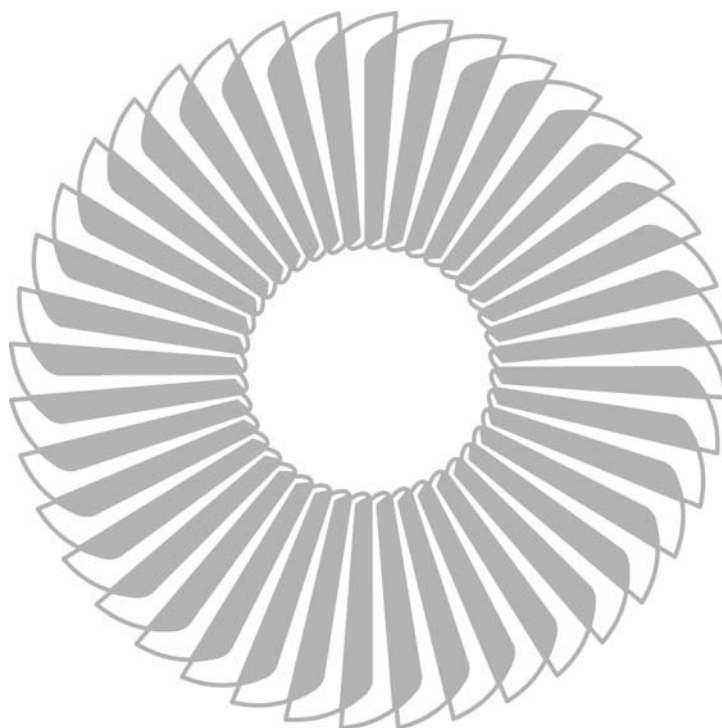




An ISO 9001:2008 Certified Company



FLUIDOMAT LIMITED

35th Annual Report

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Board of Directors :
ASHOK JAIN *Chairman and Managing Director*
KUNAL JAIN *Executive Director*
D.K. KEMKAR
M.K. SHAH
K.C. JAIN
NARENDRA KATHED
PRAFUL R. TURAKHIA

Dy. Vice President and Compliance officer :
PRAMOD JAIN

Company Secretary :
SURABHI PAWAR

Auditors :
J.P. SARAF & CO.
Chartered Accountants

Corporate Law Advisor :
D.K. JAIN & COMPANY
Company Secretaries

Bankers :
CENTRAL BANK OF INDIA

Registered Office :
117, 1st Floor, 'Navneet Darshan',
16/2, Old Palasia, INDORE-452 018 (M.P.)
Tel.: 0731-2564820

Registrar and Transfer Agents :
Ankit Consultancy Pvt. Ltd.
Plot No. 60,
Electronic Complex
Pardeshipura, Indore (M.P.) -452010
Tel. : 91-731-3198601, 3198602
Fax : 91-731-4065798
E-mail : ankit_4321@yahoo.com

Works & Head Office :
7C-8J, I.S. Gajra Industrial Area,
Agra-Bombay Road,
DEWAS-455 001 (M.P.)
Tel.: 07272-258582, 258583, 268100
Fax : 07272-258581
e-mail : fludomat@sancharnet.in
info@fluidomat.com
Website : www.fluidomat.com

35th Annual General Meeting

Date : 26th September, 2011
Day : Monday
Time : 2.00 p.m.
Place : 117, 1st Floor
'Navneet Darshan'
16/2, Old Palasia,
Indore - 452 018 (M.P.)
Book Closure : 24.09.2011 to 26.09.2011
(Both days inclusive)

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NOTICE

NOTICE is hereby given that 35th Annual General Meeting of the Members of FLUIDOMAT LIMITED will be held at the Registered Office of the Company at 117, 1st Floor, "NAVNEET DARSHAN", 16/2 Old Palasia, Indore (M.P.) 452018 on 26th September, 2011 at 2.00 P.M. to transact the following businesses:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit & Loss Account of the Company for the year ended 31st March 2011 and the report of the Directors and Auditors thereon.
2. To declare dividend on equity share capital of the Company.
3. To appoint a Director in place of Shri Narendra Kathed who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Deepak Kemkar who retires by rotation and did not seek re-appointment.
5. To appoint the Auditors and to fix their remuneration and in this regard to pass with or without modification the following resolution as an **Ordinary Resolution**:

RESOLVED THAT M/s J.P.Saraf & Co., Chartered Accountants (Firm Registration No. 006430C) be and is hereby appointed as Auditors of the Company, to hold office from conclusion of this annual general meeting until the conclusion of the next annual general meeting of the Company on such remuneration as shall be fixed by the Board of Directors.

