached
For Darji and Associates
Chartered Accountants
(Registration No. 116519W)

CA L. B. DARJI
Proprietor
M.No. 030992

For and on behalf of the Board

Mr. Kanubhai Patel	Chairman
Mr. Sudarshan Amin	Managing Director
Ms. Dhvani Shah	Company Secretary

Place : Vitthal Udyognagar,
Date : 30th July, 2011



Schedules forming part of the Balance Sheet as at 31st March, 2011

	As at 31-Mar-2011 Rs in '000s	As at 31-Mar-2010 Rs in '000s
SCHEDULE - 1 SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
50,00,000 Equity shares of Rs. 10 each	50,000.00	50,000.00
	50,000.00	50,000.00
Issued, Subscribed and Paidup Capital		
50,00,000 Equity shares of Rs. 10 each	50,000.00	50,000.00
	50,000.00	50,000.00
SCHEDULE - 2 RESERVES AND SURPLUS		
General Reserve		
As per last Balance Sheet	90,000.00	70,000.00
Add: Transferred from Profit and Loss Account	18,000.00	20,000.00
	108,000.00	90,000.00
Profit and Loss Account	6,228.55	8,780.59
Capital Reserve:		
As per last Balance Sheet	152.00	152.00
	114,380.55	98,932.59
SCHEDULE - 3 SECURED LOANS		
Working Capital Loan	131,054.69	86,003.86
Term loan	38,929.32	42,527.15
Vehicle loan from Banks (secured by way of hire purchase of vehicle)	658.86	1,956.76
	170,642.86	130,487.77
NOTE:		
Both the working capital loan and term loan are taken from State Bank of India, and are secured by equitable mortgage of land and factory building and hypothecation of plant & machineries, inventories & receivables		
SCHEDULE - 4 UNSECURED LOAN		
Short Term from Directors	6,000.00	2,500.00
Short Term from Others	22,504.00	16,004.00
	28,504.00	18,504.00
SCHEDULE - 5 DEFERRED TAX LIABILITY		
Arising on account of timing differences in Depreciation	35,134.00	29,166.08
	35,134.00	29,166.08



SCHEDULE - 6 FIXED ASSETS

Description of Assets	Gross Block				Depreciation Block			Net Block	
	As at 1st April '10 Rs. in '000s	Addition Rs. in '000s	Deduction Rs. in '000s	As at 31st March '11 Rs. in '000s	As at 1st April '10 Rs. in '000s	Addition Rs. in '000s	Deduction Rs. in '000s	As at 31st March '11 Rs. in '000s	As at 31st March '10 Rs. in '000s
Leasehold land	4,520.76	-	-	4,520.76	-	-	-	4,520.76	4,520.76
Building	51,636.64	670.55	-	52,307.18	17,879.73	1,727.36	-	32,700.09	33,756.91
Plant & Machinery	95,384.19	4,439.47	334.91	99,488.76	34,121.02	4,606.11	192.38	60,954.01	61,263.17
Windmill	62,250.09	-	-	62,250.09	282.16	6,436.66	-	55,531.28	61,967.94
Electrical Installation	11,713.09	-	-	11,713.09	4,511.52	556.37	-	6,645.20	7,201.57
Tools and Equipments	17,997.82	4,629.23	2,710.00	19,917.05	4,749.93	967.57	835.59	15,035.13	13,247.89
Furniture and Fixtures	4,417.95	302.17	-	4,720.12	2,449.54	294.39	-	1,976.19	1,968.41
Office equipments	2,708.98	-	-	2,708.98	1,848.87	171.48	-	688.64	860.12
Vehicals	8,636.92	175.60	625.17	8,187.36	2,615.59	809.25	369.85	5,132.36	6,021.33
Air Conditioners	1,077.26	76.50	-	1,153.76	534.04	68.34	-	551.39	543.22
Computers	3,601.56	294.55	-	3,896.11	3,279.52	347.04	-	269.56	322.04
Intengible Asset	-	1,260.41	-	1,260.41	-	-	-	1,260.41	-
TOTAL	263,945.27	11,848.47	3,670.07	272,123.67	72,271.92	15,984.56	1,397.82	185,265.01	191,673.35
PREVIOUS YEAR	201,119.71	63,474.54	648.99	263,945.27	62,931.19	9,830.65	489.93	191,673.35	138,188.52



