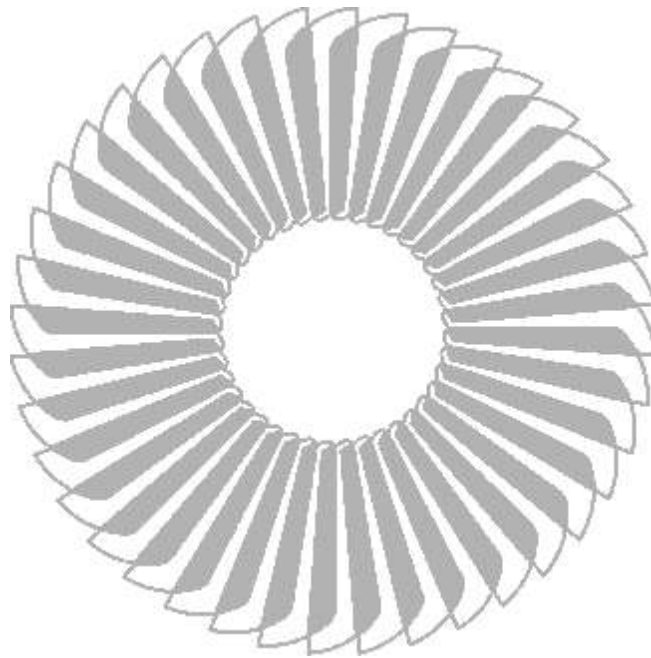


ISO 9001:2008



FM 82849

An ISO 9001:2008 Certified Company



FLUIDOMAT LIMITED

37th Annual Report

2012-13



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

Vice President and Compliance officer :
PRAMOD JAIN

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@bsnl.in
 info@fluidomat.com
 Website : www.fludomat.com

37th Annual General Meeting

Date : 26th September, 2013
 Day : Thursday
 Time : 2.00 p.m.
 Place : 117, 1st Floor
 'Navneet Darshan'
 16/2, Old Palasia,
 Indore - 452 018 (M.P.)
 Book Closure : 23.09.2013 to 26.09.2013
 (Both days inclusive)

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**NOTICE**

NOTICE is hereby given that the 37th Annual General Meeting of the Members of **FLUIDOMAT LIMITED** will be held on Thursday, September 26, 2013 at 2.00 p.m., at 117, "NAVNEET DARSHAN", 16/2 Old Palasia, Indore (M.P.) 452018, Registered Office of the company to transact the following business:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit & Loss Account for the year ended March 31, 2013 and the Balance Sheet as at that date together with the reports of the Directors and Auditors thereon.
2. To declare dividend for the financial year ended 31st March, 2013.
3. To appoint a Director in place of CA M.K. Shah who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri K.C. Jain who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Kunal Jain who retires by rotation and being eligible, offers himself for re-appointment.
6. 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.

By Order of the Board

Place: Indore

Date: 13th August, 2013

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 23rd Sept., 2013 to 26th Sept., 2013 (both days inclusive) for the determining the names of members eligible for dividend on equity shares, if declared at the meeting. The Dividend on equity shares if declared at the meeting, will be credited/dispached to those members whose names shall appear on the Company's Register of Members on 26th Sept., 2013 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 desires 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 loaded 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 having total unpaid/unclaimed dividend of Rs. 521967/- for the financial year 2010-11 and 2011-12. Members are requested to please submit their request for obtaining dividend. The amount if any remains unpaid after 7 years from the date of declaration shall be transferred to the Investors Education and Protection Fund of the Central Government.
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.

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	No. of Shares Held & %
CAM.K. Shah Independent Director	55yrs.	Chartered Accountants	Having more than 28 yrs. Experience in Auditing and Taxation	26.09.2000	Aawas Finance Ltd.	Nil
Mr. K.C. Jain Independent Director	70yrs.	M.Com, DIT	Having 36 yrs. Corporate experience in the field of Accounts, Finance, Taxation and Industrial Management.	01.02.2004	Nil	200 Shares
Mr. Kunal Jain (WTD) Promoters	31yrs.	B.Com	10 Years in commercial matters	01.05.2007	Red Wood Packaging Pvt. Ltd.	1136956 Shares 23.08%

By Order of the Board

Place: Indore
Date: 13th August, 2013

ASHOK JAIN
CHAIRMAN & MANAGING DIRECTOR



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

Dear Members,

Your Directors have pleasure in presenting the 37th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS:

The financial performance of the Company, for the year ended March 31, 2013 is summarized below:

(` In Lacs)

Particulars	31.03.2013	31.03.2012
Revenue from operation	3020.02	2684.65
Other Income	37.41	26.92
Total Income	3057.43	2711.57
Total Expenses	2242.31	2138.62
Profit before Interest, Depreciation & Tax (EBIDTA)	815.12	572.95
Less: Interest	1.71	0.34
Less: Depreciation	46.48	40.57
Profit before Tax	766.93	532.04
Less: (a) Current Tax	249.71	176.24
(b) Deferred Tax	4.50	(2.07)
Net Profit for the year	512.72	357.87
Add: Surplus brought forward from previous year	774.78	497.49
Amount available for appropriation	1287.50	855.36
Appropriations:		
(a) Transferred to General Reserve	100.00	9.00
(b) Proposed Dividend on Equity Shares	123.18	61.59
(c) Tax on Proposed Dividend	20.93	9.99
Surplus Carried to Balance Sheet	1043.39	774.78
Paid up Equity Share Capital	492.70	492.70
Earning per share (Rs.10/- each) Basic & Diluted (in Rs.)	10.41	7.26

DIVIDEND:

Your Directors are pleased to recommend a dividend of Rs. 2.50 per share i.e. 25% (previous year 12.50%) for the financial year ended March 31, 2013. Above dividend would be paid subject to approval by the Members in the ensuing Annual General Meeting (AGM). The proposed dividend will absorb Rs. 144.11 lacs including Dividend Distribution Tax of Rs. 20.93 lacs.

OPERATIONAL REVIEW:

In the financial year 2012-13, the company continued its strong growth with consistent performance. Total revenue (including other income) increased by 12.75% to Rs. 3057.43 lacs as against Rs. 2711.57 lacs for the previous year. Profit after tax for the year under review increased by 43.27% as compared to previous year. The company has generated cash profits of Rs. 563.70 Lacs as against Rs. 396.37 Lacs in the corresponding previous year. During the year EPS has increased by 43% to Rs. 10.41 as against EPS of Rs. 7.26 in the corresponding previous year.

FIXED DEPOSITS:

Your Company has not accepted any public deposit within the meaning of provisions of section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975 and as such no amount of principal or interest was outstanding as of the balance sheet date.

CORPORATE GOVERNANCE:

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 exchanges form part of this annual report.

DIRECTORS:

The Board consists of executive and non-executive Directors including independent Directors who have wide and varied experience in different disciplines of corporate functioning.



In terms of Articles of Association of the Company CA M.K. Shah, Shri K.C. Jain and Shri Kunal Jain liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of section of 217(2AA) of the Companies Act, 1956, your Directors state that:

- ♦ In the preparation of accounts, the applicable accounting standards have been followed.
- ♦ Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at the end of March 31, 2013 and the profit of the Company for the year ended on that date.
- ♦ Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- ♦ The annual accounts of the Company have been prepared on a going concern basis.

AUDITORS:

M/s J. P. Saraf & Co., Chartered Accountants, Indore, the statutory Auditors of the Company retires at the close of this Annual General Meeting and is eligible for re-appointment. The Company has received confirmation from the Auditors that their re-appointment will be within the limits prescribed under section 224(1B) of the Companies Act, 1956. The Audit Committee of the Board has recommended their re-appointment. The necessary resolution is being placed before the shareholders for approval.

AUDITORS' REPORT:

The report of the auditors of the Company and notes to the accounts are self explanatory and therefore do not call for any further comments and may be treated as adequate compliance of section 217(3) of the Companies Act, 1956.

COST AUDITORS:

M/s G.K.Gupta & Co., Cost Accountants in whole-time practice, are re-appointed as the cost auditors of the Company for the financial year 2013-14 to conduct cost audit of the accounts maintained by the company, in respect of the company's products prescribed under Cost Audit Rules, 2011.

Pursuant to the provisions of section 209(1)(d) of the Companies Act, 1956, Company was subjected to maintain Cost Accounting Record and was required to file compliance Report to the MCA for the financial year 2011-12. Accordingly Compliance Report for the period 01.04.2011 to 31.03.2012 issued by M/s G.K. Gupta & Company, Cost Auditors was filed with the Ministry of Corporate Affairs (M.C.A.) on December 13, 2012. The due date for filing the said report with MCA was February 28, 2013.

The Cost Audit Report for the financial year 2012-13, in respect of the Company's Products prescribed under Cost Audit Rules 2011, is due to be filed with MCA on or before September 27, 2013 (being within 180 days from the end of reporting year). The cost audit report will be filed with the Central Government as per the timelines.