II. SPECIAL BUSINESS BY SPECIAL RESOLUTION:

6. To consider and if thought fit, to pass with or without modification(s) if any, the following **SPECIAL RESOLUTION**:
RESOLVED THAT pursuant to the provisions of the section 198, 199, 268, 302, 309 read with the provisions of Schedule XIII of Companies Act, 1956 and other applicable provisions, if any, including any statutory modifications or re-enactment thereof for the time being enforced. The approval of the members of the Company be and is hereby granted for the re-appointment of Shri Kunal Jain, as a Whole-time Director and be designated as the Executive Director of the Company for a period of 3 years w.e.f. 1st May, 2012 on the following terms conditions and remunerations.

(a) Salary in the scale of Rs.1,00,000/- per month with a annual increment of Rs. 10,000/- per year.

(b) Allowances/perquisites : as under

CATEGORY:A

1. The Company shall provide House Rent Allowance subject to a maximum of 50% of the salary or house accommodation and 10% of salary shall be recovered by way of rent.
Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.
2. Re-imbursement of medical expenses of the Executive Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.
3. Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
4. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
5. Personal accident insurance premium not exceeding Rs. 12,000/- p.a.

NOTE: For the purpose of perquisites stated in Category "A" above, "Family" means the spouse, the dependent children and dependent parents of the appointee.

CATEGORY B:

1. Employers Contribution: to the Provident Fund as per the Rules of the Company.
2. Gratuity: As per rules of the Company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Leave encashment: up to 15 days salary for every one year completed service as per the rules of the Company.
Provided that the above said perquisites shall not be counted for the purpose of Calculation of the remuneration payable to the Executive Director.

CATEGORY C:

1. Car: The Company shall provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
2. Telephone & Cell: Free use of telephone at his residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Executive Director.

FURTHER RESOLVED THAT in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Kunal Jain shall be the minimum remuneration payable by the Company.

FURTHER RESOLVED THAT there shall be clear relation of the Company with Shri Kunal Jain as "the Employer-Employee" and each party may cancel the above said appointment with the six months notice in writing or salary in lieu thereof.

RESOLVED FURTHER THAT Shri Kunal Jain, Executive Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/ amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, may consider necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to hold the increments, decide break up of the remuneration within the above said maximum permissible limit, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

7. To consider and if thought fit, to pass with or without modification(s) if any, the following **SPECIAL RESOLUTION**:
RESOLVED THAT pursuant to the provisions of section 314(1)(b) and other applicable provisions if any of the Companies Act, 1956, the approval of members of the Company be and is hereby accorded for the appointment of Mrs. Sunaina Jain as the Manager (Cost & Accounts) of the Company on a total remuneration not exceeding Rs.50,000/- p.m., w.e.f. 16.08.2011, who is a relative of Directors of the Company and that she will also be entitled for the reimbursement of traveling, conveyance and other actual out of pocket expenses as per the rules of the Company as applicable to other executives of the same grade for attending the works/assignments of the Company.