	As at 31-Mar-2011 Rs in '000s	As at 31-Mar-2010 Rs in '000s
SCHEDULE - 7 INVESTMENT		
Unquoted, Non-Trade (Other)		
50 Equity shares of Charotar Gas Sahakari Mandali Ltd. of Rs 50 each	2.50	2.50
	2.50	2.50
SCHEDULE - 8 CURRENT ASSETS, LOANS AND ADVANCES		
(A) INVENTORIES		
(As taken, valued and certified by management)		
Raw Materials	96,265.55	43,614.81
Work in Process	242,319.92	139,422.53
Stores & Spares	1,624.63	929.59
Finished Goods	18,857.05	18,810.71
	359,067.14	202,777.64
(B) SUNDRY DEBTORS		
(Unsecured, considered Good)		
More than six months	10,210.70	11,643.00
Others	43,233.78	25,002.61
	53,444.48	36,645.60
(C) CASH AND BANK BALANCES		
Cash on Hand	365.29	414.05
Balances with Scheduled Banks		
- on Current Account	7,515.93	9,074.62
- on Deposit Account	13,260.20	13,597.47
Balances with Non-Scheduled Banks		
- on Current Account		
The Hongkong and Shanghai Banking Corporation Ltd.	229.32	140.42
(Max. Bal. during the year Rs. 39,08,548/- P.Y. Rs. 1,48,282/-)		
	21,370.74	23,226.55
(D) OTHER CURRENT ASSETS		
Interest Accrued on FDR	572.60	775.36
	572.60	775.36
(E) LOANS & ADVANCES (Unsecured Considered Good)		
Loans & Advances to Employees	358.91	404.46
Advances Recoverable in cash or kind or for value to be received	1,102.43	2,354.48
Deposit	12,145.04	11,845.67
Advance payment of Tax (Net of provision)	1,973.43	5,590.03
MAT Credit Entitlement	4,278.49	2,196.60
Balance with Customs, Central Excise Authorities Etc.	4,957.44	2,357.71
	24,815.74	24,748.94



	As at 31-Mar-2011 Rs in '000s	As at 31-Mar-2010 Rs in '000s
SCHEDULE - 9 CURRENT LIABILITIES AND PROVISIONS		
A CURRENT LIABILITIES		
Sundry Creditors (Refere Note No.10 of Schedule 19)	154,261.21	95,098.24
Advance payment from Customers	84,341.33	34,042.92
Unpaid Dividends	2,146.20	1,894.75
Other liabilities	13,259.28	11,779.03
	254,008.02	142,814.93
B PROVISIONS		
Proposed Dividend	10,000.00	8,500.00
Tax on proposed Dividend	1,622.25	1,444.58
	11,622.25	9,944.58
	265,630.27	152,759.51
SCHEDULE-10 OTHER INCOME		
Interest on FDR (Gross) (TDS: Rs.77,314/- P.Y.:Rs. 116189/-)	850.56	1,031.73
Exchange rate difference	-	839.85
Insurance claim	583.95	-
Excise duty	134.48	604.53
Miscellaneous income	113.55	57.96
	1,682.55	2,534.07
SCHEDULE-11 INCREASE/DECREASE IN STOCK		
Finished Goods	18,857.05	18,810.71
Work in Progress	242,319.92	139,422.53
	261,176.97	158,233.24
Less: Opening Stock		
Finished Goods	18,810.71	32,838.77
Work in Progress	139,422.53	121,091.29
	158,233.24	153,930.06
	102,943.73	4,303.18
SCHEDULE-12 COST OF MATERIAL		
Opening Stock	43,614.81	49,971.09
Purchases	377,175.86	200,263.82
Procurement Expenses	3,284.47	1,775.77
	424,075.15	252,010.68
Less: Closing Stock	96,265.55	43,614.81
	327,809.60	208,395.87
SCHEDULE-13 MANUFACTURING EXPENSES		
Store Consumption	24,124.30	17,034.61
Power & Fuel Charges	56,521.11	58,195.94
Repairs & Maintenance		
- Machinery	4,866.68	4,825.07
- Building	1,677.25	257.69
- Other	2,641.77	754.54
Labour Charges	57,139.02	39,694.19
Testing Charges	1,598.14	1,511.35
Misc.Manufacturing Expenses	3,292.31	6,635.34
	151,860.58	128,908.73