SECRETARIAL COMPLIANCE CERTIFICATE:

Compliance Certificate has been obtained from M/s D. K. Jain & Co. in terms of the provisions of section 383A(1) of the Companies Act, 1956 which is being annexed to the Directors' Report, which is self-explanatory and needs no comments. Annexure B

INSURANCE:

The Company has taken adequate insurance cover for all movable & immovable assets for various types of risks.

INDUSTRIAL RELATIONS:

Company's Industrial relations continued to be healthy, cordial and harmonious during the period under review.

HEALTH AND SAFETY:

The safety and security of the workers are important things for building healthy work environment. The Company has taken effective measures in the field of health care and safety. Your company has conducted following activities for building healthy work culture:

1. Regular medical check-up
2. Medical aid facility for the workers and placement of first aid boxes at several places
3. Ensuring safety of the workers by displaying signs, cautionary board, emergency phone calling system.
4. Conducting training programs on the job and after job.
5. Conducting lectures for awareness of hygiene and cleanness.
6. Training to fire marshals and display their contact numbers at various locations.

Your Company belief that healthy and happy working environment is the fundamental rights of every employee and to provide the same as a duty of the company. Your company is committed towards providing a healthy working environment in every possible way.

ENVIRONMENTAL PROTECTION:

Your company believes that clean surrounding and healthy environment adds to the efficiency of the workers. Your company believes that it is responsibility of the company to maintain the ecological balance for sustainable



development. Your company aims towards maintaining the harmony and rhythm of the eco system. The eco friendly initiatives adopted by your company includes:

1. Optimum use of natural resources
2. Implementing the 3R system, reduce, re-use and recycle.
3. Tree plantation campaigns.
4. Regular internal environmental checks.
5. Reduction in process waste.
6. Storage and disposal of hazardous wastes as per statutory requirements.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is not a new Concept in India. The only new is that the focus has been shifted from making profits to meeting societal challenges.

Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

Your company is dedicated to serve the society at large. Commitment towards health, safety and environment protection are the core values of the company. The company is continuously making efforts to preserve the environment by undertaking various measures such as plantation of trees, encouraging paperless transactions, optimum use of natural resources, etc.

Your company shall continue to undertake more activities and initiatives to improve the quality of life and society at large.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, PARTICULAR OF EMPLOYEES AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 have been annexed herewith as Annexure A.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A. Economic overview:

During the year under review the Global economy continued to be sluggish. The world faced several economic and political challenges ranging from Eurozone debt crisis to continued turmoil in some of North African countries. Several European economies experienced recession due to high unemployment, banking fragility, fiscal tightening and sluggish growth. By and large clear signs of global recovery are yet to emerge.

On the domestic front financial year 2012-13 experienced economic slowdown with growth of 5.0% after achieving continuous growth of over 8.5% upto 2009-10. Various factors of political turmoil, Governance problems and uncertainty of future including international factors contributed to the slow down and resulted in high inflation, lack of investment and delay in project implementation/completion. High interest cost and current account deficit have landed our economy in a critical stage calling for caution and bold decisions simultaneously. The financial year 2013-14 is expected to have increased demand as a result of good monsoon alongwith some of the fiscal policy measures taken by the Union Government including setting up of the Cabinet Committee on investments to ensure fast implementation of infrastructure projects.

Your company will continue to remain on growth path with the existing business opportunities in Fan and Pump Application, Spare Couplings business and on applications where the company offers effective drive solutions. Large number of couplings supplied to various projects during past five years are in operation and now offer additional business of spares and spare coupling supplies.

Your company has supplied its scoop control couplings on a new critical application on oil transfer/oil export pumps installed on off shore drilling rigs which call for conformance to stringent operational and safety parameters. This supply opens high volume export business opportunity.

With the increased awareness and credibility of company products several companies internationally are approaching us for supply of fluid couplings. Fluidomat steel body couplings are now established and proven in the Australian mining sector market. All these with continuous efforts and participation in international fares ensures growth in export business.

Your company continues new investments in Plant and Machinery for modernization. Improvements and development of new types/sizes of fluid couplings is a regular activity in company.

B. Industry structure and developments:

Your Company deals only in the one segment i.e. manufacturing and sale of the hi-tech products "Fluid Couplings" which are mainly used in various sector of industries including Thermal Power Plants, Steel, Metal, Cement, Paper, Chemical, Fertilizers, Coal and Ore-mining and Port handling facilities, etc. New projects in these sectors have important contribution towards growth and profitability of the Company.



C. Quality Management System:

The Company continued to be certified under ISO: 9001:2008 by British Standard Institution- BSI Management System for the Company's Quality System. The Quality Management System in the Company is well defined and is well in place.

D. Internal control system:

The Company has adequate internal control system commensurate with its size and business. The internal control systems are supplemented by internal audits. The Company has appointed independent outside Internal Auditors to further strengthening of the system. The audit system carries on a continuous basis, the entire gamut of operations, business and functions. The reports of internal auditors are submitted to the audit committee, which further review the adequacy of the internal control system.

E. Risk and Concerns:

Since your Company is catering the needs of almost all sector of Industries, if there is recession in any one sector, the other sector industry will continue to generate the revenue for the Company. Apart from the normal risk, demand-supply conditions, raw material prices, changes in government regulations, tax regimes, economic developments within the country and globally, no major risks are foreseen.

F. Cautionary statement:

Statement made in the management discussion and analysis report as regards the expectations or predictions are forward looking statements within the meaning of applicable Laws and Regulations. Actual performance may deviate from the explicit or implicit expectations.

G. ACKNOWLEDGEMENTS:

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers, for the assistance and co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of Investors, Customer, Vendors and Employees in ensuring an excellent all around operational performance.

BY ORDER OF THE BOARD

Place: INDORE
Dated: 13th August, 2013

ASHOK JAIN
CHAIRMAN & MANAGING DIRECTOR

Annexure A to the Directors' Report:

[Information as per the Companies (Disclosure of particular in Report of Board of Directors) Rules, 1988]

A CONSERVATION OF ENERGY:

The Company has undertaken several initiatives to reduce energy consumptions at different levels. Your Company believes in sustainable consumption of natural resources and the conservation of energy remain a key focus area at all times. The Company gives utmost importance to the conservation of energy as a part of its Corporate Social Responsibility and adopt eco-friendly practices in all areas of operations.

	Current Year 2012-13	Previous Year 2011-12
POWER & FUEL CONSUMPTION:		
1. Electricity (Purchased) Units	712932	734592
Total Amount (Rs.)	6006984	5346378
Rate per Unit (Rs.)	8.42	7.28
2. Electricity (Generated) units	5282	5372
Total Amount (Rs.)	129851	105681
Rate per Unit (Rs.)	24.58	19.67

B. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT:

R & D activities are an integral part of operations and all the expenses relating to R & D debited to Profit and Loss Account.

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Information in respect of Foreign Exchange Earning & Outgo is as under:

	Current Year	Previous Year
Earning (Rs.) :	1,68,67,239	1,47,12,251
Outgo (Rs.) :	5,97,301	1,81,586

**D. PARTICULARS OF THE EMPLOYEES:**

The Company does not have any employee whose particulars are required to be furnished under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time.

BY ORDER OF THE BOARD

Place: INDORE
Dated: 13th August, 2013

ASHOK JAIN
CHAIRMAN & MANAGING DIRECTOR

Annexure B
COMPLIANCE CERTIFICATE

CIN: L74210MP1978PLC001452
Nominal Capital: Rs.6,00,00,000

To,
FLUIDOMAT LIMITED
117 1st FLOOR NAVNEET DARSHAN
16/2, OLD PALASIA
INDORE (M.P.)

We have examined the registers, records, books and papers of **FLUIDOMAT LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended **31st March 2013 (from 01.04.2012 to 31.03.2013)**. In our opinion and to the best of our information and according to the examinations carried and explanations furnished to us by the Company and its management, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in **Annexure `A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The company has filed the forms and returns, as stated in **Annexure `B'** to this certificate, with the Registrar of Companies and the Central Government or all authorities within the time prescribed under the Act, and the Rules made thereunder.
3. The company, being a public limited company, comments is not required.
4. The Board of directors duly met **4 (Four)** times respectively on **30th May 2012; 13th August 2012; 9th November 2012; and 13th February 2013** and in respect of these meetings proper notices were given to the director and the proceedings were properly recorded and signed in the Minutes book maintained for the purpose.
5. The company has closed its Register of Members from **24th September, 2012 to 26th September, 2012** (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on **31st March, 2012** was held on **26th September 2012** after giving due notice were given to the members and beneficiaries of the company and the resolutions passed thereat were recorded in Minutes book maintained for the purpose.
7. No Extra Ordinary General meeting was held by the company during the financial year.
8. The company has not advanced any loans to its directors or persons or firms or companies, referred to under section 295 of the Act.
9. The company has not entered into any contracts as specified in section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. the company has obtained necessary approvals from the Board of Directors and members pursuant to section 314 of the Act wherever applicable. However, it was not required to seek any approval of the Central Government.
12. The Board of Directors or duly constituted committee of directors has approved the issue of duplicate share certificates.
13. The company:
 - i. has delivered all the certificate on transfer/transmission of securities during the financial year in accordance with the provisions of the law.
 - ii. has deposited the amount of dividend declared in a separate Bank Account within five days from the date of declaration of dividend.