8. To consider and if thought fit, to pass with or without modification(s) if any, the following **SPECIAL RESOLUTION:**
RESOLVED THAT Pursuant to the provisions of section 31 of the Companies Act, 1956 and subject to all the relevant rules and regulations, guidelines as may be issued by the Central Government and/or SEBI, under the listing agreement, the Articles of Association of the Company be and is hereby amended by substitution of the existing Article No. 61, 63, 71, 73, 74, 76 to 81, 83, 86, 87, 88, 103 and 104 of the existing Articles of Association of the Company be replaced by the following new Articles in their places.
RESOLVED THAT Pursuant to the provisions of section 31 of the Companies Act, 1956 and subject to all the relevant rules and regulations, guidelines as may be issued by the Central Government and/or SEBI, under the listing agreement, the Articles of Association of the Company be and is hereby amended by inclusion of the following new Clauses 88A, 88B and 104A after the relevant existing Clause No. 88 and 104 of the Articles of Association of the Company.
- 61. Notice of meeting**
Save as permitted under Section 171 (2) of the Act, a General Meeting of the Company may be called by giving not less than twenty-one days notice in writing and or by way of electronic communication/email as may be prescribed by the Central Government.
- 63. Quorum of General Meeting**
At least five members entitled to vote and present in person shall be a Quorum for a general meeting. No business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of a business. The members participating through the video conferencing/Audio-Visual electronic communication shall not be counted for the purpose of determining quorum for the meeting.
- 71. Resolution how Decided**
At any General Meeting provisions of Section 177 to 185 of the Act shall applied provided that in case of equality of votes, Whether a show of hands or on a poll, or through the voting by video conferencing/or electronic vote, the Chairman of the meeting at which the show of hands take place at the meeting or by the members by show of hands through the video conferencing/ Audio-Visual electronic communication/ electronic vote/poll at which the poll of demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.
- 73. Reports, statements and registers to be laid on the table**
At every Annual General Meeting of the Company there shall be laid on the table, the Directors report and audited statement of accounts, auditor's report, the proxy register with the proxies and the Register of Director's holding mentioned under section 307 of the Act. Further that the Company may also place the same at the website of the Company for providing facilities for inspection of the members participated through the video conferencing/Audio-Visual electronic communication or electronic mode as may be permissible. The Auditor Report shall be read before the Company in general meeting and shall be open to inspection by any member of the Company.
- 74. Minutes of General Meetings and of Board Meetings**
The Board shall cause minutes of all proceedings of every general meeting and of all proceedings of every meeting of its Board of Directors or of every committee of the Board to be kept in accordance with section 193 of the Act.
- 76. Votes may be given by proxy**
Subject to the provision of the Act and these Articles, votes may be given either personally/ through the video conferencing/Audio-Visual electronic communication or electronic mode as may be permissible or by proxy or in the case of body corporate also by representative duly authorized under section 187 of the Act. However no one other than the concerned shareholder or proxy to the shareholder is allow to attend the meeting and vote through the video conferencing/Audio-Visual electronic communication or electronic mode.
- 77. Voting right**
Subject to the provision of the Act (and particularly of section 87, 89 and 92 (2) thereof) and of these Article a member or proxyholder of the member may participate and vote at the general meeting through the video conferencing/Audio-Visual electronic communication or electronic mode as may be permissible:
- 1) Upon a show of hands every member holding equity shares and entitled to vote and present in person (including an attorney or a representative of a body corporate as mentioned in Article 79) shall have one vote.
 - 2) Upon a poll the voting right of every member holding equity shares and entitled vote and present in person (including a body corporate present as aforesaid) or by proxy shall be in proportion to his share in the paid up equity capital of the company
 - 3) The voting right of every member holding Preference shares if any shall upon a show of hands or upon a poll be subjected to the provisions, limitation and restrictions laid down in Section 87 of the Act.
- 78. No voting by proxy on show of hands**
No member not personally present or participating through the video conferencing/Audio-Visual electronic communication or electronic mode as may be permissible shall be entitled to vote on a show of hands unless such member is a body corporate present by attorney or by representative duly authorized under Section 187 of the Act in which case such attorney or Representative may vote on show of hands as if he were an Individual member of the Company.
- 79. Restriction on Exercise of voting Rights**
Subject to the provisions of the Act no member shall be entitled to voting right in the meeting or through the video conferencing/Audio-Visual electronic communication or electronic mode as may be permissible in respect of any shares registered in his name on which any call or other sums payable by him, have not been paid or in regard to which the Company has and has exercised any right of lien.
- A. Save as otherwise provided in Article 79 above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of Securities held by it.
 - B. Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the member of the Company. The beneficial owners of Securities shall be entitled to all rights and benefits and be subject to all the Liabilities in respect of their Securities which are held by the Depository.

**80. Voters in respect of shares of deceased Insolvent members**

Any person entitled under the transmission clause (Article 44 hereof) to transfer any shares, may vote at any general meeting or through the video conferencing/Audio-Visual electronic communication or electronic mode as may be permissible in respect thereof as if he was the registered holder of such shares, provided that at least forty eight hours before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote he shall satisfy the Board or his right to transfer such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

81. Right of member of use his votes Differently

On a poll taken at a meeting of the Company or through the video conferencing/Audio-Visual electronic communication or electronic mode as may be permissible, a member entitled to more than one vote, or his proxy, or other person entitle to vote for him as the case may be need not, if he votes, use all his Votes or cast in the same way all the votes he uses.

83. Instruments appointing a proxy to be deposited at the office

The instrument appointing a proxy and the power of attorney or other authority if any under which it is signed or a notarially certified copy of that power of authority shall be deposited at the Registered office or mailed the scanned copy thereof at the notified email ID by the Company not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

86. Validity of votes given by proxy notwithstanding death etc. of members

A vote cast in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous insanity or lunacy or death of the principal for revocation of the proxy as the case may be, or power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the insanity, lunacy, death, revocation or transfer shall have been received at the office or by email as may be permissible before the meeting.

87. Time for objection to vote

Subject to the provision of the Act and these Articles no objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be entered and every vote, whether given personally or through the video conferencing/Audio-Visual electronic communication or electronic mode as may be permissible or by proxy or by an means hereby authorized and not dissolved at such meeting or poll, shall be deemed valid for all purpose of meeting or poll whatsoever.