	As at 31-Mar-2011 Rs in '000s	As at 31-Mar-2010 Rs in '000s
SCHEDULE-14 EMPLOYEES REMUNERATION AND BENEFITS		
Salary,Wages and Incentives	14,540.65	12,248.46
Allowances	13,407.97	10,948.79
Stipend	151.76	389.52
Staff Welfare Expenses	1,505.84	1,332.80
Directors Remuneration	3,755.40	3,663.36
Contribution to Provident Fund	929.35	818.35
	34,290.97	29,401.27
SCHEDULE-15 INTEREST AND FINANCE CHARGES		
Interest on Term Loans	4,198.24	1,513.79
Interest on Working Capital	13,753.36	11,429.51
Interest on Others	2,694.91	3,017.54
Bank Charges	5,176.54	3,102.58
	25,823.05	19,063.43
SCHEDULE-16 SELLING GENERAL AND ADMINISTRATIVE EXPENSES		
Computer Expenses	200.93	341.44
Legal and Professional Fees	1,748.78	2,383.79
Loss on sale of assets	1,442.51	52.56
Vehicle Expenses	207.23	193.98
Travelling and Conveyance Expenses	1,037.33	1,591.58
Printing and Stationary	1,049.47	573.88
Post, Telephone and Telegram	618.25	696.67
Security Charges	747.99	705.88
Advertisement Expenses	1,384.42	1,300.57
Insurance Charges	756.04	727.05
Transport Outward	7,779.99	3,210.56
Marketing Expenses	56.68	408.59
Mumbai Office Exp.	382.96	356.85
Miscellaneous	2,034.90	1,791.43
Auditors Remuneration	100.00	104.50
Book and Periodicals	183.49	61.82
Rent and Taxes	4,227.08	2,674.78
Sales Commission	14,584.20	11,928.39
Exchange Rate Difference	178.74	-
Delay Delivery Charges	426.14	1,253.84
Bad Debts written-off	584.19	-
	39,731.32	30,358.14
SCHEDULE-17 PREVIOUS YEAR ADJUSTMENTS		
Sales Promotion	-	1.82
	-	1.82



Schedules forming part of the Balance Sheet as at 31st March, 2011

SCHEDULE - 18 SIGNIFICANT ACCOUNTING POLICIES:

1) Basis of Accounting:

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India. The applicable mandatory Accounting standards notified under the Companies (Accounting Standard) Rules, 2006 and the requirements of the Companies Act, 1956 of India have been followed in preparation of these financial statements.

2) Use of Estimates:

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

3) Fixed Assets:

Fixed Assets are stated at cost net of tax/ duty credit availed, if any, after reducing accumulate depreciation until the date of the Balance sheet. Self constructed assets are capitalized at factory cost.

Direct costs are capitalized until the assets are ready to use and include financial cost relating to any borrowing attributable to acquisition.

4) Valuation of Inventories:

Inventories are valued at lower of costs or estimated net realizable value. The cost of inventories is arrived at on the following basis:

Raw Material and Stores : FIFO Method

Stock-in-process : Raw Material at Weighted Average Cost & absorption of Labour and Overhead

Finished Goods : Raw Material at Weighted Average Cost & absorption of Labour and Overhead

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

5) Foreign Currency Transactions:

(a) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.

(b) All foreign currency denominated monetary assets and liabilities, remaining unsettled at the end of the period, are translated at the exchange rates prevailing on the balance sheet date.

(c) Exchange differences arising on foreign currency transactions settlement / translation are recognized in the Profit and Loss Account.

