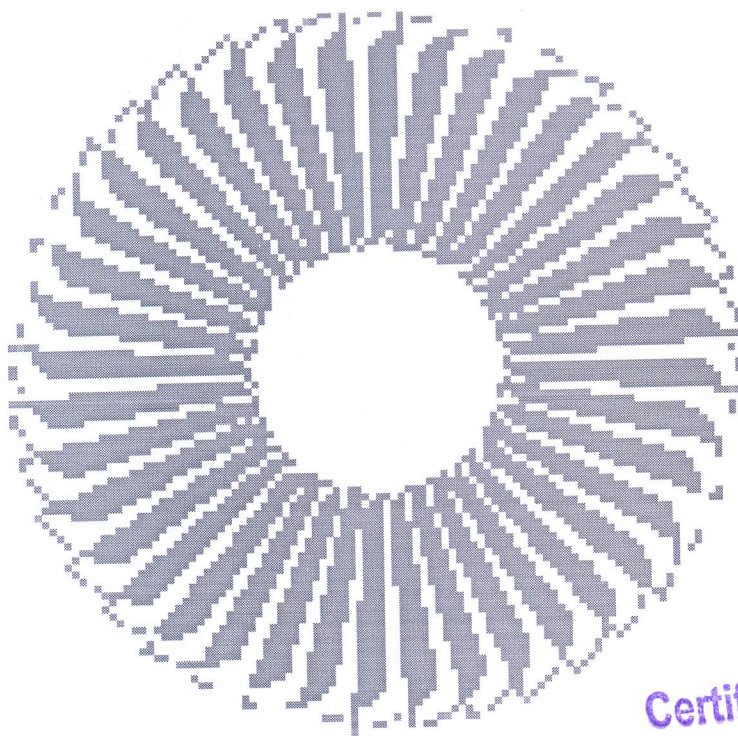




*An ISO 9001:2008  
ISO 14001:2004  
&  
OHSAS 18001:2007  
Certified Company*



*Certified True Copy*

*For FLUIDOMAT LIMITED,*

*Ashouja*  
*Chairman & Managing Director*



**FLUIDOMAT LIMITED**

*40th Annual Report*

**2015-16**

**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: 0731-4065797/99, 0731-4281333  
Email: ankit\_4321@yahoo.com  
Fax-0731-4065798

**40th Annual General Meeting**

Date : 26th September, 2016  
Day : Monday  
Time : 2.00 p.m.  
Place : Pritam Lal Dua Auditorium,  
Government Ahilya Central Library,  
Near Regal Square, M.G. Road,  
Indore - 452 001 (M.P.)  
Book Closure : 20.09.2016 to 26.09.2016  
(Both days inclusive)

**STOCK EXCHANGE:**

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

<b>Contents</b>	<b>Page No.</b>
Board of Directors & Other Informations	02
Notice	03
Board's Report	08
Management Discussion & Analysis	12
Annexure to Board's Report	14
Corporate Governance Report	29
Auditors' Report	37
Balance Sheet	42
Statement of Profit & Loss Account	43
Cash Flow Statement	44
Notes on Financial Statement	45
Attendance Slip & Proxy Form	55



## NOTICE

**Notice** is hereby given that 40th Annual General Meeting of the members of FLUIDOMAT LIMITED will be held on Monday the 26th day of September, 2016 at 2.00 P.M. at the Pritam Lal Dua Auditorium, Government Ahilya Central Library, Near Regal Square, MG Road, Indore -452001 to transact the following businesses:

### ORDINARY BUSINESSSES:

1. To receive, consider and adopt the audited Financial Statements containing the Balance Sheet as at March 31, 2016, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended March 31, 2016 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, 2016.
3. To appoint a director in place of Mrs. Radhica Sharma (DIN: 06811597) who liable to retire by rotation and being eligible offers herself 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 2016-17 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 BUSINESSSES:

5. To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:  
“**RESOLVED THAT** as recommended by Nomination and Remuneration Committee of the Board, pursuant to the provisions of section 190, 196, 197, 203, provisions of Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 and other applicable provisions if any, (including any statutory modifications or re-enactment thereof for the time being enforce), the approval of the members of the Company be and is hereby granted for re- appointment of Mrs. Radhica Sharma (DIN- 06811597) as the Whole-time Director and designated as the Dy. Managing Director of the Company for a period of 3 years w.e.f. 10th February, 2017 on the following terms and condition.

