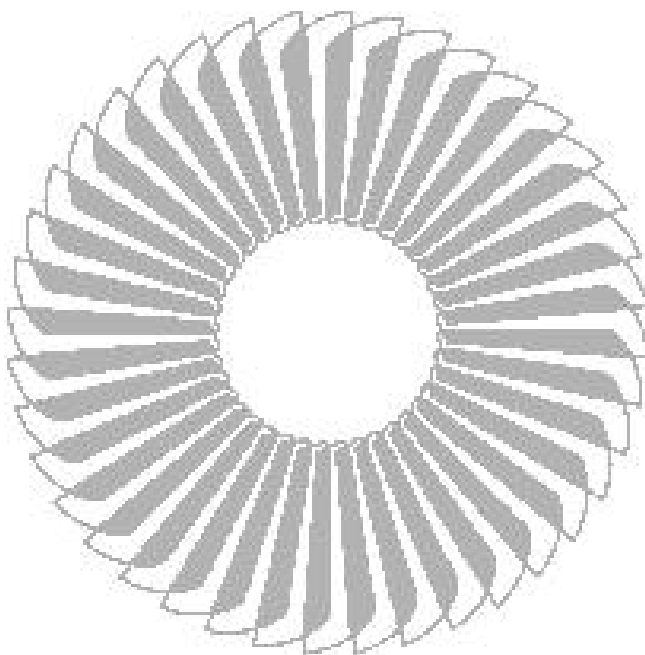




*An ISO 9001:2008
ISO 14001:2004
&
OHSAS 18001:2007
Certified Company*



FLUIDOMAT LIMITED
39th Annual Report
2014-15

**BOARD OF DIRECTORS**

1. **Shri Ashok Jain** : Chairman & Managing Director
2. **Mrs. Radhica Sharma** : Deputy Managing Director & Woman Director
3. **Shri Kunal Jain** : Whole-time Director
4. **Shri Khushal Chandra Jain** : Independent Director
5. **CA Mahendra Kumar Shah** : Independent Director
6. **Shri Praful R. Turakhia** : Independent Director

CHIEF FINANCIAL OFFICER

Mrs. Monica Jain

VICE PRESIDENT

Mr. Pramod Jain

COMPANY SECRETARY & COMPLIANCE OFFICER

CS Devendra Kumar Sahu

STATUTORY AUDITORS**J.P. SARAF & CO.**

Chartered Accountants

SECRETARIAL AUDITORS**D.K. JAIN & CO**

Company Secretaries

INTERNAL AUDITORS**D N JHAMB & CO.**

Chartered Accountants

BANKERS

Central Bank of India

REGISTERED OFFICE

117, 1st Floor, Navneet Darshan,
16/2, Old Palasia, Indore (M.P.)-452018
Tel. 0731-2564820
Email id- info@fluidomat.com
Website- www.fluidomat.com

CORPORATE OFFICE & WORK:

7-C, 8-J, I.S. Gajra Industrial Area,
A.B. Road Dewas (M.P.) 455001
Tel-07272-258582, 258583, 268100
Fax-07272-258581
Email: fludomat@bsnl.in

REGISTRAR AND SHARE TRANSFER AGENT:

Ankit Consultancy Pvt. Ltd.
Plot No. 60, Electronic Complex,
Pardeshipura, Indore (M.P.) 452001,
Phone: 0731-2551745,
Email: ankit_4321@yahoo.com
Fax-0731-4065798

39th Annual General Meeting

Date : 26th September, 2015
Day : Saturday
Time : 2.00 p.m.
Place : 117, 1st Floor
'Navneet Darshan'
16/2, Old Palasia,
Indore - 452 018 (M.P.)
Book Closure : 20.09.2015 to 26.09.2015
(Both days inclusive)

STOCK EXCHANGE:

(Where the Company's Securities Listed)
BSE Limited, Mumbai

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NOTICE

Notice is hereby given that 39th Annual General Meeting of the members of FLUIDOMAT LIMITED will be held on Saturday the 26th day of September, 2015 at 2.00 P.M. at the registered office of the Company at 117, "NAVNEET DARSHAN", 16/2 old Palasia, Indore (M.P.) 452018 to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the audited Financial Statements containing the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended March 31, 2015 and the Reports of the Boards' and Auditors thereon.
2. To declare dividend on equity shares of the Company for the financial year ended 31st March, 2015.
3. To appoint a director in place of Shri Ashok Jain (DIN 00007813) who is liable to retire by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of statutory auditors of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:

RESOLVED THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to the resolution passed by the members at the 38th Annual General Meeting held on 26th day of September, 2014 for the appointment of M/s J.P.Saraf & Co. Chartered Accountants (Firm Registration No. 006430C) as the Auditors of the Company to hold office till the conclusion of the 41st Annual General Meeting of the Company to be held in the year 2017 be and is hereby ratified their re-appointment for the year 2015-16 and the Board of Directors be and is hereby authorized to fix the remuneration payable to them as may be determined by the Audit Committee in consultation with the Auditors.

SPECIAL BUSINESSES:

5. To consider and, if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government, if any, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Shri Ashok Jain as Chairman cum Managing Director of the Company for a period of 3 (Three) years with effect from 1st July, 2016 on remuneration upto Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) per month.
FURTHER RESOLVED THAT in addition of his aforesaid remuneration, Shri Ashok Jain, the Chairman & Managing Director shall also be entitled for the following benefits and shall not be considered for the purpose of calculation of the maximum permissible remuneration as it covers under the exempted category.
 1. **Employers Contribution to PF:** As per the Rules of the Company.
 2. **Gratuity:** As per the rules of the Company, subject to the maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
 3. **Earned Privilege Leave:** As per the rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every year of completed services at the end of the tenure.

FACILITIES TO PERFORM THE COMPANY'S WORK:

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

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

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

RESOLVED FURTHER THAT Shri Ashok Jain, the Chairman & Managing Director shall also be entitled to reimbursement of actual entertainment, travelling time to time to perform his duties as per rules of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of his remuneration within the permissible limits in its absolute discretion as may considered 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 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.

By Orders of the Board

Date: 14th August, 2015

Place: Indore

DEVENDRA KUMAR SAHU
COMPANY SECRETARY
ACS 31933

Registered Office:

CIN: L74210MP1978PLC001452

117, First Floor, Navneet Darshan

16/2, Old Palasia,

Indore (M.P.) 452018

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ATTACHED HERewith AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 39TH ANNUAL GENERAL MEETING.
2. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 IN NUMBERS AND HOLDING IN AGGREGATING NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed and forms part of the Notice.
4. The Company's Register of members and share transfer books shall remain closed from Sunday the September, 20th 2015 to Saturday, the September, 26th 2015 (both days inclusive) for the purpose of the Annual General Meeting and ascertainment for entitlement of payment of dividend to the members whose names appear in the Register of members and the records of the beneficiaries of the CDSL and NSDL on the date of the Annual General Meeting.
5. The Members are requested to:
 - a) Intimate changes, if any, in their registered addresses immediately.
 - b) Quote their ledger folio number in all their correspondence.
 - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
 - d) Bring their Annual Report and Attendance Slips with them at the AGM venue.
 - e) Send their Email address to us for prompt communication and update the same with their D.P to receive softcopy of the Annual Report of the Company.
6. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Board.
7. Members seeking any information are requested to write to the Company by email at info@fluidomat.com at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
8. Members are requested to notify immediately any change in their address and E – Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.).
9. Electronic copy of the Annual report is being sent to the members whose email IDs are registered with the Company / Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual report is being sent in the permitted mode.
10. Members may also note that the Annual Report for FY 2014-15 will hosted on Company's website www.fluidomat.com.
11. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting needs to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
12. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the Company on all working days, except Saturday, between 11:00 A.M and 1:00 P.M up to the date of the meeting.
13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

14. Voting through electronic means

In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide its members the facility to exercise their right to vote at the 39th annual general meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The Company shall provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

The Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The cut-off date for the purpose of voting (including remote e-voting) is Saturday, the 19th Sept., 2015

The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:-

Commencement of remote e-voting	09.00 am (IST) on Tuesday 22nd Sept., 2015
End of remote e-voting	05.00 pm (IST) on Friday, 25th Sept., 2015

Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently.



Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

A. In case a Member receives an email from NSDL: [for members whose email IDs are registered with the Depository Participants(s)]

- (i) Open email and open PDF file viz; (File Name) The said PDF file contains your user ID and password/ PIN for e-voting.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- (iii) Click on Shareholder – Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) If you login first time, Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or a combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" (E-voting Event Number) of Fluidomat Ltd..
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional & Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to evoting@fluidomat.com with a copy marked to evoting@nsdl.co.in

B. In case Email ID of the member is not registered with the depository participant and members holding shares in Physical Form:

- (i) Initial password will be provided/intimated through Letter from our Registrar:

EVEN(E Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 - I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
 - II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - IV. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th Sept., 2015.
 - V. CS Ishan Jain, Practising Company Secretary (ACS No. 29444 CP 13032) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - VI. The scrutinizer shall after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - VII. The results of e-voting, and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorized in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.fluidomat.com and on the website of NSDL within three days of passing of the resolutions at the AGM of the Company and communicated to the BSE Ltd within 48 hours as per listing agreement norms.
 - VIII. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents Ankit Consultancy Pvt. Ltd. at the address;
Plot No. 60, Electronic Complex, Pardeshipura Indore (M.P.) 452010 Tel-0731- 3198601, 3198602 Fax-0731-40657 98 Email id: ankit_4321@yahoo.com

15. Brief profile of the directors seeking re-appointment as per Item No. 3 and 5 of the notice at the ensuing Annual General Meeting as per Clause 49 of the Listing Agreement and the Companies Act, 2013 are as under.



Name of Director	Shri Ashok Jain (DIN 00007813)
Designation	Chairman & Managing Director
Date of Birth	05.01.1949
Date of Appointment	16.06.1978
Expertise / Experience in specific functional areas	Electrical engineer with more than 45 years all-round experience of design, development of fluid couplings and management of industry. He has developed the fluid coupling technology indigenously and brought India amongst few selected Companies in the world possessing this technology.
Qualification	BE Electrical
No. & % of Shares held	11,06,452 (22.46%)
List of outside Company's directorship held	Redwood Packaging Pvt. Ltd.
Chairman / Member of the Committees of the Board, Directors of other Companies in which he is director	NIL

EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 5

Shri Ashok Jain was re-appointed at their Annual General Meeting held on 26th Sept., 2012 as the Chairman cum Managing Director for a period of 3 years w.e.f.1st July, 2013 on the total monthly remuneration not exceeding Rs.2,50,000/- per month. Thereafter Remuneration was increased to Rs.3,50,000/- at the 38th Annual General Meeting w.e.f. 1st June, 2014 till the remaining period of tenure, i.e. 30th June, 2016.

Shri Ashok Jain is a technocrat and is a qualified graduate electrical engineer with more than 45 years all-round experience of design, development of fluid couplings and management of industry. He has developed the fluid coupling technology indigenously and brought India amongst few selected Companies in the world possessing this technology. He is considered the best expert in India on fluid couplings including its application, usages and energy saving. He is also recognized internationally by all the competitors and many users/buyers of fluid couplings in many places of the world. He is thus key asset of the Company and is fully capable to take the Company on progressive path with his knowledge and management skills. The Fluid coupling industry in the Country is having special category and the Company's activities cannot be compared with others.

The Nomination and Remuneration Committee and the Board at their meeting held on 14th August, 2015 considered that the Company needs to re-appoint Shri Ashok Jain as a Chairman & Managing Director for a further period of three years w.e.f. 1st July, 2016 on the terms and conditions and remuneration as set out in the Item No. 5 of the notice and recommend to pass necessary special resolution at the Meeting.