6) Depreciation:

Depreciation on Fixed Assets has been provided on straight line method as per the rates prescribed in Schedule XIV (as amended) to the Companies Act, 1956. Depreciation on additions to the Fixed Assets is provided on pro rata basis from the day on which it is put to use.

7) Recognition of Revenue:

The Company recognizes sales and labour income on the basis of actual delivery of the goods. Sales and labour income are recorded at invoice values net of excise duty, value added tax and trade discounts.

Interest income is recognized on the time proportion method.



8) Employee Benefits:

Post-employment benefit plans:

- a) Defined Contribution Plan: Contribution for Provident Fund are accrued in accordance with applicable statutes and deposited with regional Provident Fund Commissioner.
- b) Defined Benefit Plan: The liability in respect of gratuity is determined using Projected Unit Credit Method with actuarial valuation carried out as at Balance Sheet date. Actuarial gains are recognized in full in the profit and loss account for the period in which they occur.

Contributions in respect of gratuity are made to the Group Gratuity Scheme with Bajaj Alliance Life Insurance.

With respect to leave encashment the Company determined the liability for the leave encashment and made the payment to the eligible employees every year in the same year and recognized in full in the profit and loss account.

Short-term employee benefits: All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia, are recognized in the period in which the employee renders the related services.

9) Borrowing Cost:

Interest on borrowings, if any, attributable to acquisition of qualifying Assets are capitalized and included in the cost of the asset, as appropriate.

10) Earning Per Share:

Basic Earning per share is calculated by dividing the Net Profit after tax attributable to the equity shareholders by the weighted average number of Equity Shares outstanding during the year.

11) Taxation:

Provision for income-tax is made on the basis of estimated taxable income for the year. Deferred tax resulting from timing differences between the book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

12) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree or estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to financial statements. Contingent assets are neither recognized nor disclosed in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

13) Impairment of Asset:

An asset is treated as impaired when the carrying amount of the asset exceeds its estimated recoverable value. Carrying amounts of fixed assets are reviewed at each balance sheet date to determine indications of impairment, if any, of those assets. If any such indication exists, the recoverable amount of the asset is estimated and an impairment loss equal to the excess of the carrying amount over its recoverable value is recognized as an impairment loss. The impairment loss, if any, recognized in prior accounting period is reversed if there is a change in estimate of recoverable amount.

14) Proposed Dividend:

Dividend proposed by the Board of Directors is provided in the books of account pending approval at the Annual General Meeting.

15) Accounting for Lease:

Operating Lease: Rental in respect of all operating leases are charged to the profit and loss account.

**Schedules forming part of the Balance Sheet as at 31st March, 2011****SCHEDULE - 19 NOTES ON ACCOUNTS :**

1. Previous year figures have been regrouped, rearranged and recast wherever necessary.
2. The schedules referred to in the Balance Sheet and Profit and Loss Account form an integral part of the accounts.
3. **Contingent liabilities not provided for in respect of:**

Particulars	2010-11 Rs in '000	2009-10 Rs in '000
I Bank Guarantees	62392.11	27817.34
II Letter of Credit	61876.60	11246.39
III Claims not acknowledged as debt:	9534.25	Nil

Estimated amount of contracts remaining to be executed on capital a/c and not provided for is Rs. 14070/- thousands (PY Rs. Nil.)

- 4 a) **Computation of Net profit and Commission payable to the Managing Director for the year 2010-11 in accordance with Section 309(3) & (5) of the Companies Act, 1956:**

(Rs in '000s)

Particulars	2010-11	2009-10
Net Profit after Tax as per Profit & Loss Account	27070.21	24013.27
Add: Taxation	11592.03	11776.90
Profit Before Tax	38662.24	35790.17
Add: Managerial Remuneration	3829.89	3707.35
Add: Loss on sale of Assets	1442.51	52.56
Add: Sitting Fees	450.00	92.00
	44384.64	39642.08
Less: Profit on sale of Assets	-	-
Profit as per Section 309(5)	44384.64	39642.08
Commission payable @ 1% Eligible profit	443.85	396.42
Commission payable to Managing Director	443.85	395.50