88. Chairman of any Meeting to be the Judge of validity of any vote

Subject to the provision of the Act and these Article the Chairman of any meeting shall be the sole judge of validity of every vote tendered at such meeting or through the video conferencing/Audio-Visual electronic communication or electronic mode as may be permissible. Subject as aforesaid the Chairman present at the meeting and at the time of taking of a poll shall be the sole judge of the Validity of every vote tendered at such poll.

88A. Providing facility to the members for participating in the General Meetings by way of Video Conference/Audio-Video electronic communication:

Subject to the provisions of the Companies Act 1956 the Company shall provide platform to the members and proxy holders for participating in the general meetings by way of video conferencing, audio-video electronic mode as may be applicable from time to time. For this purpose, the company shall also comply with the following requirements and procedures, in addition to the normal procedures required under the Companies Act, 1956 for holding general meeting. Electronic mode means video conference facility i.e. audio-visual electronic Communication facility employed which enables all the persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.

- (a) The notice of the meeting must inform shareholders regarding availability of participation through video conference, and provide necessary information to enable shareholders to access the available facility of videoconferencing.
- (b) The chairman of the meeting and Secretary shall assume the responsibilities:
 - (i) To safeguard the integrity of the meeting via videoconferencing
 - (ii) To ensure proper video conference equipment/facilities.
 - (iii) To prepare the minutes of the meeting.
 - (iv) To ensure that no one other than the concerned shareholder or proxy to the shareholders is attending the meeting through electronic mode.
 - (v) If a statement of a participant in the meeting, via videoconferencing is interrupted or garbled. The Chairman of the meeting or Secretary shall request for a repeat or reiteration, and if need be, the Chairman or Secretary shall repeat what he heard the participant was saying for confirmation or correction.
- (c) As per provisions of section 166 of the Companies Act, 1956 practically the place of the Annual General Meeting shall either at the registered office of the company or at place within the city, town or the village in which registered office of the company is situated.
- (d) As per provisions of section 174 of the Companies Act, 1956 there shall be at least five members have to be personally present and shall be the quorum for the general meeting.
- (e) In a general meeting, where shareholders are allowed to participate through electronic mode, the quorum as required under section 174 of the Companies Act, 1956 as well as chairman of the meeting shall have to be physically present at the place of the meeting.
- (f) To provide larger participation and for curbing the cost borne by the shareholders to attend general meetings, the company may provide video conferencing connectivity during such meetings at least five places in India, these places would be situated all over India in such a way that it covers top five states/UTs based on maximum number of members or at least 1000 members, whichever is more, residing as per the address registered with the depositories.

88B. Passing of resolutions through Postal Ballot:

The Company shall pass the resolution through the process of the postal ballot as may be required under section 192A of the Companies Act, 1956 read with the Companies (passing of the resolution by postal ballot) Rules, 2011 as under.

- (a) "Postal Ballot" includes voting by share holders by postal or electronic mode instead of voting personally by presenting for transacting business in a general meeting of the company;