Shri Ashok Jain, is financially interested in the resolution to the extent of the remuneration as may be paid to him. Further that Shri Kunal Jain and Mrs. Radhica Sharma Whole-time Directors and Mrs. Monica Jain, Chief Financial Officer being his relatives may be deemed as concerned or interested otherwise in the resolutions. Except that none of the other directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

Shri Ashok Jain is a promoter and also holding 11,06,452 equity shares of Rs. 10/- each consisting of 22.46% of the total paid up capital of the Company.

By Orders of the Board

DEVENDRA KUMAR SAHU
COMPANY SECRETARY
ACS 31933

Place: Indore

Date: 14th August, 2015



**BOARD'S REPORT
&
MANAGEMENT DISCUSSION AND ANALYSIS**

To
The members

Your Directors have pleasure in presenting the 39th Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March, 31 2015.

FINANCIAL RESULTS:

The Summarized financial results for the year as under:

(Rs. In Lacs)

Particulars	Year ended on	
	31.03.2015	31.03.2014
Revenue from Operations (Net)	2710.02	2744.50
Other Income	107.51	78.92
Total Income	2817.53	2823.42
Total Expenditure	1953.67	1923.10
Profit before Interest, Depreciation & Tax (EBIDTA)	863.86	900.32
Less: Interest	0.12	0.28
Less: Depreciation	72.01	51.78
Profit before Tax	791.73	848.26
Less: (a) Current Tax	261.74	273.32
(b) Deferred Tax	(2.55)	4.80
Net Profit for the Year	532.54	570.14
Add: Surplus brought forward from previous year	1355.01	1043.39
Amount available for Appropriation	1887.55	1613.53
Appropriations:		
(a) Transferred to General Reserve	100.00	100.00
(b) Proposed Dividend on Equity Shares	135.49	135.49
(c) Tax on Proposed Dividend	27.58	23.03
Surplus carried to the Balance Sheet	1624.48	1355.01
Paid up Equity Share Capital	492.70	492.70
EPS (Equity Shares of Rs. 10/- each) Basic & Diluted (in Rs.)	10.81	11.57

REVIEW OF OPERATIONS /STATE OF AFFAIRS:

The highlights of the Company's performance are as under:

Your company posted total revenue of Rs. 2817.53 lacs for the financial year 2014-15 as against Rs. 2823.42 lacs in the corresponding period of previous year.

During the current financial year company has booked the orders of Rs. 2970.74 lacs as against the order booking of Rs. 2868.95 lacs in the last financial year, an increase of 3.54%.

However net sales during the financial year 2014-15 has been slightly decreased by 1.25% to 2710.02 lacs as compared to net sales of Rs. 2744.50 lacs in the previous year due to non receipt of dispatch clearances from the clients on account of various factor of their project implementation status

The profit before tax stood at Rs. 791.73 lacs as against Rs. 848.26 lacs in the previous year. The net profit for the year stood at Rs. 532.54 lacs compared to Rs. 570.14 lacs of previous year. Reasons of decrease in profit include increase in depreciation; due to change in depreciation method and payment of CSR expenses besides lower sales.

The EPS for the year stood at Rs. 10.81 compared to EPS Rs. 11.57 of previous year.

DIVIDEND:

The Directors of your Company are pleased to recommend a dividend of Rs.2.75 (27.50%) per Equity Share of Rs.10/- each for the year ended March 31, 2015. (Previous year Rs.2.75 (27.50%) per Equity Share of Rs. 10 each). The above dividend would be paid subject to approval by the Members in the ensuing Annual General Meeting. The proposed dividend will absorb Rs.163.08 lacs including Dividend Distribution Tax of Rs.27.58 lacs. This dividend is tax free in the hands of the shareholders.

TRANSFER TO RESERVES:

During the year, your company has transferred Rs 100.00 Lacs to the General Reserves. (Previous year Rs. 100.00 Lacs).

**SHARE CAPITAL:**

The paid up Equity Share Capital as on 31st March, 2015 was Rs. 492.70 Lakhs divided into 49.27 Lakhs equity shares of Rs. 10/- each. There is no change in Equity share Capital of the Company during the year. Your directors or promoters do not hold any instruments convertible into the equity shares of the Company.