- iii. has paid/posted the cheques/warrants transferred the amount in the electronic mode for the dividend to the members within a period of 30 days from the date of declaration and that all unpaid/unclaimed dividend has been transferred to unpaid dividend account of the company.
- iv. Was not require to transfer any amounts remains in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
- v. has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The appointment of directors was duly made. However, there was no appointment of additional directors, alternate directors and director to fill casual vacancy during the financial year.
15. The appointment of Managing Director has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act and there was no requirement for seeking approval of the Central Government.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtained any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year, except for the appointment of the cost auditors which was obtained by filing of Form 23C to the Central Government.
18. The directors have disclosed their interest in other firms/companies to the Board of directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. the company has not invited/accepted any deposits falling within the purview of section 58A during the financial year.
24. The amount borrowed by the Company during the year ending 31st March, 2013 is within the borrowing limits of the Company and that necessary resolutions as per section 293(1)(d) of the Act have been passed.
25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate u/s 372A of the Companies act, 1956 and consequently no entries have been made in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company.
30. The Company has not altered its articles of association during financial year,
31. There was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The company has not constituted the Provident Fund pursuant to section 418 of the Act.

**For, D.K.JAIN & CO.
COMPANY SECRETARIES**

**DILIP KUMAR JAIN
PROPRIETOR
CP NO. 2382**

**Date: 29th May, 2013
Place: Indore**



**ANNEXURE-A
Registers as maintained by the Company**

S.No	Particulars	Sections
1.	Register of Charges	Section 143
2.	Register of Members	Section 150
3.	Index of Members	Section 151
4.	Registers and returns kept at the Registered Office	Section 163
	i) Contracts for appointment of Managing Director/Whole-time Director	
	ii) Annual Returns together with copies of certificate, etc.	
5.	Minute Book containing minutes of	Section 193
	- Board Meeting	
	- Audit Committee Meetings	
	- Remuneration Committee Meeting	
	- Investors Grievance Committee	
	- General Meeting	
6.	Books of Accounts	Section 209
7.	Cost Accounting Records	Section 233
8.	Register of contracts in which Directors are interested	Section 301
9.	Register of Directors, Manager & Secretaries	Section 303
10.	Register of Director's shareholdings	Section 307
11.	Register of Investments or Loans made, Guarantee or Security provided	Section 372A
12.	Register of Transfer of Shares	Section 108
13.	Register of renewed and duplicate share certificates	Rules 7
14.	Register for payment of Dividend	

**For, D.K.JAIN & CO.
COMPANY SECRETARIES**

**Date: 29th May, 2013
Place : Indore**

**DILIP KUMAR JAIN
PROPRIETOR
CP NO. 2382**

**Annexure-B
Forms and Returns as filed by the Company with Registrar of Companies, during the financial year ending 31st March, 2013.**

S. No.	Form No.	Section/ Rules	For dated	Filed on dated	Whether Within Time	Whether late filing fee paid	Remarks/ RoC Receipt No./ Dated
1.	Form 23AC & 23ACA(XBRL)	220	31/03/2012	05/12/2012	YES	N.A.	Q03942679
2.	Form 20B	159, 161	26/09/2012	19/10/2012	YES	N.A.	P91033241
3.	Form 66	383(1A)	31/03/2012	26/09/2012	YES	N.A.	P89090468
4.	Form 23C	233(B)(2)	31/03/2013	14/06/2012	YES	N.A.	S08801797
5.	Form 51NV	Rule 3	26/09/2012	21/11/2012	YES	N.A.	S16149585
6.	Form 23	192	26/09/2012	26/09/2012	YES	N.A.	B58364001
7.	Form 25C	269(2)	01/05/2012	12/05/2012	YES	N.A.	B38918561
8.	Form 8	125	27/06/2012	06/07/2012	YES	N.A.	B42739763
9.	Form 8	125	27/06/2012	06/07/2012	YES	N.A.	B42740142
10.	Form A XBRL	233	31/03/2012	13/12/2012	YES	N.A.	S17274895

**For, D.K.JAIN & CO.
COMPANY SECRETARIES**

**Date: 29th May, 2013
Place : Indore**

**DILIP KUMAR JAIN
PROPRIETOR
CP NO. 2382**



CORPORATE GOVERNANCE REPORT

As required under clause 49 of the Listing Agreement with the Stock Exchanges, the Corporate Governance Report forms part of the Annual Report. A certificate from the Statutory Auditors of the Company confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the law coupled with total adherence to highest norms of business ethics.

The Corporate Governance Policy of the company is based on principles of equity and ensures the following:

- Proper composition of the Board of Directors;
- Timely dissemination of material information to the stakeholders concerning their interests;
- Adequate Internal Checks and Balances;
- Transparency and Accountability ; and
- Compliance with the applicable laws and regulations.

2. BOARD OF DIRECTORS AND THEIR MEETINGS:

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning. Shri Ashok Jain, Chairman & Managing Director is also assisted by Shri Kunal Jain, Whole-time Director is overall incharge for the affairs of the Company who exercise their powers and discharge their duties under the superintendence and control of the Board of directors from time to time. The Board of directors of the company comprises of four non-executive directors out of them three directors are independent.

During the financial year 2012-13 the Board of directors met **4 (Four)** times on, **30th May 2012; 13th August 2012; 9th November, 2012 and 13th Feb. 2013**. The time gap between any two Meetings of the Board was less than four months.

The composition of the Board of Directors and their attendance at the meetings during the year were as follows;

Name of the Directors	Category	Designation	No. of Board meetings held during the financial Year	No. of Board meetings attended during the Financial Year	Whether attended last AGM held on September 26th, 2012	No. of other Director-ship	No. of Committee Chairmanship/ membership in other Companies
Shri Ashok Jain	Promoter & Executive Chairman	Chairman & MD	4	4	Yes	1	Nil
Shri Kunal Jain	Promoter & Executive Director	WTD	4	3	Yes	1	Nil
CAM.K. Shah	Independent/ NED	Director	4	4	Yes	1	Nil
Shri K.C. Jain	Independent/ NED	Director	4	4	Yes	0	Nil
Shri Narendra Kathed	NED	Director	4	0	No	1	Nil
Shri Praful R. Turakhia	Independent / NED	Director	4	4	Yes	1	Nil

3. INFORMATION PLACED BEFORE THE BOARD

The Board has complete access to all information with the company. All Board Meetings are governed by a structured agenda which is backed by comprehensive background information to take informed decisions. All information including inter alia information as required under clause 49 of the Listing Agreement are regularly provided to the Board, as part of the agenda papers well in advance of the Board meetings.

The Board has established procedure to periodically review compliance reports of all laws applicable to the company, prepared by the company, as well as steps taken by the company to rectify instances of non-compliance if any.

4. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all board members and Senior Management Personnel. All the Directors and Senior Management personnel have

affirmed compliance with the Code of Conduct as on March 31, 2013. The Code of Conduct is available on the website of the Company www.fluidomat.com. A declaration to this effect signed by the Chairman & Managing Director forms part of this report.

5. COMMITTEES OF THE BOARD

The committees constituted by the Board of Directors of the Company are as under :

- A. Audit Committee
- B. Remuneration Committee
- C. Shareholders'/Investors' grievances Committee

5.1 AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of Directors and to meet the requirement of section 292A of the Companies Act, 1956 and the Clause 49 of the Listing Agreement and in fulfilling the Board's overall responsibilities, an Audit Committee is functioning consisting of only independent



Directors. The Audit Committee inter-alia has the following mandate in terms of the Clause 49 of the Listing Agreement:

1. Overview of company's financial reporting process and the disclosure of the financial information in the annual accounts.
2. To review and discuss with management, internal audit team and external auditors regarding any significant finding of material nature.
3. To consider and review the adequacy of management control system and internal audit function and frequency of internal audit process.
4. To review with Management the quarterly and annual financial statements before submission to the Board focusing primarily on any change in accounting policies and compliance with accounting standards, requirements of stock exchanges and other legal compliance.
5. To review Balance Sheet & Profit and Loss Accounts to be placed before the Board.
6. To consider and review the financial and risk management policy of the Company.
7. To consider and review the defaults, if any in payment to the creditors, financial institutions and reasons thereof.
8. To review the functioning of the Whistle Blower mechanism.
9. To appoint the Cost Auditors and review the Cost Auditor Reports/Compliance Report of the Cost accounting Report.
10. To consider and review the Compliance Certificate of the Practicing Company Secretary.
11. To consider the Directors responsibility statement to be given by the Board in the Directors Report.
12. To consider the matter relating to the recommendation for appointment of the external auditors and fixation of their audit fee and also approval for payment of any other services.
13. Considering such other matters as may be required by the Board.
14. Reviewing any other areas which may be specified as role of the Audit Committee under the Listing Agreement, Companies Act and other statutes as amended from time to time.

a) Composition of the Audit Committee:

The Audit Committee of the company comprises of the following independent directors:

Director	Position	Qualification
CAM.K. Shah	Chairman	B.Com, FCA
Shri K.C. Jain	Member	M.Com
Shri Praful R. Turakhia	Member	B.E. (Industrialist)

Shri Pramod Jain, Vice President and Compliance officer is also functioning as the Secretary to the Committee.

b) Meetings of the Audit Committee:

During the financial year 2012-13 the Audit Committee met 4 (Four) times on, 30th May, 2012; 13th August, 2012; 9th November, 2012; 13th Feb. 2013 under the Chairmanship of CA M.K.Shah, in which proper quorum was present.