- (b) "Requisite majority" with regard to Special Resolution means votes cast in favour of the business is three times more than the votes cast against, with regard to ordinary resolution, votes cast in favour is more than the votes cast against.
- (c) "Voting by electronic mode" means a process for recording votes by the members using a computer based machine to display an electronic ballot and to record the vote and also the number of votes polled in favour or against such that the entire voting gets registered and counted in a electronic registry in a centralized server;
- (d) Words and expression used herein but not defined shall, unless the context otherwise requires, bear the meaning, if any, as assigned to them under the Act and Information Technology Act, 2000.
- (e) The company may issue notices either,-
 - (i) under registered Post Acknowledgement Due; or
 - (ii) through any other secured mode of posting provided by Department of Post; or
 - (iii) through electronic mail provided the company has obtained e-mail address of its member for sending the notices through e-mail, after giving an advance opportunity to the member to register his e-mail address and changes therein from time to time with the concerned depository; and
- (f) The notice shall clearly mention that whether the company is providing voting through postal ballot or by electronic mode. If the company is opting for providing voting by electronic mode, then the notice shall clearly indicate the process and manner for voting by electronic mode provided by the agency.
- (g) The company shall cause an advertisement to be published in a leading English Newspaper and in one vernacular Newspaper circulating in the State in which the registered office of the company is situated, about having dispatched the ballot papers duly specifying therein, inter alia, the following matters:
 - (i) The date of completion of dispatch of notices;
 - (ii) The date of commencement of voting through postal ballot or by electronic mode;
 - (iii) The date of end of voting through postal ballot or by electronic mode;
 - (iv) The notice shall further state that any postal ballot received from member beyond the said date will not be valid.
 - (v) That member, who have not received postal ballot forms may apply to the company and obtain a duplicate thereof.
- (h) The following businesses/ resolution shall be passed through postal ballot.
 - 1. Alteration in the object clause of memorandum;
 - 2. Alteration of Articles of association in relation to insertion of provision defining private company;
 - 3. Buy-back of own shares by the company under sub-section (1) of section 77A;
 - 4. Issue of shares with differential voting right as to voting or dividend or other wise under sub-clause (ii) of clause (a) of section 86;
 - 5. Change in place of registered office out side local limits of any city, town or village as specified in sub-section (2) of section 146;
 - 6. Sale of whole or substantially the whole of undertaking of a company as specified under sub-clause (a) of sub-section (1) of section 293;
 - 7. Giving loans or extending guarantee or providing security in excess of the limit prescribed under sub-section (1) of section 372A;
 - 8. Election of a director under proviso to sub-section (1) of section 252 of the Act;
 - 9. Variation in the right attached to a class of shares or debentures or other securities as specified under section 106.
- (i) Procedure to be followed for conducting business through Postal Ballot:-
 - 1. The company may make a note below the notice of General Meeting for understanding of member that the transaction(s) at Sl. No. requires consent of shareholders through postal ballot;
 - 2. The board of director shall appoint one scrutinizer, who is not in employment of the company, may be a retired judge or any person of repute who, in the opinion of the board can conduct the postal ballot voting process in a fair and transparent manner;
 - 3. The scrutinizer shall submit his report as soon as possible after the last date of receipt of postal ballots;
 - 4. The scrutinizer will be willing to be appointed and he is available at the Registered office of the company for the purpose of ascertaining the requisite majority.
 - 5. The scrutinizer shall maintain a register to record the consent or otherwise received, including electronic media, mentioning the particular of name, address, folio number, number of shares, nominal value of shares, whether the shares have voting, differential voting or non-voting right and the scrutinizer shall also maintained record for postal ballot which are received in defaced or mutilated form. The Postal ballot and all other papers relating to postal ballot will be under the safe custody of the scrutinizer till the Chairman considers, approves and sign the minutes of the meeting. Thereafter, the scrutinizer shall return the ballot papers and other related papers/ Register to the company so as such ballot papers and other related papers/register safely till the resolution is given effect to;
 - 6. The consent or otherwise received after thirty days from the completion of dispatch of notice shall be treated as if reply from the member has not been received;

103. Meeting of directors.

The Directors shall meet together at least once in every three months and at least four such meetings shall be held in every calendar year for the dispatch of business and may adjourn and otherwise regulate their meetings and proceedings as they think fit. Notice of every meeting to the directors together with the agenda of the business to be transacted there at shall be given in writing or by email or electronic communication at such addresses as may be provided by the director to the Company for that purposes by the Company Secretary/Managing Director or such other officer of the company duly authorized in this behalf to every director whether within or outside India. Such notice shall be sent by registered air mail post or by cable or email or fax so as to reach the addressee thereof in the normal course atleast seven days before the date of the Meeting unless all the directors agree by prior consent accorded in writing or by email or by fax or by a cable of such meeting being held on shorter notice. Provided that where an alternate director has been appointed at it shall be sufficient for purposes of this article to sent notice to or obtain the consent of or such alternate director only.

**104. Quorum**

The quorum for a meeting of the board of directors shall be one-Third of their total number (any fraction in such one-third being Rounded of as one) or two directors whichever is higher subject however to section 287 of the Act. The participation of director through the video conferencing/Audio-Visual electronic communication or electronic mode shall not be counted for the purpose of quorum.

104A. Meeting of the Board of Directors and committees thereof through the Video Conferencing or Audio Visual mode:

The Meeting of the Board of directors and/or Committee of the directors may be called and hold through the video conferencing and/or Audio Visual communication from time to time as per the rules and regulation as may be provided by the Central Government from time to time. For this purpose, the company shall also comply with the following requirements and procedures, in addition to the normal procedures required under the Companies Act, 1956 for holding meeting of Board / committee of directors:-

- (a) Electronic mode means video conference facility i.e. audio-visual electronic communication facility employed which enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.
- (b) Every director of the company must attend the meeting of Board/Committee of director personally at least one meeting a financial year of the company.
- (c) The Chairman of the meeting and secretary shall assume the following responsibilities:
 - (i) To safeguard the integrity of the meeting via videoconferencing.
 - (ii) To ensure proper videoconferencing equipment/facilities.
 - (iii) To prepare the minute of the meeting.
 - (iv) To ensure that no one other than the concerned director or other authorized participants are attending the meeting through electronic mode.
 - (v) If a statement of a participant in the meeting via videoconferencing is interrupted or garbled, the Chairman or Secretary shall repeat or reiteration, and if need be, the Chairman or Secretary repeat what he heard the participant was saying for confirmation or correction.
- (d) The notice of the meeting must inform directors regarding availability of participation through video conference, and provide necessary information to enable directors to access the available facility of videoconferencing.
- (e) The notice of the meeting shall also seek confirmation from the director as to whether he will attend the meeting physically or through electronic mode and shall also contain the contact number(s) / e-mail addresses of the secretary / designated officer to whom the director shall confirm in this regard.
- (f) In the absence of any confirmation from the Director, it will be presumed that he will physically attend the Board meeting.
- (g) At the start of the scheduled meeting through electronic mode, a roll call shall be made by the Chairman/ Secretary. Every director and authorized participant shall state, for the record, the following:-
 - (i) Full Name
 - (ii) Location
 - (iii) That he can completely and clearly see and communicate with each of other participants.
 - (iv) And will ensure that no one other than concerned director or authorized participant is attending the meeting through electronic mode.
- (h) Thereafter, the Chairman/ Secretary shall confirm the participant of the directors in the meeting who are not physically present. After the roll call, the Chairman or Secretary may certify the existence of a quorum. It is clarified that a director participating in a meeting through use of video conferencing shall be counted for the purpose of quorum. A roll call should also be made at the conclusion of the meeting or at re-commencement of the meeting after every break to ensure presence of quorum throughout the meeting.
- (i) The place where the Chairman or Secretary is sitting during the Board meeting shall be taken as place of meeting in terms of section 288 of the Act, and all recordings will be made at this place. The other statutory registers, which are required to be placed in the Board meeting as per the provision of the Act, shall be placed before the Chairman for compliance of the Act. The statutory registers required to be signed by the other director shall be deemed to have been signed by directors participating through electronic mode if they have given their consent to this effect in that meeting.
- (j) If a motion is objected to and there is a need to vote, the Chairman / Secretary should call the roll and the vote of each director who should identify himself.
- (k) In the end of the meeting, Chairman of the meeting shall announce the summary of the decisions taken in that meeting in respect of each agenda item and names of the directors who have consented or dissented to those decision. Video recording of that part of the meeting shall be preserved by the company for one year from the conclusion of that meeting.
- (l) In the minutes, Chairman shall also confirm the mode of attendance of every director of the company during last three meeting whether personally or through electronic mode.
- (m) Draft minutes of the meeting shall be circulated in soft copy not later than 7 days of the meeting for comments/ confirmation to the directors who attended the meeting to dispel all doubts on matters taken up during the meeting. Thereafter, the minutes shall be entered in the minutes books as prescribed under section 193 of the Act, the minutes shall also disclose the particulars of the directors who attended the meeting through electronic mode.

BY ORDER OF THE BOARD

Place: Indore
Date: 8th August, 2011

ASHOK JAIN
CHAIRMAN & MANAGING DIRECTOR

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Company has already notified closure of Register of Members and Share Transfer Books from 24th Sept., 2011 to 26th Sept., 2011 (both days inclusive) for the determining the names of members eligible for dividend on equity shares, if declared at the meeting.
 - (a) The Dividend on equity shares if declared at the meeting, will be credited/dispatched to those members whose names shall appear on the Company's Register of Members on 26th Sept., 2011 in respect of the shares held in dematerialised form, the dividend will be paid to members, those names are furnished by NSDL/CDSL as beneficial owners as on that date.
3. 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 Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates, such changes are to be advised only to the depository participant of the members.
4.
 - (a) Members are requested to notify immediately any change of address;
 - i) To their Depository Participants (DPs) in respect of their electronic share accounts; and
 - ii) To the Company to its Share Transfer Agents in respect of their physical share folios, if any.
 - (b) In case the mailing address on this Annual Report is without the PINCODE, members are requested to kindly inform their PINCODE immediately.
 - (c) Non-resident Indian Shareholders are requested to inform Share Transfer Agents immediately:
 - i) Change in the residential status on return to India for permanent settlement.
 - ii) The particulars of NRE Account with Bank in India, if not furnished earlier.
5. All documents referred to in the accompanying notice are open for inspection at the Registered office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M..
6. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
7. Members desiring of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
8. The Company has connectivity from the CDSL & NSDL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members/ investors having their depository account. The ISIN No. for the Equity Shares of the Company is INE459C01016. In case of any query/difficulty in any matter relating thereto may be addressed to the Share Transfer Agents Ankit Consultancy Pvt. Ltd., 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010.
9. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be down load from the website of the Ministry of Company affairs.
10. Pursuant to the provisions of section 205A(5) and 205C of the Companies Act, 1956, the Company is not having unpaid/unclaimed dividend upto the financial year 2010-11. Further that there is no instances which require to transfer of undelivered shares to the separate escrow account as required under the Listing Agreement.
11. The SEBI has mandated the submission of PAN by every participant in securities market, members holding shares in electronic form are therefore, requested to submit the PAN to their depository participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company's Share Transfer Agent, M/s Ankit Consultancy Pvt. Ltd.
12. Pursuant to the Clause No.49 of the Listing Agreement, profile of the Directors proposed for appointment/re-appointment being given in a statement containing details of the concerned Directors is attached hereto.
13. **GREEN INITIATIVE :**
 The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, has allowed companies to send Annual Report comprising of Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report and Explanatory Statement etc., through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.
 Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to please promptly provide their details (name, folio no., e-mail id) to the Registrar and Transfer Agent of the company. Members who hold shares in electronic form are requested to get their details updated with the respective Depositories.
 The annual report and other communications/documents sent electronically would also be displayed on the Company's website: www.fluidomat.com. As a Member of the Company, you will be furnished, free of cost, a printed copy of the Annual Report of the Company, upon receipt of a requisition from you.
 We request you to support this initiative and opt for the electronic mode of communication by submitting your e-mail address to your DP or to the Company's Registrar, in the interest of the environment.



STATEMENT REGARDING THE DIRECTORS PROPOSED FOR APPOINTMENT

Name and Designation	Age/ Years	Qualification	Expertise/Experience	Date of Appointment	Other Directorships Hold	No. of Shares Held & %
Mr. Narendra Kathed Independent/NED	60 years	B.Com.	More than 36 years experience in Industry and trading activities	28.01.2006	Nil	Nil
Mr. Kunal Jain (WTD) Promoters	31 years	B.Com	Having more than 9 years experience in Commercial and Technical field.	01.05.2007	Red Wood Packaging Pvt. Ltd.	9.57.267 (19.43%)

ANNEXURE TO THE NOTICE

Explanatory Statement u/s 173(2) of the Companies Act, 1956.

ITEM NO.6:

Shri Kunal Jain was appointed as the Whole-time Director of the Company w.e.f. 01.05.2007 for a period of five years, therefore his tenure shall be over on 30th April, 2012. Upon the recommendation of the Remuneration Committee, the Board of Directors at their meeting held on 28th May, 2011 has re-appointed him for a further period of 3 years w.e.f. 1st May, 2012 and seek approval of the members by way of special resolution for his re-appointment.

Shri Kunal Jain is young and graduate in Commerce and attending commercial operations of the Company under the guidance and control of the CMD. He is proposed to be re-appointed on the terms and conditions including remuneration as set out in the draft agreement to be entered into by the Company with Shri Kunal Jain, submitted to the meeting.

The Board considered that the terms and conditions of the agreement, salary & perquisites as given in the notice of the meeting, which is commensurate with his sincere efforts and high responsibilities. The Board recommend to pass necessary resolution as set out in item no.6 of the notice.

This should be considered also the terms of the re-appointment of Shri Kunal Jain as, Whole-time Director of the Company and a memorandum as to the nature of the concern or interest of the Directors in the said re-appointment as required u/s 302 of the Companies Act, 1956.

Except, Shri Ashok Jain and Shri Kunal Jain none of the other Directors are concerned or interested in this Resolution.

ITEM NO.7:

Mrs. Sunaina Jain, is a Graduate in Commerce and MBA in Marketing was considered for appointment as the Manager (Cost & Accounts) of the Company on a monthly remuneration not exceeding Rs.50,000/- p.m. w.e.f. 16.08.2011. Mrs. Jain is a young and dynamic and having adequate knowledge to deal with the responsibilities.

Since Mrs. Sunaina Jain, is relative of Shri Ashok Jain, Chairman & Managing Director and Shri Kunal Jain, Whole-time Director of the Company, therefore any payment by way of salary/remuneration in excess of Rs.10,000/- p.m. requires approval of the Members in General Meeting by way of Special Resolution in terms of the provisions of section 314(1)(b) of the Companies Act, 1956. Looking into her qualification and experience, your Directors recommend to pass the special resolution as set out in Item No.7 of the notice.

Except, Shri Ashok Jain, Chairman & Managing Director and Shri Kunal Jain, Whole-time Director being relatives, no other Directors of the Company are concerned or interested in the Resolution.