- b) **Total Managerial remuneration payable pursuant to Section 198(1) of the Companies Act, 1956 as under:**

(Rs in '000s)

Particulars	2010-11	2009-10
Salary & Allowances	2829.04	2838.08
Perquisites	44.48	43.99
Bonus	16.80	16.80
LTC	495.72	412.98
Commission	443.85	395.50
Total Managerial Remuneration	3829.89	3707.35

5. **Auditors Remuneration:**

(Rs. In '000s)

Particulars	2010-11	2009-10
Audit Fees	80.00	80.00
Tax Audit Fees	20.00	20.00
Other Capacity	-	4.50
Total	100.00	100.50


6. Earnings per share:

Particulars	2010-11	2009-10
(a) Net profit available for equity shareholders (Rs. In '000s)	27070.21	24013.27
(b) Weighted Average number of equity shares (Nos. in '000s)	5000	5000
(c) Basic and Diluted Earnings per share of Rs. 10 each (Rs.) [(a)/(b)]	5.41	4.80

7. Related party transactions:

Related Party disclosure as required by AS-18, are given below:

I) Relationship:

- a) Subsidiary of the Company
 - Nil
- b) Associates and Joint Ventures
 - Nil
- c) Individuals having significant influence
 - Mr. Sudarshan Amin (Managing Director)
- d) Key Managerial Personnel & Relatives thereof
 - Mr. Sudarshan Amin (Managing Director)
 - Mr. Ambalal Patel (Whole Time Director)
 - Mrs. Urmilaben Patel, Mr. Tanmay Patel
- e) Enterprises over which (c) & (d) above have significant influence
 - Chemfilt
 - Euro Mixers
 - Cera Coats

II) Transactions during the year with related parties:

(Rs. In '000s)

Sr. No.	Nature of Transaction	Enterprise covered in (e) above		Relatives covered in (d) above		Key Managerial Personal	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
1	Purchase of Goods & services	11777.69	36486.89	-	-	-	-
2	Sale of Goods	1221.07	1568.16	-	-	-	-
3	Interest paid	-	-	182.14	240.00	156.99	-
4	Remuneration	-	-	-	-	3829.89	3707.35
5	Outstanding Payables	4211.31	14411.94	-	-	-	-
6	Deposit Taken	-	-	1000.00	-	2500.00	-

8. Impairment of Asset:

The management of the Company has, during the year, carried out technological evaluation for identification of impairment of assets, if any, in accordance with the Accounting Standard AS-28 issued by the Institute of Chartered Accountants of India. Based on the judgment of the management and as certified by the Directors, no provision for impairment is found to be necessary in respect of any of the assets.


9. Segment Reporting:

As the Company's business activity, in the opinion of the management, falls within a single primary segment subject to the same risk and returns, the disclosure requirements of Accounting Standard AS-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India are not applicable.

10. Disclosures under Micro and Small Enterprises Development Act 2006

(Rs. In '000s)

	As at 31st March 2011	As at 31st March 2010
a) Principal amount remaining unpaid to any suppliers as at the end of each accounting year.	35495.78	32761.81
b) Interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
c) the amount of interest paid by the company in terms of section 16 of the micro, small and medium enterprise development act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	Nil	Nil
d) The amount of interest due and payable for the period of delay in making payment	Nil	Nil
e) The amount of interest accrued and remaining unpaid at the end of each year	Nil	Nil
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium enterprise Development Act, 2006	Nil	Nil

Note: The Information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006, has been determined to the extent of such vendors/parties identified from the available information.

11. Employee Benefits:
(i) Defined Contribution Plans:

The Company has recognized Rs. 929.35 thousands (P.Y. 818.35 thousands) for Provident Fund Contribution as expenses under the defined contribution plan in the Profit and Loss account for the year ended 31st March, 2011.

(ii) Defined Benefit Plan:

The Company recognizes benefit towards the gratuity at each balance sheet date.

The most recent actuarial valuation of the defined benefit obligation for gratuity was carried out at March 31, 2011 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation.