**Fixed Salary:** in the scale of Rs. 1,40,000/- per month with an annual increment of Rs. 10,000/- per year.

**Allowances/perquisites:** as per Category A subject to the maximum of salary.

#### CATEGORY:A

1. **House Rent:** 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 her electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.
2. **Medical Expenses:** Re-imbursement of medical expenses of the Dy. Managing Director and her 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. 24000/- 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- EXEMPTED FROM THE LIMITS PRESCRIBED UNDER THE SCHEDULES:

1. **Employers Contribution to PF:** 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 Dy. Managing Director.

#### CATEGORY C- FACILITIES TO PERFORM THE COMPANIES 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 shall be made as per actual on the basis of claims submitted by her.
2. **Telephone, Internet & Cell:** Free use of telephone, internet at her residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Dy. Managing Director.

**FURTHER RESOLVED THAT** in the event of there being loss or inadequacy of profit for any financial year, the remuneration payable to Mrs. Radhica Sharma shall not be in excess with the limit prescribed in the Schedule V of the Companies Act, 2013 as may be applicable from time to time during her tenure.

**FURTHER RESOLVED THAT** there shall be clear relation of the Company with Mrs. Radhica Sharma 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** Mrs. Radhica Sharma, Dy. Managing Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by her 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."

6. 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 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association of the Company submitted to this meeting, be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By Orders of the Board**

Date: 13th August, 2016

Place: Indore

**DEVENDRA KUMAR SAHU**  
**COMPANY SECRETARY**  
**ACS 31933**

**Registered Office:**

**CIN: L74210MP1978PLC001452**

117, First Floor, Navneet Darshan

16/1, Old Palasiya, 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 40TH 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 Tuesday the September 20th, 2016 to Monday, the September 26th, 2016 (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 Boards.
7. Members seeking any information are requested to write to the Company by email at [info@fluidomat.com](mailto: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 2015-16 will be hosted on Company's website [www.fluidomat.com](http://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 and Regulation 44 of SEBI (LODR) Regulation, 2015 the Company is pleased to provide its members the facility to exercise their right to vote at the 40th 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 Monday, the 19th September, 2016**

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 Friday 23rd September, 2016
End of remote e-voting	05.00 pm (IST) on Sunday, 25th September, 2016

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)]**

- Open email and open PDF file viz: (Fluidomat.pdf ) The said PDF file contains your user ID and password/ PIN for e-voting.
- Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- Click on Shareholder – Login
- Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- 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.
- Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- Select "EVEN" (E-voting Event Number) of Fluidomat Ltd..
- Now you are ready for e-voting as Cast Vote page opens.
- Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- Once you have voted on the resolution, you will not be allowed to modify your vote.
- 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](mailto:evoting@fluidomat.com) with a copy marked to [evoting@nsdl.co.in](mailto: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.

- 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](http://www.evoting.nsdl.com)
- 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 September, 2016.
- 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](http://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 SEBI (LODR) Regulation, 2015.
- 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- 4281333/0731-4065797/99 Fax-0731-4065798  
Email id: [ankit\\_4321@yahoo.com](mailto: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 Regulation 36(3) of SEBI (LODR) Regulation, 2015 are as under:

#### DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING

Name of Directors	<b>Mrs. Radhica Sharma</b>
Designation	<b>Deputy Managing Director</b>
Date of Birth	14/09/1979
Date of Appointment (previous)	10/02/2014
Expertise/Experience in specific functional areas	15 years experience in the field of commercial matters and Industrial Management
Qualification	BBA, PGDBM
No. & % of Equity Shares held	0.64%, holding 31,730 shares jointly with her husband Shri Sundeep Sharma
List of outside Company's directorship held	NA
Chairman / Member of the Committees of the Board of Directors of the Company	Member-CSR Committee Member-Risk Management Committee
Chairman / Member of the Committees of the Board, Directors of other Companies in which she is director	NA
Disclosures of relationships between directors inter-se.	1. Shri Ashok Jain: Chairman & Managing Director Relation- Father 2. Shri Kunal Jain : Whole-time Director Relation-Brother

**Brief Resume:** Mrs. Radhica Sharma is post graduate in Business Management and having 15 years of experience in the field of commercial matters and Industrial Management. Mrs. Sharma has served the Company as a Vice President for more than nine years. Presently appointed as a woman Whole-time Director and designated as a Deputy Managing Director. Mrs. Sharma is mainly responsible for raw material management, Inventory control besides other duties and responsibilities. Mrs. Sharma is member of CSR and Risk Management Committee of the Company.