ITEM NO.8:

In view of the latest amendments made by the Ministry of Corporate Affairs for providing facilities for participation of the members in the general meeting and directors in the Board and Committee Meeting through the Video Conferencing and audio visual electronic mode as well as provided opportunity to cast the votes in postal ballot through electronic notice, providing notice and the annual report to the members by way of electronic communication, i.e email etc., it is required to make suitable amendments in the Articles of Association of the Company to bring them with the provisions of the Companies Act 1956 and the rules made their under.

Your directors proposes to make suitable amendments in the certain clauses by replacement of the existing clauses as well as inclusion of new clause in the Articles of Association of the Company. As per provisions of section 31 of the Companies Act, 1956, the Articles can be altered with the approval of members by way of special resolution. Therefore the Board of Directors of your Company proposes to pass the suitable resolution as set out in Item No. 8 of the notice. A draft amended copy of the Articles of Association is available for inspection till the date of the Annual General Meeting.

None of the director of the Company is concerned or interested in the proposed resolution.

BY ORDER OF THE BOARD

Place: Indore
Date: 8th August, 2011

ASHOK JAIN
CHAIRMAN & MANAGING DIRECTOR



**DIRECTORS' REPORT
AND
MANAGEMENT DISCUSSION AND ANALYSIS**

Dear Members,

Your Directors are delighted to present the 35th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS:

<u>Particulars</u>	<u>F.Y. 2010-11</u>	<u>F.Y. 2009-10</u>
		(Rupees in Lacs)
Net Sales	2018.97	1772.00
Other income	21.11	11.68
Total income	2040.08	1783.68
Total Expenses	1647.14	1440.86
Profit before Interest, Depreciation & Tax	392.94	342.82
Interest	6.72	14.17
Depreciation	35.97	33.99
Profit before Tax	350.25	294.66
(a) Current Tax	118.16	102.42
(b) Deferred Tax	(4.62)	0.10
Extra Ordinary/ Exceptional Items (Net)	6.05	(0.19)
Profit After Tax	230.66	192.33
Surplus Brought from previous years	291.94	115.68
Total amount available for appropriation	522.60	308.01
Appropriation		
Amount transferred from Debenture redemption reserves	(32.15)	16.07
Proposed dividend on Equity Shares	49.27	0.00
Dividend Tax	7.99	0.00
Surplus carried to Balance Sheet	497.49	291.94
Paid up Equity Share Capital	492.70	523.60
Earning per share - Basic (Rs.)	4.68	3.90
Diluted (Rs.)	4.68	3.53

DIVIDEND :

Your Directors are pleased to recommend a dividend of Re. 1.00 per equity share (i.e.10%) (Previous year Nil) on the equity shares of the Company for the year ended March 31, 2011, for approval of shareholders of the Company. The Dividend payment is recommended in accordance with Company's policy linked to long term planning and keeping in view the needs of resources for Company's growth and its increased working capital requirement.

FINANCIAL STATUS:

Your Directors are pleased to inform that during the year under review, your Company has repaid its entire liabilities of IFCI, including premature redemption of 64300, 10% Optionally Fully Convertible Debenture (OFCD's) of Rs.100/- each and 30900, 10% Redeemable Preference Shares of Rs.100/- each issued to IFCI in terms of the restructuring of the loan liability. Thus now your Company is not having any Term Loan liability. After the payment to IFCI the Company has adequate liquidity to carry out routine business of the Company.

Due to redemption of the preference shares, the paid up capital of the Company stand only 492.70 Lacs comprising of 49,27,000 Equity Shares of Rs.10/- each.

OPERATING RESULTS AND BUSINESS :

The Financial Year March 2011 ended with steady economic growth of over 8.5% but due to persistent double digit domestic inflation, disturbances in Middle East African Countries and European economic/debts crises with increased and volatility of crude oil prices and increase in basic material, fuel and transport cost, all added pressure on the living standard of General Public of the country and performance of industry.

Your company met the above challenges successfully and achieved growth in turnover and profits. Your Directors continue their efforts towards achieving competitive edge and better margins alongwith deeper market penetration and customer focus.

During the year under review your company has achieved an overall turnover growth of 14%. The profit before tax for the year increased by 18.86%, the order booking during the year was to the tune of Rs. 3173 lacs as compared to the order booking of Rs. 1885 lacs of the previous year, thus showing an increase of 68%. The order booking trend during the current year 2011-12 continues with improvement over the past year. EPS has increased to Rs. 4.68 as compared to Rs. 3.90 in the previous year. To meet the requirements of increased production your company is adding to its factory shed & building, new machines, testing facilities and other resources.

Taking overall view of above performance, your directors envisage steady growth of your company in near future.