The following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at March 31, 2011:

(Rs. In '000s)

PARTICULARS	GRATUITY FUND	
	As on 31.03.2011	As on 31.03.2010
1. Reconciliation in Present value of obligation (PVO) - defined benefit obligation.		
Current Service Cost	256.40	255.62
Interest Cost	170.07	161.66
Settlement Cost	0.00	0.00
Actuarial (Gain)/Losses on obligation	(235.83)	(265.06)
Benefit Paid	55.71	38.42
Past Service Cost	658.64	0.00
PVO at the beginning of the year	2153.72	2039.93
PVO at the end of the year	2947.28	2153.72
2. Changes in Fair Value of Plan Assets:		
Expected return on Plan Assets	255.53	138.96
Contribution by Employer	21.70	464.23
Benefit Paid	55.71	(38.42)
Actuarial Gain / (Loss) on Plan Assets	221.98	892.44
Fair Value of Plan Assets at the beginning of the Year	3194.18	1736.96
Fair Value of Plan Assets at the end of the Year	3637.69	3194.18
3. Reconciliation of PVO and fair value of plan assets:		
PVO as at March 31, 2011	2947.28	2153.72
Fair value of plan assets as at March 31, 2011	3637.69	3194.18
Funded status [Surplus/(Deficit)]	690.41	1040.46
Unrecognized actuarial gain/(loss)	0.00	0.00
Net assets/ (liability) as at March 31, 2011	690.41	1040.46
4. Net cost for the year ended March 31, 2011		
Current Service Cost	256.40	255.62
Past Service Cost	658.64	0.00
Interest Cost	170.07	161.66
Expected return on Plan Assets	(255.53)	(138.96)
Net Actuarial Gain / Losses	(457.82)	(1157.50)
Settlement Cost	0.00	0.00
Net Cost for the Year Ended 31.03.2011	371.76	(879.18)
5. Assumption Used in accounting for the gratuity plan:		
Mortality Table	LIC1 1994-1996	
Superannuation Age (Yrs.)	60	58
Early Retirement & Disablement	10 PER THOUSAND P.A	
Discount Rate (%)	8.00	8.00
Salary Escalation Rate (%)	5.00	5.00
Return on Asset (%)	8.00	8.00
Remaining Working Life (Yrs.)	20	19
Formula Used	PROJECTED UNIT CREDIT METHOD	


12. Dividend remitted in foreign currency:

Particular		2010-11	2009-10
1	No of Non- Resident Shareholders	1	1
2	No of Shares held by them	4,97,400	4,97,400
3	Amount remitted during the year (Rs. In '000s)	845.58	596.88
4	Year end to which dividend relates	2009-10	2008-09

13. Other additional information pursuant to the provision of Para 3 & 4 of part II of schedule VI to the Companies Act, 1956 (as certified by the management.)

- (a) Expenditure in the foreign currency during the year on account of traveling Rs. Nil (Previous year Rs. Nil/-).
- (b) Licensed and installed capacities and production (As certified by the management and accepted by the auditors without verification being a technical matters.)

Item	Licensed Capacity Litres	Installed capacity Litres	Production Quantity Litres	
			2010-11	2009-10
Glass-lined Acid Alkali Resistant Chemical Reaction Vessels	N.A.	22,00,000	24,64,405	23,27,350

Note: Installed capacity is based on average size (3000 ltrs.) of Reactors being manufactured.

- (C) The Ministry of Corporate Affairs, Government of India vide its General Notification No. S.O.301(E) dated 8th February, 2011 issued under Section 211(3) of the Companies Act, 1956, has exempted certain classes of companies from disclosing certain information in their profit and loss account. Your Company, being a manufacturing company, is entitled to the exemption. Accordingly, disclosures mandated by paragraphs 3(i)(a) and 3(ii)(a) of Part II, Schedule VI to the Companies Act, 1956 have not been provided.

- (d) The CIF value of imports Rs. 1074.63/- thousands during the year. (Previous year Rs. Nil/-)

Note: SEZ purchase is not considered as a CIF import value.

- (e) Value of imported & indigenous raw materials and stores & spares consumed.

	Percent	Current Year Rs. In '000s	Previous Year Rs. In '000s
Raw Materials :			
Imported	Nil	Nil	Nil
Indigenous	100 %	324525.13	206620.10
Stores and Spares :			
Imported	Nil	Nil	Nil
Indigenous	100 %	24124.30	17034.61

- (f) Earning in Foreign Exchange: Rs. In '000s

	2010-11	2009-10
Export of goods on FOB basis: Reactor & Spares	10859.67	82.52

As per our report attached
For Darji and Associates
Chartered Accountants
(Registration No. 116519W)

CA L. B. DARJI
Proprietor
M.No. 030992

For and on behalf of the Board

Mr. Kanubhai Patel
Mr. Sudarshan Amin
Ms. Dhvani Shah

Chairman
Managing Director
Company Secretary

Place: Vitthal Udyognagar
Date: 30.07.2011


BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

	As at 31st March 2011	As at 31st March 2010
1 Registration Details :		
Registration No.16173		
State code No.04		
Balance Sheet date 31/03/2011		
2 Capital raised during the year : (Rs. in Thousand)		
Public Issue	Nil	Nil
Right Issue	Nil	Nil
Bonus Issue	Nil	Nil
Private Placement :		
a) Equity Shares	Nil	Nil
b) Preference Shares	Nil	Nil
3 Position of mobilization and deployment of funds : (Rs. in Thousand)		
Total liability	398,661	327,090
Total assets	398,661	327,090
Paid up capital	50,000	50,000
Reserves & Surplus	114,381	98,933
Secured Loans	170,643	130,488
Unsecured Loans	28,504	18,504
Net Fixed Assets	205,018	191,67
Investment	3	3
Net Current Assets	193,640	135,415
Miscellaneous Expenditure	Nil	Nil
Accumulated Losses	Nil	Nil
4 Performance of Company: (Rs. in Thousand)		
Turnover	529,536	454,913
Total Expenditure	490,874	419,123
Profit Before Tax	38,662	35,790
Profit After Tax	27,070	24,013
Earning per Share (for Equity Share Holders)	5.41	4.80
Dividend Rate %	20%	17%
5 Generic Names of Three Principal Products/Services of company (As per Monetary Terms)		
Item code No.(ITC Code)		84198910
Product Description		Glasslined Reaction Vessel



SWISS GLASCOAT EQUIPMENTS LIMITED

SWISS GLASCOAT EQUIPMENTS LIMITED

Regd. Office : H-106, Phase IV, G.I.D.C., Vitthal Udyognagar - 388 121.

PLEASE COMPLETE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERANCE OF THE MEETING HALL,

JOINT SHARE HOLDERS MAY OBTAIN ADDITIONAL SLIP ON REQUEST

Name & Address of the Shareholder (In Block Letters)

No. of Shares Held :

Registered Folio No. :

DPID & Client ID No. :

I hereby record my presence at the 20th Annual General Meeting of the Company held on 22.09.2011 at 10.00 a.m. at its Registered Office.

TEAR HERE

SWISS GLASCOAT EQUIPMENTS LIMITED

Regd. Office : H-106, Phase IV, G.I.D.C., Vitthal Udyognagar - 388 121.

Proxy Form

Folio No. :

No. of Share held :

DPID & Client ID No. :

I / We _____ being a member / members of Swiss Glascoat Equipments Ltd. hereby appoint _____ as my / our proxy to vote for me / us on our behalf at the 20th Annual General Meeting of the Company to be held on 22.09.2011 at 10.00 a.m. and it any adjournment thereof.

Signed this _____ day of _____, 2011

For Office Use

Proxy No. : _____

Date of Receipt _____

Affix One
Rupee
Revenue
Stamp

Note :

The Proxy must be lodged at the Regd. Office of the Company mentioned as above, not less than 48 hours before the time of the Annual General Meeting. The Proxy need not be a Member of the Company.

Book-Post
UPC

If undelivered, please return to :



SWISS GLASCOAT EQUIPMENTS LIMITED

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