DIRECTORS & KEY MANAGERIAL PERSONNEL:**Executive Directors and KMPs :**

At the Annual General Meeting (AGM) of the Company held on September 26, 2014 the Members had appointed Mrs. Radhica Sharma (DIN 006811597) as a Whole-time Director and designated her as the Dy. Managing Director, Shri Kunal Jain (DIN 01475424) as Whole-time Director and designated him as the executive Director and Shri Ashok Jain continuing as the Chairman & Managing Director, these directors are considered as the executive directors and Key Managerial Personnel's of the Company.

Independent Directors :

CA Mahendra Kumar Shah, (DIN 00014556), Shri Khushal Chandra Jain (DIN 00007916) and Shri Praful Ratilal Turakhia (00366398) were appointed as the Independent Directors under the Companies Act, 2013 for a term of 5 years with effect from 1st April 2014.

The Company has received necessary declaration from each independent director under Section 149(6) of the Companies Act, 2013 that they meet the criteria of Independence and Clause 49 of the Listing Agreement.

Other Key Managerial Persons :

The Board has appointed Mrs. Monica Jain as a Chief Financial Officer and CS Ritu Tiwari as a Company Secretary w.e.f. 01st April, 2014 on the recommendation of the Nomination & Remuneration Committee and designated them as the Key Managerial Personnel. Further that CS Ritu Tiwari due to her personal reason has resigned from the post of Company Secretary w.e.f. 23rd December, 2014 and the Board has appointed CS Devendra Kumar Sahu as a Company Secretary w.e.f. 23rd March, 2015 designated as a Key Managerial Personnel.

Directors seeking re-appointment:

Shri Ashok Jain, (DIN 00007813), director is liable to retire by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment. Further that the tenure of Shri Ashok Jain as a Chairman & Managing Director is being completed on 30th June, 2016, therefore, the Board upon the approval of the Nomination and Remuneration Committee has re-appointed him for a further period of three years w.e.f. 1st July, 2016. Your directors recommend to pass necessary resolutions to that effect as set out in the notice of the Annual General Meeting.

BOARD MEETING AND THE BOARD:**A. Number of meetings of the Board:**

Four (4) meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the Corporate Governance Report which forms part of this report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

B. Policy on Directors' appointment and remuneration:

The Company's Policy is to have an appropriate mix of executive and independent Directors to maintain the independence of the Board and separate its function of governance and management.

The Policy for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) is uploaded on Company's website. (Link:- <http://www.fluidomat.com/investor-relation.html>) and has been attached to this Report as "Annexure-1"

C. Board Evaluation:

Pursuant to the Provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance.

The performance evaluation of all the independent directors have been done by the entire Board excluding the director being evaluated. On the basis of performance evaluation done by the Board, determines whether to extend or continue their terms of appointment, whenever the respective term expires.

The directors expressed their satisfaction with the evaluation process.

COMMITTEES OF THE BOARD:

In accordance with the Companies Act, 2013 and other purposes the Board has the following six (6) committees:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders' Relationship Committee
- (d) Risk Management Committee
- (e) Corporate Social Responsibility Committee (CSR)
- (f) Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.



A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134(3)(c) of the Companies Act, 2013, your directors, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects;

- a) In the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed;
- b) Appropriate accounting policies have been selected, applied consistently and judgment 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 as at March 31, 2015 and of the profit of the company for the year ended on that date;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The annual financial statements have been prepared on a going concern basis;
- e) Proper internal financial controls were in place and the financial controls were adequate and operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

AUDITORS AND THEIR REPORT:**A. Statutory Auditors:**

The Company's Auditors M/s J.P. Saraf & Co., Chartered Accountants, who were appointed as the statutory auditors for a term of three years at the Annual General Meeting of the Company held on 26th Sept., 2014 are eligible for ratification of their appointment for the year 2015-16. They have confirmed their eligibility under section 141(3)(g) of the Companies Act, 2013.

The Notes on financial statement for the year 2014-15 referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's report does not contain any qualification, reservation or adverse remark.

B. Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, amended time to time, The provision regarding Cost Audit under this act is not applicable to Company during the year 2014-15. The Company has filed the Cost Audit Report of the Company for the year 2013-14 on dated 23.09.2014.