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

##### Item no. 5

The Board of directors at their meeting held on 10th February, 2014 had appointed Mrs. Radhica Sharma as the Whole-time director and designated, Dy. Managing Director for a period of three years upto 9th February, 2017 upon the recommendation of the Remuneration Committee of the Board.

The term of appointment would be end on 9th February, 2017. The Board of Directors with the consultation of Nomination and Remuneration Committee and considering the performance of Mrs. Radhica Sharma recommended re-appointment for a further period of 3 years subject to the approval of members with such terms and remuneration as set out in resolution.

The Board considered that the terms and conditions the salary and perquisites as given in the Item No. 5 of the notice is commensurate with her high responsibilities, status and image of the Company.

The Board recommends to pass necessary special resolution as set out in Item No. 5 of the notice.



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

Mrs. Radhica Sharma is holding 31,730 shares jointly with her husband Shri Sundeep Sharma in the Company.

**Item no. 6**

The Companies Act, 2013 is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections. Importantly, the substantive Sections of the Companies Act, 2013 which deal with the general working of companies stand notified. The existing Articles of Association ("AoA") of the Company are based on the Companies Act, 1956. Not only do several regulations in the existing AoA contain references to the specific Sections of the Companies Act, 1956, but some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013. With the coming into force of the Companies Act, 2013 several regulations of the existing AoA of the Company require alteration or deletions. It is therefore considered expedient to replace the existing AoA with an entirely new set of AoA. The substitution of the existing AoA with the new AoA is proposed to align the AoA of the Company with the provisions of the Companies Act, 2013.

The proposed new draft AoA is being uploaded on the Company's website [www.fluidomat.com](http://www.fluidomat.com) for information of the shareholders and also kept available for inspection during office hours at the registered office of the Company up to the date of the meeting.

None of the Directors/Key Managerial Personnel or their relatives is concerned or interested in the resolution.

The Board recommends passing of the resolution set out at Item No. 6 as a Special Resolution.

**By Orders of the Board**

Place: Indore (M.P.)  
Date: 13th August, 2016

**DEVENDRA KUMAR SAHU**  
**COMPANY SECRETARY**  
**ACS 31933**

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

To  
The members

Your Directors have pleasure in presenting the 40th Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March, 31 2016.

**FINANCIAL RESULTS:**

**The Summarized financial results for the year as under:**

(Rs. In Lacs)

Particulars	Year ended on	
	31.03.2016	31.03.2015
Revenue from Operations (Net)	2704.72	2710.02
Other Income	104.89	107.51
<b>Total Income</b>	<b>2809.61</b>	<b>2817.53</b>
Total Expenditure	2140.10	1953.50
<b>Profit before Interest, Depreciation &amp; Tax (EBIDTA)</b>	<b>669.51</b>	<b>864.03</b>
Less: Interest	0.91	0.12
Less: Depreciation	73.15	72.01
<b>Profit before Tax</b>	<b>595.45</b>	<b>791.90</b>
Less: (a) Current Tax	199.50	261.73
(b) Tax adjustments related to previous year	(1.38)	0.17
(c) Deferred Tax	0.24	(2.55)
<b>Net Profit for the Year</b>	<b>397.09</b>	<b>532.55</b>
Add: Surplus brought forward from previous year	1624.48	1355.01
<b>Amount available for Appropriation</b>	<b>2021.57</b>	<b>1887.55</b>
Appropriations:		
(a) Transferred to General Reserve	100.00	100.00
(b) Proposed Dividend on Equity Shares	123.17	135.49
(c) Tax on Proposed Dividend	25.08	27.58
<b>Surplus carried to the Balance Sheet</b>	<b>1773.31</b>	<b>1624.48</b>
Paid up Equity Share Capital	492.70	492.70
<b>EPS (Equity Shares of Rs. 10/- each) Basic &amp; Diluted (in Rs.)</b>	<b>8.06</b>	<b>10.81</b>

**REVIEW OF OPERATIONS /STATE OF AFFAIRS:**

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

Despite adverse market conditions your Company posted a total revenue of Rs. 2809.61 lacs for the financial year 2015-16, against last year's Rs. 2817.53 lacs, a decrease of 0.28%. The core sectors such as power, steel, cement, oils & gas etc., on which the capital goods industry depend, continue to remain stagnant.

During the current financial year company has booked the orders of Rs. 3283.60 lacs as against the order booking of Rs. 2970.74 lacs in the last financial year, an increase of 10.53%.

The profit before tax stood at Rs. 595.45 lacs as against Rs. 791.90 lacs in the previous year. The net profit for the year stood at Rs. 397.09 lacs compared to Rs. 532.55 lacs of previous year.

Decrease in profit was contributed by low selling prices in recessionary market, additional wage burden with wage settlement with workers & increase in DA, additional burden of bonus due to new rules of bonus calculation and increase in fixed overheads due to inflationary reasons.

Earning per share(EPS) for the year stood at Rs. 8.06 compared to EPS Rs. 10.81 of previous year.

**DIVIDEND:**

The Directors of your Company are pleased to recommend a dividend of Rs.2.50/- (25%) per Equity Share of Rs.10/- each for the year ended March 31, 2016. (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.148.25 lacs including Dividend Distribution Tax of Rs.25.08 lacs.

**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, 2016 was Rs. 492.70 Lacs divided into 49.27 Lacs 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, 2015 the Members had re-appointed Shri Ashok Jain as the Chairman & Managing Director (DIN 00007813) w.e.f. July 01, 2016.

Shri Ashok Jain, Chairman & Managing Director; Shri Kunal Jain and Mrs. Radhica Sharma, Whole-time director, Shri Devendra Kumar Sahu, Company Secretary and Compliance Officer and Mrs. Monica Jain, Chief Financial Officers were appointed as the Key Managerial Personnel's pursuant to the provisions of the Companies Act, 2013 and there were no change in the Key Managerial Personnel's during the year 2015-16.

**Independent Directors**

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/SEBI (LODR) Regulation, **2015 (herein after jointly referred listing regulation)**.

The Board of directors formed the opinion that all the Independent Directors fulfills the criteria laid for independency as required under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

The Company has appointed Shri K.C. Jain (DIN 00007916), Shri Praful Turkhia (DIN 00366398) and Shri M.K.Shah (DIN 00014556) as the Independent directors w.e.f. 1st April, 2014 for a term of 5 years and they are not liable to retire by rotation.

**Directors seeking re-appointment:**

Mrs. Radhica Sharma, (DIN 06811597), director is liable to retire by rotation at the ensuing annual general meeting and being eligible offers herself for re-appointment. Further that the tenure of Mrs. Radhica Sharma as a Whole-time Director is being completed on 9th February, 2017, therefore, the Board upon the approval of the Nomination and Remuneration Committee has re-appointed her for a further period of three years w.e.f. 10th February, 2017. Your Board of 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/>) and has been attached to this Report as "Annexure-1"

**C. Board Evaluation:**

Pursuant to the Provisions of Companies Act, 2013 and Listing Regulation, the Board has carried out an annual evaluation of its own performance, its committee and Individual Directors.

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 SEBI (LODR) Regulations, 2015 the Board has the following five(5) committees:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders' Relationship Committee
- (d) Risk Management Committee
- (e) Corporate Social Responsibility Committee (CSR)

A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this report. Apart from the aforesaid committees under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 the Company has also constituted Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

**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, 2016, 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, 2016 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 2016-17. They have confirmed their eligibility under section 141(3)(g) of the Companies Act, 2013.

The Notes on financial statement for the year 2015-16 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 2015-16.

**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 2015-16 has confirmed the compliances by the Company as covered in their report.

The Report of the Secretarial Audit for the year 2015-16 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 2015-16. Further that there were no frauds which needs to be reported by the Auditors of the Company to the Central Government. Moreover, there were no cases reported to the vigil mechanism during the year 2015-16.

**TRANSACTIONS WITH RELATED PARTIES:**

The Company has not entered into any material contracts, with the related parties during the year 2015-16 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. Therefore, there is no particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 to disclose in the prescribed form AOC-2 and may be treated as Not applicable. However, the related party transactions as covered under Accounting Standards have been disclosed in the note no.29 of the financial statements for the year under review.

**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 2015-16 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 there under.