5.2. SHAREHOLDERS' GRIEVANCE COMMITTEE:

The Shareholders' Grievances Committee facilitates prompt and effective redressal of the complaints of the shareholders and reporting the same to the Board periodically. The Shareholders' Grievance Committee of

the company was constituted comprising of the following independent directors:

CAM.K.Shah (Independent/NED)	: Chairman
Shri K.C.Jain (Independent/NED)	: Member
Shri Praful R. Turakhia	: Member

Shri Pramod Jain, Vice President & the Compliance officer also acting as Secretary to the Committee.

5.3 REMUNERATION COMMITTEE:

a) Composition of the Remuneration Committee:

Composition of the Remuneration Committee is as under:

CAM.K. Shah (Independent/NED)	: Chairman
Shri K.C.Jain (Independent/NED)	: Member
Shri Praful R. Turakhia	: Member (Independent/NED)

Shri Pramod Jain, Vice President and the Compliance officer also acting as the Secretary to the Committee. During the year 2012-13, only one meeting held on 13th August, 2012 for approval of the re-appointment of Shri Ashok Jain as the Chairman and Managing Director and revision in the salaries of Mrs. Pramila Jain, Mrs. Radhica Sharma, Mr. Sandeep Sharma and Mrs. Monica Jain, in which proper quorum was present.

b) Payment to non-executive Directors and composition of the Committee:

The Company is not paying any remuneration to the non-executive/independent Directors except, sitting fees for the attending of the Board or the committee

c) Remuneration paid to directors during the year:

(Amount in Rs.)

S. No.	Name of Directors	Status	Sitting fee	Salary/ Remuneration
1	Shri Ashok Jain	Director/ CMD	0	2945260
2	Shri Kunal Jain	Director/ WTD	0	1937547
3	Shri K. C. Jain	Director/ NED	10,000	0
4	CA M. K. Shah	Director/ NED	10,000	0
5	Shri Narendra Kathed	Director/ NED	0	0
6	Shri Praful R. Turakhia	Director/ NED	10,000	0

6. VENUE AND TIME OF THE LAST THREE ANNUAL GENERAL MEETINGS:

Date of AGM	Venue	Time	No. of resolutions passed other than ordinary businesses	No. of resolution passed by Postal Ballot
24.09.2010	117, 1st floor Navneet Darshan, 16/2 Old, Palasia Indore	2.00 P.M.	None	Nil
26.09.2011	---do---	---do---	Three	Nil
26.09.2012	---do---	---do---	Five	Nil

The Resolutions were passed by show of hands with requisite majority. The venue of the AGM of the company has been chosen for its central location, prominence and capacity. Chairman of the Audit Committee and Remuneration Committee, CA M.K.Shah has also attended the Annual General Meetings.

No extra ordinary general meetings were held during the previous three years.



7. DISCLOSURES:

The Company has complied with all the mandatory requirements. The Company's status of compliance with the non-mandatory requirements is given below:

7.1 Non-Executive Chairman's Office

The Chairman of the Company is the Executive Chairman and hence this provision is not applicable.

7.2 Remuneration Committee

The Company has a Remuneration Committee, the details of which are provided in this report under the section 'Committees of the Board - Remuneration Committee.'

7.3 Shareholder Rights

The quarterly, half yearly and annual financial result of the Company are published in news papers and are posted on the website of the Company and also sent to the Bombay Stock Exchange, where the shares of the Company are listed. The complete Annual Report is sent to every shareholder of the Company.

7.4 Audit Qualifications

It is always the company's endeavour to present unqualified financial statements. There are no audit qualifications in the company's financial statements for the year ended 31st March 2013.

7.5 Whistle Blower Policy

The Company encourages an open door policy where employees have access to the Head of the Business/ Function. The Company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the Company has been denied access to the Audit Committee in this regard.

7.6 Disclosure of Related Party Transactions

Full disclosure of related party transactions as per Accounting Standard-18 issued by the Institute of Chartered Accountants of India are given under Note No.28 of Notes on Financial Statements.

7.7 Compliance by the Company

There has not been any non-compliance by the company and no penalties or strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

8. MEANS OF COMMUNICATION:

The company regularly intimates its Un-Audited as well as Audited Financial Results to the Stock Exchange immediately after these are taken on record/approved by the Board. These financial results are published in the Free Press Journal (English) and in Chautha Sansar (Hindi), the vernacular newspaper. The results of the company are also available on the website of the company, at www.fluidomat.com.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Reports can be sent by an e-mail to its members. This will ensure prompt receipt of communication and avoid loss in postal transit. These documents will also be available on the company's website i.e. www.fluidomat.com for download by the shareholders.

To support this green initiative of the Government in full measure, member who have not yet registered their e-mail addresses or holding shares in physical form, are requested to register their e-mail addresses with the Depository through their concerned Depository Participant(s), or our RTA at ankit_4321@yahoo.com along with your Folio No. and e-mail id.

9. GENERAL INFORMATION FOR SHARE HOLDERS:

- (i) Date, Time and Venue of Annual General Meeting : 26th Sept., 2013
: at 2.00 P.M. at Regd.Off. at 117,1st Floor, Navneet Darshan, 16/2, Old Palasia, Indore (M.P) 452018
- (ii) Financial Calendar : 2013-14
First Quarter Results : On 13th August, 2013
Second Quarter Results : Before 14th Nov., 2013
Third Quarter Results : Before 14th Feb., 2014
Last Quarter Results : Before 30th May, 2014
- (iii) Date of Book Closure : 23rd Sept. 2013 to 26th Sept., 2013
- (iv) Date of Dividend Payment : Within 7 working days from the date of AGM
- (v) Board meeting for consideration of Annual Accounts : 29th May, 2013
- (vi) Posting of Annual Report : Before 1st Sept., 2013
- (vii) Last date for receipt of Proxy : 24th Sept., 2013
- (viii) No. of Share holders as on 31.03.2013 : 4648
- (ix) Listing on Stock Exchanges : The equity shares of your company are listed on Bombay Stock Exchange Limited, Mumbai. The company has paid listing Fee for the year 2013-14.
- (x) Scrip Code : 522017
- (xi) Demat ISIN No. for CDSL & NSDL : INE459C01016
- (xii) Stock Market Data : Bombay Stock Exchange, Mumbai

High and low during each month in the financial year 2012-13

Month	High (Rs.)	Low (Rs.)	Total volume of shares
April, 2012	37.00	31.35	34,041
May, 2012	33.15	28.50	17,013
June, 2012	41.45	31.00	68,415
July, 2012	41.00	34.55	27,785
August, 2012	40.00	30.10	58,838
September, 2012	36.00	32.25	61,295
October, 2012	40.00	33.00	65,620
November, 2012	56.00	38.50	1,32,829
December, 2012	57.00	51.15	58,516
January, 2013	66.75	53.10	1,36,589
February, 2013	55.90	42.10	1,12,653
March, 2013	50.95	38.10	53,507

(xiii) Status of the investors/shareholders complaints:

- (i) Number of complaints received during the year : 28
- (ii) Number of complaints solved during the year : 28
- (iii) Number of complaints pending at the end of the year : Nil

(xiv) Dematerialisation/Rematerialisation:

The shares of the company are traded in dematerialised form. As on 31st March, 2013, the Company's 4470844 shares are held by shareowners in dematerialised form, aggregating 90.74% of the Equity Share Capital.

No. of shares in physical, NSDL and CDSL as on 31st March, 2013:

- (a) In physical Form : 4,56,156
- (b) In CDSL : 9,70,159
- (c) in NSDL : 35,00,685

**(xv) Distribution of Share owning as on 31st March, 2013**

Number of Shares	No. of Owners	% of Share holders	Share Amount (Rs.)	% to Total
Upto 1000	2,876	61.88	2625280	5.33
1001 -2000	522	11.23	1006080	2.04
2001 -3000	207	4.45	591990	1.20
3001 -4000	113	2.43	435220	0.88
4001 -5000	372	8.00	1845000	3.75
5001 -10000	279	6.00	2359290	4.79
10001-20000	126	2.71	2010650	4.08
20001-30000	49	1.06	1255540	2.55
30001-40000	18	0.39	655790	1.33
40001-50000	23	0.50	1093480	2.22
50001-100000	28	0.60	1941770	3.94
100001- Above	35	0.75	33449910	67.89
Total	4648	100	49270000	100

(xvi) Shareholding pattern as on 31st March, 2013 :

Sr. No.	Category	No. of Shares held	Holding % of share
A	Promoter Holding		
1	Promoters		
	Indian Promoters	2568690	52.13
	Foreign Promoters	0	0.00
2	Persons Acting in Concert	0	0.00
	Sub Total	2568690	52.13
B	Non Promoters Holding		
3.	Institutional investors		
(a)	Mutual Funds and UTI	0	0.00
(b)	Bank, financial Institutions, companies (Central/State Govt./ Non- Govt. Institutions)	500	0.01
(c)	FIs	0	0.00
	Sub Total	500	0.01
4	Others		
(a)	Private Corporate Bodies	280622	5.70
(b)	Indian Public	2055007	41.71
(c)	NRI/OCBs	21829	0.44
(d)	Any other	352	0.01
	Sub Total	2358310	47.87
	TOTAL	4927000	100.00

(xvii) Details of shares credited in the Suspend account : There were no instance for returning the undelivered shares therefore, no shares were credited in the escrow account as per Clause 5(a) of the Listing Agreement.

(xviii) Registrar and Transfer Agents : Ankit Consultancy Pvt. Ltd., Plot No.60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010
Tel : 0731- 3198601,602
Fax : 0731- 4065798
Email : ankit_4321@yahoo.com

(xix) Share Transfer System : Application for transfer of shares held in physical form are Received at the office of the Registrar and Share Transfer Agents of the Company. All valid transfer are processed within 15 days From the date of receipt.

(xx) Correspondence address : Ankit Consultancy Pvt. Ltd.,

for Shareholders in respect of their queries

Plot No.60, Electronic Complex, Pardeshipura, Indore (M.P) 452010
Tel : 0731-3198601,602
Fax : 0731-4065798
Email : ankit_4321@yahoo.com

(xxi) Name and Designation of the Compliance Officer : Shri Pramod Jain Vice President
(xxii) Plant Location, Head Office & Address for communication : 7C-8J, I. S. Gajra Industrial Area, No.1 A.B.Road, Dewas (M.P.) 455001
Ph. 07272 258582, 258583, 268100
Fax No. 07272 258581
Email : fludomat@bsnl.in

For & On Behalf of the Board

Place: INDORE
Date : 13th August, 2013

ASHOK JAIN
CHAIRMAN & MANAGING DIRECTOR

**MANAGEMENT RESPONSIBILITY
STATEMENT**

The Management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for estimates and judgments relating to matters not concluded by the year-end. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and results of operations. To ensure this, the company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Our internal auditors have conducted periodic audits to provide reasonable assurance that the company's established policies and procedures have been followed. However, there are inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls.

These financial statements have been audited by M/s J.P.Saraf & Co., Chartered Accountants, the Statutory Auditors of the Company.

For & On Behalf of the Board

ASHOK JAIN

CHAIRMAN & MANAGING DIRECTOR

Place: INDORE

Date : 13th August, 2013

DECLARATION

This is to confirm that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of clause 49(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March, 31, 2013.

For Fluidomat Limited

ASHOK JAIN

CHAIRMAN & MANAGING DIRECTOR

Place: INDORE

Date : 13th August, 2013

**COMPLIANCE CERTIFICATE ON
CORPORATE GOVERNANCE**

TO,
THE MEMBERS
FLUIDOMAT LIMITED

We have examined the compliance of conditions of Corporate Governance by Fluidomat Limited ("the Company"), for the financial year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange(s).

The Compliance of conditions of Corporate Governance is the responsibility of the company's management. Our examination was limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

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

FOR, J.P. SARAF & CO.
CHARTERED ACCOUNTANTS
(ICAI Reg. No. 006430C)

RITU JAIN
(PARTNER)

Membership No.: 077553

Place: INDORE

Date : 13th August, 2013

**INDEPENDENT AUDITORS' REPORT**

To
**THE MEMBERS,
FLUIDOMAT LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of FLUIDOMAT LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For J.P. SARAF & COMPANY
CHARTERED ACCOUNTANTS
Firm Reg. No: 006430C

Place : Indore
Date : This 29th Day of May, 2013

RITU JAIN
PARTNER
M. No.: 077553

**Annexure to Independent Auditors' Report**

(Referred to Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Fluidomat Ltd. for the year ended 31st March, 2013)

- (i) In respect of the company's fixed assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) As explained to us the fixed assets have been physically verified by the management in accordance with phased programme of verification, which in our opinion is reasonable, considering the size and nature of its business. No material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, the company has not made any substantial disposal of fixed assets during the year and going concern status of the Company is not affected.
- (ii) In respect of its inventories:
 - (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) According to the information and explanations given to us, the Company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of the inventories as compared to the book records.
- (iii) According to the information and explanations given to us, the Company has not taken/granted any loans, secured or unsecured from/to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provision of clause 4 (iii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of Audit we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, the transactions that need to be entered into a register in pursuance of section 301 of the Act have been so entered.
 - (b) According to the information and explanations given to us, that these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time, though no such transaction was of the value exceeding Rupee Five Lakhs.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of the provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (vii) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) According to the information and explanations given to us and on the basis of records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities though there has been delay in a payment of Sales Tax. The extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, are Rs. 15,34,756/- (Commercial Tax, Central Sales Tax & Entry Tax).



According to the records of the Company, there are no dues outstanding of custom tax / wealth tax / excise duty / cess etc. on account of any dispute except the following:

Nature of Dues	Period to which the amount relates	Forum where matter is pending	Amount (In Rupees)
Sales Tax	2009-10	Dy. Comm. Of Sales Tax, Div.-III, Indore	5,41,754

- (x) The Company has no accumulated losses as at 31st March, 2013. The Company has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Financial Institutions or Banks as at the Balance Sheet date.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi or mutual benefit societies. Therefore the provisions of clause 4 (xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in Shares, Securities, Debentures and other investments. Therefore the provisions of clause 4 (xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company;
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not raised any term loan during the year under Audit.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet and cash flow statement of the Company, we report that no funds raised on short term basis have been used for long term investment and vice versa (excluding permanent working capital).
- (xviii) During the year the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debenture during the year.
- (xx) No money has been raised through the Public Issue during the year under Audit.
- (xxi) During the course of our examination of the books & records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by the management.

For J.P. SARAF & COMPANY
CHARTERED ACCOUNTANTS
Firm Reg. No: 006430C

Place : Indore
Date : This 29th Day of May, 2013

RITU JAIN
PARTNER
M. No.: 077553

**BALANCE SHEET AS AT 31st MARCH, 2013**

	NOTE	As At 31st March, 2013	As At 31st March, 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	49270000	49270000
Reserves and surplus	2	119353922	82492595
		<u>168623922</u>	<u>131762595</u>
Non-current liabilities			
Deferred tax liabilities (Net)	3	5329562	4879426
Long-term provisions	4	4415738	4433498
		<u>9745300</u>	<u>9312924</u>
Current liabilities			
Short-term borrowings	5	0	6712517
Trade payables	6	17814731	21542624
Other current liabilities	7	23683158	20789775
Short-term provisions	8	16347123	9006952
		<u>57845012</u>	<u>58051868</u>
Total		<u>236214234</u>	<u>199127387</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	61768709	54006685
Intangible assets		223025	205127
Capital work-in-progress		0	1208674
		<u>61991734</u>	<u>55420486</u>
Other non current assets	10	2431257	2300940
		<u>64422991</u>	<u>57721426</u>
Current assets			
Inventories	11	30328259	38588123
Trade receivables	12	79312438	74481573
Cash and Bank Balances	13	56284573	24069455
Short-term loans and advances	14	5865973	4266810
		<u>171791243</u>	<u>141405961</u>
Total		<u>236214234</u>	<u>199127387</u>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENT

1 to 30

Note : The notes referred to above, form an integral part of these financial statements.

As per our report of even date

For and on behalf of the Board

For J.P. SARAF & CO.
CHARTERED ACCOUNTANTS,
Firm No. : 006430C

(ASHOK JAIN)
CHAIRMAN & MANAGING DIRECTOR

(KUNAL JAIN)
EXECUTIVE DIRECTOR

(RITU JAIN)
Partner
M.No. 077553

(M.K. SHAH)
DIRECTOR

(K.C. JAIN)
DIRECTOR

(PRAFUL R. TURAKHIA)
DIRECTOR

Place : Indore
Date : This 29th day of May, 2013

(PRAMOD JAIN)
VICE PRESIDENT



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2013

	Note	Year Ended 31st March, 2013	Year Ended 31st March, 2012
INCOME			
Revenue from Operations	15	302002388	268464790
Other Income	16	3740950	2691671
Total Revenue		<u>305743338</u>	<u>271156461</u>
EXPENSES :			
Cost of Materials Consumed	17	129149130	129566365
(Increase)/Decrease in Inventories (Finished Goods, Stock-in-Process and Stock -in-Trade)	18	(2260323)	(2022347)
Employee Benefits Expenses	19	48673739	45379350
Finance Costs	20	171668	33995
Depreciation Expenses	9	4647678	4056817
Other Expenses	21	48668266	40938518
Total Expenses		<u>229050158</u>	<u>217952698</u>
PROFIT BEFORE TAX		76693180	53203763
Tax Expenses			
a) Current Tax		24970858	17623893
b) Deferred Tax		450136	(206875)
PROFIT FOR THE YEAR		<u>51272186</u>	<u>35786745</u>
EARNINGS PER EQUITY SHARE (Face Value of ` 10 each)			
Basic & Diluted (in `)	22	10.41	7.26
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENT			
	1 to 30		

Note : The notes referred to above, form an integral part of these financial statements.

As per our report of even date

For and on behalf of the Board

For J.P. SARAF & CO.
CHARTERED ACCOUNTANTS,
Firm No. : 006430C

(ASHOK JAIN)
CHAIRMAN & MANAGING DIRECTOR

(KUNAL JAIN)
EXECUTIVE DIRECTOR

(RITU JAIN)
Partner
M.No. 077553

(M.K. SHAH)
DIRECTOR

(K.C. JAIN)
DIRECTOR

(PRAFUL R. TURAKHIA)
DIRECTOR

Place : Indore
Date : This 29th day of May, 2013

(PRAMOD JAIN)
VICE PRESIDENT

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013**

	Year Ended 31st March, 2013	Year Ended 31st March, 2012
In lacs		
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	766.93	532.04
Adjustment for :		
Depreciation	46.48	40.57
Loss/ (Profit) on Sale/Discard of Fixed Assets	0.60	(0.59)
Interest (Net)	(30.85)	(19.81)
Lease rental net of lease equalisation	0.21	0.21
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>783.37</u>	<u>552.42</u>
Adjustment for :		
(Increase) / Decrease in trade and other receivable	(65.60)	(225.49)
(Increase) / Decrease in Inventories	82.60	(4.87)
Increase / (Decrease) in Trade Payables & provisions	(7.65)	44.01
CASH GENERATED FROM OPERATIONS	<u>792.72</u>	<u>366.07</u>
Interest Paid	(1.72)	(0.34)
Income Tax Paid	(249.71)	(176.24)
NET CASH FROM OPERATING ACTIVITIES	<u>541.29</u>	<u>189.49</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payment towards Capital Expenditure	(112.99)	(154.92)
Sale of Fixed Assets (Net)	0.00	1.37
Interest Earned	32.56	20.15
NET CASH (USED IN) FROM INVESTING ACTIVITIES :	<u>(80.43)</u>	<u>(133.40)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from short term borrowings	(67.13)	66.15
Payment of Dividend	(61.59)	(49.27)
Dividend Tax Paid	(9.99)	(7.99)
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	<u>(138.71)</u>	<u>8.89</u>
NET INCREASE / (DECREASE) CASH & BANK BALANCES (A+B+C)	322.15	64.98
CASH & BANK BALANCE OPENING BALANCE	240.69	175.71
CASH & BANK BALANCE CLOSING BALANCE	<u>562.84</u>	<u>240.69</u>

Note : The previous year's figures have been regrouped and rearranged wherever necessary.

As per our report of even date

For and on behalf of the Board

For J.P. SARAF & CO.
CHARTERED ACCOUNTANTS,
Firm No. : 006430C

(ASHOK JAIN)
CHAIRMAN & MANAGING DIRECTOR

(KUNAL JAIN)
EXECUTIVE DIRECTOR

(RITU JAIN)
Partner
M.No. 077553

(M.K. SHAH)
DIRECTOR

(K.C. JAIN)
DIRECTOR

(PRAFUL R. TURAKHIA)
DIRECTOR

Place : Indore
Date : This 29th day of May, 2013

(PRAMOD JAIN)
VICE PRESIDENT



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

PARTICULARS	As At 31st March, 2013	As At 31st March, 2012
1 SHARE CAPITAL:		
Authorised Share Capital		
5500000 (Previous year 5500000) Equity Shares of ` 10/-each	5500000	5500000
50000 (Previous year 50000) 10% Redeemable Preference Shares of ` 100/- each	<u>500000</u>	<u>500000</u>
Issued, Subscribed & Paid up		
4927000 (Previous year 4927000) Equity Shares of ` 10/- each fully paid up	4927000	4927000
	<u>4927000</u>	<u>4927000</u>

1.1 471000 Equity Shares of ` 10/- each out of the issued, subscribed and paid up share capital were allotted to IFCI Ltd. as fully paid up for a consideration other than cash.

1.2 Shares redeemed during the period of five years immediately preceding the reporting date ;
30900 10% Redeemable Preference Share of ` 100/- each redeemed to IFCI Ltd. on 21/01/2011.

1.3 The details of shareholders holding more than 5% Shares :

Name of the Shareholders	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	% held	No. of Shares	% held
Shri Ashok Jain	1097119	22.27%	1097119	22.27%
Shri Kunal Jain	1136956	23.07%	1029376	20.89%

1.4 The Reconciliation of the number of shares outstanding is set out below :

Equity Shares	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares		No. of Shares	
At the beginning of the year	4927000	4927000	4927000	4927000
Outstanding at the end of the year	4927000	4927000	4927000	4927000

1.5 The Company has issued and subscribed equity shares having par value of ` 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend, if any. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

PARTICULARS	As At 31st March, 2013	As At 31st March, 2012
2 RESERVES AND SURPLUS:		
2.1 Capital Reserve		
Balance as per last Balance Sheet	<u>1024954</u>	<u>1024954</u>
2.2 Capital Redemption Reserve		
Balance as per last Balance Sheet	<u>3090000</u>	<u>3090000</u>
2.3 General Reserve		
Opening Balance	900000	0
Add: Transferred from Surplus	<u>1000000</u>	<u>900000</u>
Closing Balance	<u>10900000</u>	<u>900000</u>
2.4 Surplus		
Opening Balance	77477641	49748750
Add: Profit for the year	<u>51272186</u>	<u>35786745</u>
	<u>128749827</u>	<u>85535495</u>
Less: Appropriations:		
Tranferred to General Reserve	10000000	900000
Proposed dividend on Equity Shares #	12317500	6158750
Provision for Tax on Proposed Dividend	<u>2093359</u>	<u>999104</u>
Closing Balance	<u>104338968</u>	<u>77477641</u>
	<u>119353922</u>	<u>82492595</u>
2.5 Capital Reserve (2.1) includes Capital Subsidy ` 843504 (Previous year ` 843504) and Share Forefeiture amount ` 181450 (Previous year ` 181450). Capital Redemption Reserve (2.2) is related to redemption of 10% Redeemable Preference Shares. # Dividend Proposed to be distributed to Equity Shareholders is ` 2.50 (Previous year ` 1.25) per Equity Share.		
3 DEFERRED TAX LIABILITY (Net)		
Deferred Tax Liability		
On Difference of Depreciation on Fixed Assets	7149990	6702189
Deferred Tax Assets		
On Disallowable under the Income Tax Act, 1961#	<u>1820428</u>	<u>1822763</u>
	<u>5329562</u>	<u>4879426</u>
Deferred Tax debited / (credited) to Profit & Loss Account is ` 450136 (Previous year ` 206875) # Aggregate unpaid expenses u/s 43-B of Income Tax Act		
4 LONG -TERM PROVISIONS		
For Employee Benefits	4415738	4433498
(Leave Encashment)	<u>4415738</u>	<u>4433498</u>
5 SHORT TERM BORROWINGS		
(Secured)		
Working Capital Loans from Bank	<u>(4124346)</u>	<u>6712517</u>
	<u>(4124346)</u>	<u>6712517</u>
Less: Transferred to Current Assets (Balances with Banks) being Debit Balance	<u>4124346</u>	<u>0</u>
	<u>0</u>	<u>6712517</u>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013**

5.1 Working capital loans are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts and further secured by first charge on the immovable assets including other movable assets of the company.

5.2 Working Capital loan are secured by personal guarantee of Mr. Ashok Jain, Chairman and Managing Director of the company and Smt. Pramila Jain.

	As at 31st March, 2013	As at 31st March, 2012
6 TRADE PAYABLES	17814731	21542624
	<u>17814731</u>	<u>21542624</u>

6.1 The company has issued letter to supplier or service providers for their status whether they are covered under the "Micro, Small and Medium Enterprises (Development) Act, 2006. We have been informed by Management that no such status replied by parties and therefore, it is not possible to give the information required under the Act.

7 OTHER CURRENT LIABILITIES

Unclaimed Dividends	521967	238613
Advance from Customers	2347777	3515963
Other Liabilities #	20813414	17035199
	<u>23683158</u>	<u>20789775</u>

Includes Statutory Dues, Liability for expenses and Trade Deposits.

8 SHORT TERM PROVISIONS

Provision for Bonus to Employees	1936264	1849098
Others:		
Proposed Dividend	12317500	6158750
Tax on Proposed Dividend	2093359	999104
	<u>16347123</u>	<u>9006952</u>

9. FIXED ASSETS :

(Amount in `)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST ASAT 01.04.2012	ADDITIONS 01.04.2012- 31.03.2013	SALES/ ADJUST- MENTS	COST ASAT 31.03.2013	UPTO 31.03.2012	PERIOD 01.04.2012- 31.03.2013	WRITTEN BACK/ADJ- USTMENT	UPTO 31.03.2013	ASAT 31.03.2013	ASAT 31.03.2012
TANGIBLE ASSETS:										
LAND (LEASE HOLD)	234227	0	20622	213605	0	0	0	0	213605	234227
SITE DEVELOPMENT	861080	0	0	861080	244568	14035	0	258603	602477	616512
BUILDING	29634913	4298879	0	33933792	7845227	880841	0	8726068	25207724	21789686
PLANT & MACHINERY	65684572	8000703	305119	73380156	42067164	2636556	273518	44430202	28949954	23617408
COMPUTER	1671859	68677	177227	1563309	1266689	132006	168765	1229930	333379	405170
FURNITURE	3149841	57622	416728	2790735	2578908	45237	396549	2227596	563139	570933
VEHICLES	9235196	0	0	9235196	2462447	874318	0	3336765	5898431	6772749
TOTAL	110471688	12425881	919696	121977873	56465003	4582993	838832	60209164	61768709	54006685
INTANGIBLE ASSETS:										
SOFTWARE	558283	82583	0	640866	353156	64685	0	417841	223025	205127
TOTAL	111029971	12508464	919696	122618739	56818159	4647678	838832	60627005	61991734	54211812
CAPITAL WORK IN PROGRESS (TANGIBLE ASSETS)									0	1208674
GRAND TOTAL	111029971	12508464	919696	122618739	56818159	4647678	838832	60627005	61991734	55420486
PREVIOUS YEAR	97281998	14366578	618605	111029971	53280948	4056817	519606	56818159	55420486	44084387



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

PARTICULARS	As At 31st March, 2013	As At 31st March, 2012
10 OTHER NON CURRENT ASSETS		
Business Deposits	2431257	2300940
	<u>2431257</u>	<u>2300940</u>
11 INVENTORIES		
Raw Materials and Components (Refer Note No. 17.3)	15422711	26171898
Stock-in-Process	5217404	4853449
Finished Goods	7575233	5677000
Stores and Spares	2017048	1788048
Scrap	95863	97728
	<u>30328259</u>	<u>38588123</u>
For mode of valuation refer Point 'C' of Significant Accounting Policies		
12 TRADE RECEIVABLES		
(Unsecured and Considered Good)		
Over Six Months	4255293	4101651
Others	75057145	70379922
	<u>79312438</u>	<u>74481573</u>
13 CASH AND BANK BALANCE		
Balances With Banks #	6042787	1746314
Cash on Hand	181270	169800
Fixed Deposit with Banks *	50060516	22153341
	<u>56284573</u>	<u>24069455</u>
# Balance with Banks includes Unclaimed Dividend of ` 521967/- (Previous Year ` 238613)		
* Fixed Deposit with Banks include Deposits of ` 44943690/- (Previous Year ` 2809786) with maturity of more than 12 months and ` 4042714/- (Previous Year ` 3559940) as margin money against Bank Guarantee.		
14 SHORT TERM LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Advance recoverable in cash or kind or for value to be received	4138795	2845964
Balance with Central Excise Authorities	960216	621067
Advance to Sundry Creditors	766962	799779
	<u>5865973</u>	<u>4266810</u>
15 REVENUE FROM OPERATIONS:		
15.1 Sale of Products	338876848	298113881
(Including spares & components)		
15.2 Income from Services	389881	670683
15.3 Scrap Sales	458079	581855
Revenue from Operations (Gross)	339724808	299366419
Less: Excise Duty & Service Tax Recovered	30319512	23480331
Less: Sales Tax & Vat Recovered	7402908	7421298
Revenue from Operations (Net)	<u>302002388</u>	<u>268464790</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

PARTICULARS	Year Ended 31st March, 2013	Year Ended 31st March, 2012		
16 OTHER INCOME:				
16.1 Interest Income on:				
Bank Deposit	3048824	1968355		
Others	207519	46937		
16.2 Profit on Sale of Fixed Assets	0	89925		
16.3 Other Non-Operating Income	484607	586454		
(Includes Foreign Exchange Fluctuation gain of ` 125513/- (Previous year ` 573534/-))	<u>3740950</u>	<u>2691671</u>		
17 COST OF MATERIALS CONSUMED				
Inventory at the beginning of the year	26171898	27631835		
Add: Purchase	<u>118399943</u>	<u>128106428</u>		
	144571841	155738263		
Less: Inventory at the end of the year	<u>15422711</u>	<u>26171898</u>		
Cost of Material Consumed	<u>129149130</u>	<u>129566365</u>		
17.1 Imported and Indigenous Raw Material Consumed				
Raw Material Consumed - Indigenous	66435094	51.44%	67970421	52.46%
Component Consumed - Indigenous	62297924	48.24%	60905160	47.01%
Component Consumed - Imported	416112	0.32%	690784	0.53%
	<u>129149130</u>	<u>100.00%</u>	<u>129566365</u>	<u>100.00%</u>
17.2 Details of Raw Material Consumed				
Raw Material Aluminium	18608989	18916466		
Raw Material Cast Iron & Steel	47826105	49053955		
Raw Material Boughtout Components	<u>62714036</u>	<u>61595944</u>		
	<u>129149130</u>	<u>129566365</u>		
17.3 Details of Raw Material at the end of the year				
Raw Material Aluminium	1466705	932890		
Raw Material Cast Iron & Steel	5637561	8663185		
Raw Material Boughtout Components	<u>8318445</u>	<u>16575823</u>		
	<u>15422711</u>	<u>26171898</u>		
18 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE				
Inventory at the end of the year				
Finished goods	7575233	5677000		
Stock in Process	5217404	4853449		
Scrap	95863	97728		
	<u>12888500</u>	<u>10628177</u>		
Inventory at the beginning of the year				
Finished goods	5677000	4676392		
Stock in Process	4853449	3830622		
Scrap	97728	98816		
	<u>10628177</u>	<u>8605830</u>		
(Increase)/Decrease in stock	<u>(2260323)</u>	<u>(2022347)</u>		
18.1 Details of Stock in Process				
Cast Iron & Steel Components	4358330	4017271		
Aluminium Components	859074	836178		
	<u>5217404</u>	<u>4853449</u>		



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

PARTICULARS	Year Ended 31st March, 2013	Year Ended 31st March, 2012
19 EMPLOYEE BENEFITS EXPENSES		
Salaries and Wages	44167207	41309531
Contribution to Provident & Other Funds	3998217	3604665
Staff Welfare Expenses	508315	465154
	<u>48673739</u>	<u>45379350</u>
20 FINANCE COST		
Interest to Bank & Other	171668	33995
	<u>171668</u>	<u>33995</u>
21 OTHER EXPENSES:		
Manufacturing Expenses		
Consumption of Stores and Spares	9144555	8926966
Power and Fuel	8388618	7772975
Machining and Other Job Work Charges	5894391	5354170
Repairs to Plant and Machinery	1260621	1407968
Repairs to Building	535762	102913
Lease Rent (Includes Amortisation Expenses ` 20622 (P. Y. ` 20622)	26355	26355
Selling and Distribution Expenses		
Distribution Expenses	1867941	1720704
Discount & Rebate	475794	0
Sales Commission	7742593	5105613
Sales Promotion	123529	113869
Bad Debts/Liquidated Damages	2629148	1023340
Other Establishment Expenses		
Legal & Professional Fees	512819	312042
Rent	476947	460816
Rates and Taxes	271792	265965
Insurance	329935	315561
Bank Charges	1152454	1046156
Communication Cost	668530	646534
Other Repairs	292894	300526
Travelling and Conveyance	4490575	3519752
Directors Sitting Fees	30000	42000
Vehicle Running and Maintenance Expenses	459788	401667
Payment to Auditors :		
Audit Fees	60000	60000
Taxation matters	20000	7000
Reimbursement of Expenses	15159	9743
Loss on Sale/Discard of Fixed Assets	60242	30902
Charity and Donation	15325	24000
Security Charges	0	388029
Subscription & Membership Fee	300439	261983
Advertisement & Publicity	144187	114032
Printing & Stationery Expenses	488089	514743
Miscellaneous Expenses	789784	662194
	<u>48668266</u>	<u>40938518</u>
21.1 Imported and Indigenous Stores and Spares Consumed		
Stores and Spares Consumed - Indigenous (100%)	9144555	8926966
	<u>9144555</u>	<u>8926966</u>
21.2 Prior Period Item (Included in Miscellaneous Expenses)		
Debit relating to earlier year	56803	4743
Credit relating to earlier year	(115381)	(23979)
	<u>(58578)</u>	<u>(19236)</u>
22 Earning Per Equity Share (EPS)		
(i) Net Profit after tax as per statement of Profit & Loss Account	51272186	35786745
(ii) Weighted Average number of equity shares	4927000	4927000
(iii) Basic and Diluted Earnings per share (in `)	10.41	7.26



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

	Year Ended 31st March, 2013	Year Ended 31st March, 2012
23 Contingent Liabilities and Commitments (To the extent not provided for) (As certified by the Management)		
23.1 Estimated amount of contracts remaining to be executed on capital account	0	2450000
23.2 Contingent Liabilities		
(i) Counter Guarantees given to the Bank in respect of Guarantees given by them on behalf of the company.	30871449	22529065
(ii) Demands against the Company being disputed not acknowledged as debt and not provided for in respect of :		
(a) Sales Tax	602054	1175705
(b) Labour payment	14256	14256
(c) Central Excise	0	5312806
24 Value of Imports on C.I.F. basis		
Raw material Components	0	549493
25 Expenditure in Foreign Currency		
Travelling Expenses	597301	181586
26 Earnings in Foreign Currency on FOB basis :		
Export Sales & Services	16867239	14712251
27 Remittance in Foreign Currency on Account of Dividends :		
(a) Year to which the dividend relates	2011-12	2010-11
(b) Number of non resident shareholders to whom remittances were made	23	27
(c) Number of shares on which remittances were made	36485	37866
(d) Amount remitted in (`)	45606	37866

28 Transactions during the year with related parties

S.No.	Name of the person	Relation	Nature of Transactions	2012-13	2011-12
1	Mr. Ashok Jain	Chairman & Managing Director	Remuneration	2945260	2945673
2	Mr. Kunal Jain	Executive Director	Remuneration	1937547	1517946
			Rent of Registered Office	143066	136241
3	Mr. Praful R. Turakhia	Director	Sitting Fee	10000	8000
4	Mr. D. K. Kemkar	Director	Sitting Fee	0	6000
5	Mr. M. K. Shah	Director	Sitting Fee	10000	12000
6	Mr. K. C. Jain	Director	Sitting Fee	10000	10000
7	Mr. Narendra Kathed	Director	Sitting Fee	0	6000
8	Mrs. Pramila Jain	Relative of Director	Remuneration	938862	496852
9	Mrs. Radhica Sharma	Relative of Director	Remuneration	621058	527903
10	Mr. Sundeep Sharma	Relative of Director	Remuneration	621093	543643
11	Mrs. Sunaina Jain	Relative of Director	Remuneration	433959	105919
12	Mrs. Monica Jain	Relative of Director	Remuneration	231126	0

29 Previous year figures have been regrouped and/or rearranged wherever considered necessary.

30 Significant Accounting policies & practices adopted by the company are disclosed in the statement annexed to these financial statements as Annexure 1.

**Annexure 1****STATEMENTS OF SIGNIFICANT ACCOUNTING POLICIES:****(Annexed to and forming part of the Financial Statement for the year ended 31st March, 2013)**

- A Basis of Preparation of Financial Statements:** The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, in accordance with the accounting principles generally accepted in India and comply with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the relevant provision of the Companies Act, 1956 except where otherwise stated, the accounting principles have been consistently applied.
- B Use of Estimates:** The preparation of financial statements are in conformity with the generally accepted accounting principles which require use of estimates and assumption to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between, the actual results and estimate are recognized in the period in which the results are known / materialized.
- C Inventories:** Inventories of raw materials and stores and spares are valued at weighted average cost net of duties and taxes in terms of AS-2, finished goods and Stock-in-Process are valued at lower of cost or net realisable value and Scrap is valued at net realisable value
- D Revenue Recognition:**
- All Incomes & Expenditures are accounted on accrual basis, as they are earned or incurred.
 - Revenue on sales is recognized when the materials are dispatched to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivables is reasonably expected.
- E Fixed Assets:** Fixed Assets are stated at cost of acquisition (Net of indirect tax input as the case may be) less accumulated depreciation. The cost includes the purchase price, taxes, freight and other incidental expenses incurred in relation to acquisition and installation of the assets.
When assets are sold or discarded, their cost and accumulated depreciation are removed from respective balances and any gain or loss arising is included in the Statement of Profit & Loss.
- F Depreciation:** Depreciation on fixed assets has been provided on straight-line method at the rates specified in schedule XIV of the Companies Act, 1956, as applicable.
Depreciation on assets purchased/sold during the year has been provided on pro-rata basis. Cost of Lease hold Land is Amortized over the period of lease.
- G Foreign Currency Transactions:**
- Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
 - Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.
 - Remittances not received until the end of the year are considered at the closing exchange rate as applicable. Difference between realization against debtors in the subsequent year and outstanding debtors is recognized as exchange differences in the Statement of Profit and Loss.
- H Government Grants:** Capital Subsidy shown under Capital Reserves.
- I Employee Benefits:**
- Short term employee benefits are recognized as expenses in the Statement of Profit and Loss of the year in which service is rendered.
 - Contribution to defined contribution scheme such as Provident Fund, Family Pension Fund and ESI Fund are charged to the Statement of Profit & Loss.
 - The company has an employees' gratuity fund managed by the Life Insurance Corporation of India (LIC). The company accounts for gratuity liability as expenses in the Statement of Profit & Loss of the year equivalent to the premium amount payable as per the actuarial valuation made and intimated by LIC of India.
 - Leave encashment is charged to revenue on accrual basis.
- J Borrowing Cost:** Borrowing cost that is directly attributable to the acquisition of qualifying assets is capitalized for the period until the Assets is ready for its intended use. Other borrowing costs are recognized as an expense in the period for which it is incurred.
- K Segment Reporting:** Since the Company operates in one segment only, segment reporting as required under Accounting Standard 17 issued by the Institute of Chartered Accountants of India is not applicable. There is no reportable geographical Segment either.
- L Related Party Disclosure:** Disclosures, regarding related parties and transactions with them, as required in terms of Accounting Standard 18 issued by ICAI, has been made at the relevant places in the notes to accounts.
- M Contingent Liability:** Contingent liabilities, which are considered significant and material by the Company and not provided for are disclosed in the Notes to Accounts.
- N Taxes on Income:** Provision for Current tax is made after taking into consideration benefits admissible under the provisions of the Income -tax Act, 1961.
Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.
- O Impairment of Assets:** The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of asset exceeds the recoverable amount. During the year no impairment in any assets has been identified by the Company.



FLUIDOMAT LIMITED

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

ATTENDANCE SLIP

Please fill Attendance Slip and hand it over at the entrance of the meeting hall.
Joint shareholders may obtain additional attendance slip on request at the venue.

DP. Id*	Folio No.
Client Id*	No. of Share(s) held

Name and address of the shareholder

I hereby record my presence at the 37th Annual General Meeting of the Company held on Thursday, 26th day of September, 2013 at 2.00 p.m. at the registered office of the Company.

Signature of the shareholder or proxy

* Applicable for investors holding shares in electronic form.

----- Please Tear Here -----

FLUIDOMAT LIMITED

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

PROXY FORM

I/We _____ of _____

being a member of above - named Company, hereby appoint the following as my / our Proxy to attend and vote for me/ us and on my / our behalf at the 37th Annual General Meeting of the Company, to be held on Thursday, 26th day of September, 2013 at 2.00 p.m. and at any adjournment thereof :

1. Mr./Ms. _____ (Signature), or failing him.
2. Mr./Ms. _____ (Signature), or failing him.
3. Mr./Ms. _____ (Signature)

Number of shares held

Signed _____ day of _____ 2013

Reference Folio No. / _____ Signature(s) of Members(s)

DP ID & Client ID

1. _____
2. _____

<p><i>Affix one rupee Revenue Stamp</i></p>

NOTE :

1. The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting.
2. The Proxy need not be a member of the Company.
3. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



BOOK - POST

If undelivered please return to :

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