C. Secretarial Auditors:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s D.K. Jain & Co., Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Auditors in their report for the year 2014-15 has confirmed the compliances by the Company as covered in their report.

In the matter of their observations, for late filing of certain forms like Form DIR-12, MGT-10, etc, were due to procedural requirement, and the same were filed with the additional filing fee as well as approved by the Registrar/MCA also. The Report of the Secretarial Audit for the year 2014-15 in the Form MR-3 is annexed herewith as "Annexure-2".

D. Disclosure of frauds against the Company:

In terms of the provisions of section 134(3)(ca) of the Companies Act, 2013, there were no fraud committed against the Company by any person under section 143(12) during the year 2014-15. Further that there were no frauds which needs to be reported by the Auditors of the Company to the Central Government.

TRANSACTIONS WITH RELATED PARTIES:

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed form AOC-2 is Nil is appended as "Annexure-3" to the Board's report. The Company has not entered into any material contracts, with the related parties during the year 2014-15 and other contracts or arrangement is in the ordinary course of business on arms length basis, which were approved by the Audit Committee and the Board from time to time.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

CONSOLIDATED FINANCIAL STATEMENTS:

Since the Company does not have any subsidiary, associate or joint venture, therefore the requirement for consolidation of the Financial Statements are not applicable to the Company.

PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES:

Your company does not have any subsidiary, associate or joint venture company at the beginning or any time during the year 2014-



15 therefore, the disclosure in the Form AOC-1 is not applicable to the Company.

PUBLIC DEPOSITS:

The Company has not accepted any deposits from the general public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet. Further that the Company has not accepted any deposits in contravention of the provisions of the Chapter V of the Companies Act, 2013 and rules made thereunder.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which this financial statements relate and the date of report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The Company has not provided any loans, guarantees and not made any investments pursuant to Section 186 of the Companies Act, 2013. The Company has given advance against salary or otherwise to employees of the Company as per the terms of appointment and the Company's policy on which no interest was charged.

EXTRACT OF ANNUAL RETURN:

The Extract of the Annual Return in form MGT-9 for the year ended 31st March, 2015 is annexed herewith as "Annexure-4".

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In view of the requirement under the Companies Act, 2013, the Board have constituted Corporate Social Responsibility Committee (CSR) and adopted policy for CSR. The CSR indicating the activities to be undertaken by the Company was adopted by the Board on the recommendation of CSR Committee. Report on CSR as per Rule 8 of the Companies (CSR Policy) Rules, 2014 is prepared and the same is enclosed as "Annexure-5" of this Report.

CORPORATE GOVERNANCE

In terms of the SEBI Circulars No. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014, the compliance of clause 49 is not mandatory to the Company after 1st Oct., 2014. However, your Company firmly believes and adopts the highest standard of practice under Corporate Governance. A separate section on Corporate Governance and a certificate from Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated under clause 49 of the listing agreement with the Stock exchange form part of this Annual Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure-6".

INTERNAL COMMITTEE ON PREVENTION OF SEXUAL HARASSMENT:

The Company has framed 'Anti-Sexual Harassment Policy' at workplace and has constituted Internal Complaints Committee (ICC) as per the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. No complaints with allegations of sexual harassment were reported during the year under review.

RISK MANAGEMENT:

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

Your company has a Vigil Mechanism in place which also includes a whistle blower policy in terms of the listing agreement for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The Vigil Mechanism/Whistle Blower Policy of the Company can be accessed on the Company's website at the link: (<http://www.fluidomat.com/investor-relation.html>) and the same is being attached with this Report as "Annexure-7".

All the employees have the right/option to report their concern/grievance to the Chairman of the Audit Committee. During the year under review no protected disclosure from any Whistle Blower was received by the designated officer under the Vigil Mechanism.

PARTICULARS OF EMPLOYEES:

The information required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment & remuneration of Management Personnel) Rules, 2014 are given below:

A. Ratio of the remuneration of each director to the median employee's remuneration and the percentage increase in remuneration of each Director & Key Managerial Personnel: