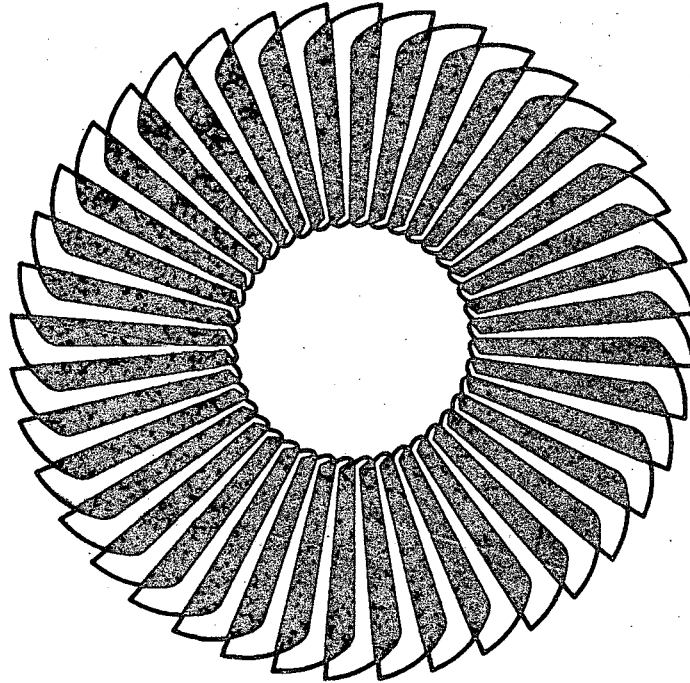


ISO : 9001-2000



FM 82849

*An ISO 9001-2000 Certified Company*



**FLUIDOMAT LIMITED**

*33rd Annual Report*

**2008-09**



- # **Board of Directors :**  
**ASHOK JAIN** *Chairman and Managing Director*  
**KUNAL JAIN** *Executive Director*  
**D.K. KEMKAR**  
**M.K. SHAH**  
**K.C. JAIN**  
**NARENDRA KATHED**  
**PRAFUL R. TURAKHIA**  
**JAGDISH GARWAL** (*Nominee of IFCI*)
- # **Dy. Vice President and Compliance officer :**  
**PRAMOD JAIN**

<b>33rd Annual General Meeting</b>	
Date	: 25th September, 2009
Day	: Friday
Time	: 2.00 p.m.
Place	: 117, 1st Floor 'Navneet Darshan' 16/2, Old Palasia, Indore - 452 018 (M.P.)
Book Closure	: 22.09.2009 to 25.09.2009 (Both days inclusive)

- # **Auditors :**  
**J.P. SARAF & CO.**  
 Chartered Accountants
- # **Corporate Law Advisor :**  
**D.K. JAIN & COMPANY**  
 Company Secretaries
- # **Bankers/ Financial Institution :**  
**CENTRAL BANK OF INDIA**  
**IFCI LTD.**
- # **Registered Office :**  
 117, 1st Floor, 'Navneet Darshan',  
 16/2, Old Palasia, INDORE-452 018 (M.P.)  
 Tel.: 0731-2564820

- # **Share Transfer Agent :**  
 For Dematerialised & Physical Shares  
**Ankit Consultancy Pvt. Ltd.**  
 Alankar Point, Geeta Bhawan Chouraha,  
 A.B. Road, Indore  
 Ph. : 91-731-2491298  
 Fax : 91-731-4065798

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

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## NOTICE

NOTICE is hereby given that 33rd Annual General Meeting of the Members of FLUIDOMAT LIMITED will be held at the Registered Office of the Company at 117, 1st Floor, "NAVNEET DARSHAN", 16/2 Old Palasia, Indore (M.P.) on Friday the 25th day of Sept., 2009 at 2.00 P.M. to transact the following businesses:

## I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and the Profit & Loss Account of the Company for the year ended 31st March 2009 and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ashok Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors to hold office from conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

## II. SPECIAL BUSINESS BY ORDINARY RESOLUTION:

4. To consider and if thought fit, to pass with or without modification(s) if any, the following Ordinary Resolution:

RESOLVED THAT Shri Praful R.Turakhia, who was appointed by the Board as an Additional Director and in respect of whom a notice under section 257 of the Companies Act, 1956 have been received from a member signifying his intention to propose, Shri Praful R.Turakhia, as a candidate for the office of the Director be and is hereby elected and appointed as a Director of the Company, as an Independent Director in terms of the Listing Agreement and be liable to retire by rotation.

## III. SPECIAL BUSINESS BY SPECIAL RESOLUTION:

5. To consider and if thought fit, to pass with or without modification(s) if any, the following Special Resolution:

RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 and other applicable provisions, if any, including any statutory modifications or re-enactment thereof for the time being enforced. The approval of the members of the Company be and is hereby granted for the revision of remuneration payable to Shri Kunal Jain, the Executive Director of the Company w.e.f. 1st August, 2009 for the remaining part of his tenure till 30th April, 2012.

- (a) Salary in the scale of Rs.60,000/- per month with a annual increment of Rs. 10,000/- per year.
- (b) Allowances/perquisites: As under

## CATEGORY:A

1. The Company shall provide House Rent Allowance subject to a maximum of 50% of the salary or house accommodation and 10% of salary shall be recovered by way of rent.

Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.

2. Re-imbursment of medical expenses of the Executive Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.
3. Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
4. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
5. Personal accident insurance premium not exceeding Rs. 8,000/- p.a.

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

## CATEGORY B:

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

## CATEGORY C:

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

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

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

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

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

6. To consider and if thought fit, to pass with or without modification(s) if any, the following Special Resolution:

RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 and other applicable provisions, if any, including any statutory modifications or re-enactment thereof for the time being enforced. The approval of the members of the Company be and is hereby granted for the revision of remuneration payable to Shri Ashok Jain, the Chairman and Managing Director of the Company w.e.f. 1st August, 2009 for the remaining part of his tenure till 30th June, 2010.

- i. Salary Rs.1,25,000/- per month.
- ii. Allowances/Perquisites: As under

## CATEGORY:A

1. House Rent Allowance subject to a maximum of 50% of the

salary or house accommodation shall be provided by the company and 10% of salary shall be recovered by way of rent.

Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.

2. Re-imbursment of medical expenses of the Chairman & Managing Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.
3. Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
4. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
5. Personal accident insurance premium not exceeding Rs. 8,000/- p.a.

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

**CATEGORY B:**

1. Employers Contribution: to Provident Fund As per the Rules of the Company.
2. Gratuity: As per rules of the company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Leave encashment: up to 15 days salary for every one year completed service as per the rules of the Company.

Provided that the above said perquisites shall not be counted for the purpose of Calculation of the remuneration payable to the Chairman & Managing Director.

**CATEGORY C:**

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

**FURTHER RESOLVED THAT** in the event of their being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Ashok Jain shall be the minimum remuneration payable to him in terms of the provisions of Schedule XIII to the Companies Act, 1956.

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

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

**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, may consider necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to hold the increments, decide break up of the remuneration within the above

said maximum permissible limit, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

7. To consider and if thought fit, to pass with or without modification(s) if any, the following Special Resolution:

**RESOLVED THAT** pursuant to the provisions of section 198, 269, 302, 309 & 310 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modifications or re-enactment thereof for the time being enforced. The approval of the Members of the Company be and is hereby granted for the re-appointment of Shri Ashok Jain as the Chairman Cum Managing Director of the company for a further period of three years w.e.f. 1st July 2010 on the following remuneration & perquisites:

- (a) Salary: Rs.1,45,000/- per month.
- (b) Perquisites/Allowances: As under

**CATEGORY:A**

1. House Rent Allowance subject to a maximum of 50% of the salary or house accommodation shall be provided by the Company and 10% of salary shall be recovered by way of rent.

Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.

2. Re-imbursment of medical expenses of the Chairman & Managing Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.
3. Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
4. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
5. Personal accident insurance premium not exceeding Rs. 8,000/- p.a.

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

**CATEGORY B:**

1. Employers Contribution: to Provident Fund & Family Benefit Funds as per the Rules of the Company.
2. Gratuity: As per rules of the company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Earned Privilege Leave: As per the rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every year of completed services at the end of the tenure.

Provided that the above said perquisites shall not be counted for the purpose of calculation of the remuneration payable to the Chairman and Managing Director.

**CATEGORY C:**

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

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

remuneration payable to him in terms of the provisions of Schedule XIII to the Companies Act, 1956.

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

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

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

**BY ORDER OF THE BOARD**

**ASHOK JAIN**

**PLACE:INDORE CHAIRMAN AND MANAGING DIRECTOR**

**DATE: 31st, July 2009**

**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 MEETING.

2. Register of Members and Share Transfer Book shall remain closed from 22.09.2009 to 25.09.2009 (both days inclusive).

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.

3. Non-resident Indian Shareholders are requested to inform Share Transfer Agents immediately:

a) Change in the residential status on return to India for permanent settlement.

b) The particulars of NRE Account with Bank in India, if not furnished earlier.

4. 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.

5. 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.

6. 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.

7. 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., Alankar Point, Gita Bhawan Chouraha A.B. Road, Indore (M.P.).

8. 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.

9. 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.

10. The Company is not having unpaid/unclaimed dividend upto the financial year 2008-09.

**STATEMENT REGARDING THE DIRECTORS PROPOSED FOR APPOINTMENT**

Name and Designation	Age/ Years	Qualification	Expertise/Experience	Date of Appointment	Other Directorships	No. of shares held in the Company & %
Shri Ashok Jain (CMD) Promoters	60 years	BE (Elec.)	39 years in manufacturing of fluid couplings	01.12.1975	Red Wood Packaging Pvt. Ltd.	1004741 Shares 20.30%
Mr. Kunal Jain (WTD) Promoters	29 years	B.Com	7 Years in the commercial matters	01.05.2007	Red Wood Packaging Pvt. Ltd.	527510 Shares 10.66%
Mr. Praful R. Turakhia Independent/NED	61 years	B.E. (Mech.)	36 years in Engineering, Pharma Bulk Drugs & Chemical Industries	30.01.2009	Ratilal Chemark Pvt. Ltd.	Nil

**ANNEXURE TO THE NOTICE  
EXPLANATORY STATEMENT IN PURSUANT TO THE  
PROVISIONS OF SECTION 173 OF THE COMPANIES ACT,  
1956 IN RESPECT TO THE SPECIAL BUSINESS**

**ITEM NO.4:**

Shri Praful R. Turakhia was appointed by the Board at their meeting held on 30th Jan., 2009 as an Additional Director of the Company and categorised as an Independent Director pursuant to clause 49 of the Listing Agreement. The Company has received a notice u/s 257 of the Companies Act, 1956 from a member proposing his appointment for the office of the Directors of the Company.

Shri Praful R. Turakhia is Graduate in Engineering from GSITS, Indore in 1970 and did M.B.A. in 1972 from BITS, Pilani. He is having experience of more than 36 years in Engineering, Pharma Bulk Drugs and Chemicals. He is also connected with various professional, technical and social organisations and held various positions like President, Hon. Secretary, etc. in these organisations. He is actively connected with the Institute of Engineers of India, All India Manufacturers Organisations and Chemical Traders Associations and held position of member of Regional Advisory Committee of Central Excise & Customs, advisory committee for design and implementation of VAT of M.P. Government.

Your Directors are of the view that company would be immensely benefited by the wealth of experience and expert advice of Shri Praful R. Turakhia and therefore recommends for his appointment and proposes to pass the resolution as set out in Item No.4 of the notice as an Ordinary Resolution.

Except, Shri Praful R. Turakhia, none of the directors of the Company are interested or concerned in the resolution.

**ITEM NO. 5:**

Shri Kunal Jain was appointed as the Whole-time Director of the Company w.e.f. 01.05.2007 for a period of five years, and designated as the Executive Director on the (a) Salary: Rs.25,000/- per month, with the annual increment of Rs.5,000/- p.a. due on 1st May, every year only and (b) Perquisites subject to the ceiling of Rs.3,00,000/- p.a.

Looking into his contributions and experience gained in the management of the Company, his remuneration is inadequate and needs to be revised suitably. The Remuneration Committee of the Board has considered and approved the revision in his remuneration as set out in the resolution covered under Item No. 5 of the notice of the annual general meeting.

Shri Kunal Jain is young and graduate in Commerce and attending commercial operations of the Company in the best interest of the Company's progress. Upon the recommendation of the Remuneration Committee, your Board of directors has considered for revision of his remuneration w.e.f. 1st August, 2009 for his remaining tenure upto 30th April, 2012 on the terms and conditions including remuneration as are set out in the draft agreement to be entered into by the Company with Shri Kunal Jain, submitted to the meeting, which agreement is hereby specifically sanctioned with liberty to the Board to alter and vary the terms and conditions of the said appointment and/or agreement so as not to exceed the limit specified in Schedule XIII of the Companies Act, 1956 or any amendment thereto as may be agreed to between the Board of directors and the Executive Director Shri Kunal Jain. The proposed remuneration is within the limit specified in Schedule XIII of the Companies Act, 1956.

The Board considered that the terms and conditions of the agreement, the salary & perquisites as given in the notice of the meeting, which is commensurate with his sincere efforts and high

responsibilities, status and image of the Company. The Board recommends to pass necessary special Resolution as set out in item no.5 of the notice.

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

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

**ITEM NO.6 & 7:**

Shri Ashok Jain was re-appointed by the approval of Members at their Annual General Meeting held on 22nd Sept., 2005 as the Chairman cum Managing Director for a period of 5 years w.e.f. 1st July 2005 on the following remuneration:

(a) Salary: Rs.70, 000/- per month, with the annual increment of Rs.7, 500/- p.a. due on 1st July, every year only and (b) Perquisites: Subject to the ceiling of Rs.6, 50,000/- p.a.

However, no increment/increase was given to Shri Ashok Jain during the previous 3 years. Shri Ashok Jain is a technocrat and is a qualified graduate electrical engineer with more than 39 years around experience of design, development of fluid couplings and management of industry. He has developed the fluid coupling technology indigenously and brought India amongst few select companies in the world possessing this technology. At present he is considered best expert in India on fluid couplings including its application, usages and energy saving. He is also recognized internationally by all the competitors and many users/buyers of fluid couplings in many places of world. He is thus key asset of the company and is fully capable to take the company on progressive path with his knowledge and management skills. The Fluid coupling industry in the Country is having special category and the Company's activities cannot be compared with others.

The employed capital of the company is in the range of Rs. 5 Crores to Rs. 25 Crores. As per the provisions of schedule XIII of the Companies Act, 1956, company may remunerate to the Chairman cum Managing Director, remuneration not exceeding Rs. 250000/- p.m. for a period of 3 years by way of approval through special resolution in case of inadequate or in absence of profits.

The Remuneration Committee and the Board of directors of the Company at their meeting held on 31st July, 2009 considered that the business as well as profitability has been substantially increased over a period of previous 4 years, therefore, the Company should revise the remuneration payable to him w.e.f. 1st August, 2009 for the remaining part of his tenure, i.e upto 30th June, 2010 and re-appoint him for a further period of 3 years w.e.f. 1st July 2010 on the terms and conditions and remuneration as set out in the Item No. 6 & 7 of the notice of the Annual General Meeting and recommend to pass necessary special resolution at the Meeting.

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

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

**BY ORDER OF THE BOARD**

**ASHOK JAIN**

**CHAIRMAN AND MANAGING DIRECTOR**

PLACE:INDORE

DATE: 31st, July 2009

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

**Dear Members,**

Your Directors are pleased to present the 33rd Annual Report of the company alongwith the Audited Accounts for the year ended 31st March, 2009.

<b>FINANCIAL RESULTS</b>	(Rupees in Lacs)	
<b>Particulars</b>	<b>2008-09</b>	<b>2007-08</b>
Sales and income from operation	1591.34	1461.97
Other income	6.04	4.80
<b>Total income</b>	<b>1597.38</b>	<b>1466.77</b>
Total Expenses	1328.43	1224.52
<b>Operating Profit (PBIDT)</b>	<b>268.95</b>	<b>242.25</b>
Interest	19.52	25.60
Depreciation	30.62	31.27
<b>Profit before Taxation</b>	<b>218.81</b>	<b>185.38</b>
(a) Current Tax	80.33	33.69
(b) Deferred Tax	(1.55)	33.00
(c) Fringe Benefit Tax	2.64	2.58
Extra Ordinary/ Exceptional Items (Net)	2.26	2.41
<b>Net Profit after Interest, Dep. &amp; Tax</b>	<b>139.65</b>	<b>118.52</b>
Paid up Equity Share Capital	494.95	494.95
Reserves	171.78	32.13
<b>Earning per share - Basic</b>	<b>2.83</b>	<b>2.41</b>
<b>Diluted</b>	<b>2.58</b>	<b>2.20</b>

**DIVIDEND :**

Though during the year 2008-09 your Company demonstrated improved business and profitability performance but considering the need to conserve resources for capital investment in fixed assets and working capital requirement to meet the envisaged business growth, your Directors do not recommend dividend on equity shares for the year.

**OPERATIONS AND BUSINESS PERFORMANCE:**

Maintaining the continuity of the business growth and profitability performance your Company again registered growth and higher profitability despite escalating input costs and economic recession.

The Company registered improved performance on all key parameters. The significant operational highlights are as under:

1. Order booking grew by 35% to Rs.1925 lacs over the previous year.
2. Export sales increased from Rs. 64 lacs to Rs. 118 lacs.
3. Despatches increased to Rs. 1591 lacs over the previous year figure of Rs. 1462 lacs thus recording growth of 9%.
4. A. Operating profit increased by 11%  
 B. Profit after tax increased by 18%  
 C. Interest cost reduced by 31%

This year your company has invested in Fixed Assets (including Capital work in progress) to the tune of Rs. 122 lacs from the internal Accruals.

As at 30th June 2009 your company has pending orders under execution valuing over Rs. 1325 lacs.

**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 Shri Ashok Jain, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment.

The Board has appointed Shri Praful R. Turakhia as the additional director of the Company w.e.f. 30th January, 2009 in the category of Independent Director and the Company has received a notice under section 257 of the Companies Act, for proposing his appointment as a director in the forthcoming Annual General Meeting.

The Board has approved the revision in the remuneration payable to Shri Kunal Jain as the Executive Director of the Company w.e.f. 1st May 2009 for his remaining part of tenure till 30th April 2012.

The Board revised the remuneration payable to Shri Ashok Jain as the Chairman Cum Managing Director w.e.f. 1st August, 2009 to the remaining part of his tenure till 30th June, 2010 and has also re-appointed Shri Ashok Jain as the Chairman Cum Managing Director for a further period of 3 years w.e.f. 1st July 2010.

Your Directors proposes for the approval of the members at the forthcoming Annual General meeting and recommends to pass necessary resolution to that effect as set out in the notice of the annual general meeting.

**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, 2009 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.

#### INSURANCE:

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

#### 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.

#### INDUSTRIAL RELATIONS:

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

#### 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.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

#### A. Business overview and future outlook.

Financial year 2008-09 experienced economic slowdown after continuous record growth of 5 years. High oil prices and rising domestic inflation which reached to a peak of 13% were a source of major concern. Severe Global economic and demand recession which commenced in last quarter of 2007 continues and recovery is uncertain and not visible in immediate future.

Though inflation in India reversed to slight deflation in May-June 2009 but with decline in demand and investment. The GDP fell down to 6.8%. In the fiscal budget this year the Union Government has higher budget allocation for Power Generation, Road & Railway thus focusing on growth of this sector. This envisaged growth

offers good opportunity for business growth of your Company. Your Company enjoys strength that it serves to all major core Sector Industries including Power, Cement, Steel & Metal, Chemical & Fertilizer and Mining. Thus it is well insulated against recession if one or the other Core Sector activities/growth decline.

Your Company continues its efforts to expand in the international market. The decline in demand in international market due to Global recession will affect the exports. However Company efforts to grow in international market will yield good results though delayed. Company's product quality, indigenous technology, continuous R & D and product development activities with own knowledge base and customer support has won accreditation and appreciation from many of its clients and has therefore helped in increase in business. Now Fluidomat couplings command preference over other brands.

Similarly Company's Scoop Control Couplings type SC have won huge appreciation from clients due to their quality and technology. This accreditation and product track record has helped in winning many new orders from different sector of industries including Power Plants & Sea Port Handling (Harbour handling) facilities and Steel plants.

Your Company has opportunity of good growth in business and management is taking all necessary steps to meet the higher demand of its products in domestic and international market.

#### 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: 9001:2000 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 and IFCI for the assistance, 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.

**For & On Behalf of the Board**

**ASHOK JAIN**

**CHAIRMAN & MANAGING DIRECTOR**

Place: INDORE  
Dated: 31st July 2009.

**Annexure 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 taken many steps for the Conservation of Energy.

	Current Year 2008-09	Previous Year 2007-08
<b>POWER &amp; FUEL CONSUMPTION:</b>		
1. Electricity (Purchased) Units	639318	565645
Total Amount (Rs.)	3554401	3120998
Rate per Unit (Rs.)	5.56	5.52
2. Electricity (Generated) units	4675	5636
Total Amount (Rs.)	66211	77198
Rate per Unit (Rs.)	14.16	13.69

**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:

	Current Year	Previous Year
Earning	Rs. 1,01,01,506	Rs. 46,60,811
Outgo	Rs. 2,53,235	Rs. 3,82,994

**D PARTICULARS OF THE EMPLOYEES:**

As required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules 1975, are not applicable since, none of the employee of the company is drawing more than Rs.24,00,000/- p.a. or Rs.2,00,000/- p.m. for the part of the year, during the year under review.

**For & On Behalf of the Board**

**PLACE: INDORE**  
**Dated: 31st July, 2009**

**ASHOK JAIN**  
**CHAIRMAN & MANAGING DIRECTOR**

**REPORT ON CORPORATE GOVERNANCE**

Under Clause 49 of the Listing Agreement

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Our corporate governance policies recognise the accountability of the Board and the importance of its decisions to all our constituents, including customers, investors, employees and the regulatory authorities and to demonstrate that the shareholders are the cause of and ultimate beneficiaries of our economic activities. The functions of the Board and the Executive Management are well defined and are distinct from one another. We have taken a series of steps including the setting up of sub-committees of the Board to oversee the functions of Executive Management. These sub-committees of the Board, which mainly consists of Non-Executive Directors, meet regularly to discharge their objectives.

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, the Chairman & Managing Director is also assisted by Shri Kunal Jain, the Whole-time Director of the Company is overall incharge for the affairs of the Company who exercise his powers and discharge his duties under the superintendence and control of the Board of directors of the company from time to time. The Board of directors of the company comprises of Six non-executive directors out of them four directors are independent.

During the financial year 2008-09 the Board of directors met 6 (Six) times on, 31st May 2008; 30th June 2008; 30th July 2008; 26th Sept., 2008; 31st October 2008 & 30th JAN. 2009. The composition of the Board of Directors and their attendance at the meetings during the year were as follows;

**2. BOARD OF DIRECTORS AND THEIR MEETINGS:**

Name of the Directors	Category	Designation	No. of Board meetings held during the financial Year 2008-09	No. of Board meetings attended during the financial Year 2008-09	Whether attended last AGM held on September 26, 2008	No. of other Director-ship	No. of Committee Chairmanship/ membership in other Companies
Shri Ashok Jain	Promoter & Executive Chairman	Chairman & Managing Director	6	6	Yes	1	Nil
Shri Kunal Jain	Promoter & Executive Director	Whole- Time Director	6	6	Yes	1	Nil
CA M.K. Shah	Independent/ NED	Director	6	4	Yes	1	Nil
Shri K.C.Jain	Independent/ NED	Director	6	5	Yes	1	Nil
Shri Narendra Kathed	NED	Director	6	3	Yes	0	Nil
Shri D.K. Kemkar	Promoter/ NED	Director	6	3	Yes	4	Nil
Shri Jagdish Garwal	Independent/ NED	Nominee Of IFCI	6	3	No	0	Nil
Shri Praful R. Turakhia	Independent / NED	Director	1*	1	N.A	1	Nil

\* Appointed w.e.f. 30th January 2009.

**3. INFORMATION AVAILABLE TO THE BOARD**

The Board has unfettered and complete access to any information within the Company and from any of our employees. At meetings of the Board, it welcomes the presence of concerned employees who can provide additional insights into the items being discussed.

The information regularly supplied to the Board includes:

- ◆ Annual operating plans and updates.
- ◆ Periodical Financial Statements.
- ◆ Minutes of meetings of audit, compensation and investor grievance committee of the Company along with board

minutes of the subsidiary companies.

- ◆ General notices of interest.
- ◆ Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary.
- ◆ Materially important litigations, show cause, demand, prosecution and penalty notices, if any.
- ◆ Fatal or serious accidents or dangerous occurrences, any material effluent or pollution problems, if any.
- ◆ Any materially relevant default in financial obligations to and by us.
- ◆ Significant development on the human resources front.

- ◆ Sale of material which are not in the normal course of business.
- ◆ Details of foreign exchange exposure and the steps taken by the management to limit risks of adverse exchange rate movement.
- ◆ Non-compliance of any regulatory, statutory or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.

The Board also periodically reviews compliance reports of all laws applicable to the Company, prepared by the designated employees as well as steps taken to rectify instances of non-compliance.

**4. CODE OF CONDUCT**

The Board of directors of the Company has laid down a Code of Conduct for all Board members and members of senior management of the company. The Board Members and Senior Management have affirmed compliance with the "Code of Conduct" for the year ended March 31, 2009.

**5. 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 consider the directors responsibility statement to be given by the Board in the Directors Report.
9. 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.

**a) Composition of the Audit Committee:**

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

- CA M.K.Shah : Chairman
- Shri Jagdish Garwal (Nominee IFCI) : Member
- Shri D.K.Kemkar : Member
- Shri K.C. Jain : Member

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

**b) Meetings of the Audit Committee:**

During the financial year 2008-09 the Audit Committee met 4 (Four) times on the 30th June, 2008, 30th July, 2008, 31st Oct., 2008 and 30th January, 2009 under the Chairmanship of Shri M.K.Shah, in which proper quorum was present.

The Committee considered the draft Annual Accounts for the year 2008-09. The Committee also reviewed financial and risk management policy of the Company and defaults, if any in payment to the creditors, financial institutions and reasons thereof.

**6. SHAREHOLDERS GRIEVANCE COMMITTEE:**

The shareholders Grievances Committee facilitate 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:

- CA M.K. Shah (Independent/NED) : Chairman
- Shri D.K.Kemkar (Independent/NED) : Member
- Shri K.C.Jain (Independent/NED) : Member
- Shri Pramod Jain, Dy. Vice President & the Compliance officer also acting as the Secretary to the Committee.

As no reference was given to the Committee, no meeting of the committee was required to be held during the year 2008-09.

**7. REMUNERATION COMMITTEE:**

**a) Composition of the Remuneration Committee:**

Composition of the Remuneration Committee is as under:

- CA M.K. Shah (Independent/NED) : Chairman
- Shri D.K.Kemkar (Independent/NED) : Member
- Shri K.C.Jain (Independent/NED) : Member
- Shri Jagdish Garwal (Nominee) : Member
- Shri Pramod Jain, Dy. Vice President the Compliance officer also acting as the Secretary to the Committee.

**b) Meeting and recommendation of the remuneration committee during the year:**

As no reference was given to the Committee, no meeting of the committee was required to be held during the year 2008-09.

**c) Payment of 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 meetings.

**d) Remuneration paid to directors during the year:**

S. No.	Name of Directors	Status	Sitting fee (Rs.)	Salary/Remuneration (Rs.)
1	Shri Ashok Jain	Director/ CMD	Nil	15,77,849
2	Shri Kunal Jain	Director/ WTD	Nil	5,75,325
3	Shri K. C. Jain	Director/NED	5,000	0
4	Shri D. K. Kemkar	Director/NED	3,000	0
5	CA M. K. Shah	Director/NED	4,000	0
6	Shri Narendra Kathed	Director/NED	3,000	0
7	Shri Pratul R. Turakhia	Director/NED	1,000	0
8	Shri Jagdish Garwal	Director/NED (Nominee IFCI)	3,000	0



**8. WHISTLE BLOWER POLICY:**

Though there is no formal Whistle Blower Policy, 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 of the Board of Directors of the Company.

**9. 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
28.07.2006	117, 1st floor Navneet Darshan, 16/2 Old, Palasia Indore	2.00 P.M.	None	Nil
20.09.2007	---do---	---do---	Four	Nil
26.09.2008	---do---	---do---	One	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.

**10. DISCLOSURES ON MATERIALLY SIGNIFICANT 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.15 of Notes on Annual Accounts.

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.

**11. MEANS OF COMMUNICATION:**

The company regularly intimates un-audited as well as audited financial results to the Stock Exchange immediately after these are taken on record by the Board. These financial results are normally published in the Free Press Journal (English) and in Chautha Sansar (Hindi), the vernacular newspaper and simultaneously posted on the Electronic Data Information filing and Retrieval website namely [www.sebidifar.nic.in](http://www.sebidifar.nic.in) The website is also accessible through a hyperlink "EDIFAR" from SEBI's official website, [www.sebi.gov.in](http://www.sebi.gov.in)

**12. GENERAL SHAREHOLDERS' INFORMATION :**

- (i) **Date, Time and Venue of Annual General Meeting** : 25th Sept., 2009  
at 2.00 P.M. at Regd.Off.  
at 117, 1st Floor, Navneet Darshan, 16/2, Old Palasia, Indore (M.P)
- (ii) **Financial Calendar** : April to March
- First Quarter Results** : On or Before 31st July, 2009
- Second Quarter Results** : On or before 31st October, 2009
- Third Quarter Results** : On or before 31st January, 2010
- Last Quarter Results** : On or before 30th June, 2010
- (iii) **Dates of Book Closure** : From 22.09.2009 to 25.09.2009
- (iv) **Board meeting for consideration of Annual Accounts** : 27th June, 2009
- (v) **Posting of Annual Report** : 30th August, 2009
- (vi) **Last date for receipt of Proxy** : 23.09.2009
- (vii) **No. of Shares holders as on 31.03.2009** : 5459
- (viii) **Listing on Stock Exchanges** : The BSE, Mumbai  
The Company is regular in payment of annual listing fee and has also paid the same for the year 2009-10.
- (ix) **Scrip Code** : 522017
- (x) **Demat ISIN No. for CDSL & NSDL** : INE459CO1016
- (xi) **Stock Market Data** : Stock Exchange, Mumbai:  
High and low during each month in the financial year 2008-09

Month	Highest (Rs.)	Lowest (Rs.)	Total volume of shares
April	19.00	14.05	91211
May	19.55	16.15	115388
June	17.35	12.55	82577
July	15.23	11.00	44054
August	15.55	12.75	63021
September	14.24	10.60	48447
October	13.15	7.13	54151
November	15.25	7.89	105810
December	8.79	6.30	124421
January	8.69	6.91	72587
February	10.50	8.10	31753
March	11.00	8.06	74333

**(xii) Share Transfer System:**

Shareholders/Investors' Grievance Committee also approves share transfers and meets at frequent intervals. The Company's Share Transfers Agent, Ankit Consultancy Pvt. Ltd. process these transfers. Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. In cases where shares are transferred after sending notice to the transferors, in compliance of applicable provisions, the period of transfer is reckoned from the date of expiry of the notice.



**(xiii) Status of the investors/shareholders complaints:**

- (i) Number of complaints received during the year : 13
- (ii) Number of complaints solved during the year : 13
- (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, 2009, the Company's 39,67,856 shares are held by shareowners in dematerialised form, aggregating 80.17% of the Equity Share Capital.

No. of shares in physical, NSDL and CDSL as on 31st March, 2009:

- (a) In physical Form : 9,81,644
- (b) In CDSL : 9,42,794
- (c) in NSDL : 30,25,062

**(xv) Distribution of Share owning as on 31st March, 2009**

Shareholding of Nominal Value of Rs.	No. of Owners	% of Share holders	Share Amount (Rs.)	% to Total
Upto 1000	3035	55.60	2891630	5.84
1001 -2000	668	12.24	1299320	2.63
2001 -3000	279	5.11	807480	1.63
3001 -4000	135	2.48	526500	1.06
4001 -5000	516	9.45	2571770	5.20
5001 -10000	420	7.69	3582760	7.24
10001-20000	207	3.79	3258440	6.58
20001-30000	73	1.34	1920870	3.88
30001-40000	28	0.51	1012160	2.05
40001-50000	29	0.53	1412470	2.85
50001-100000	28	0.51	2034320	4.11
100001- Above	41	0.75	28177280	56.93
<b>Total</b>	<b>5459</b>	<b>100.00</b>	<b>49495000</b>	<b>100.00</b>

**(xvi) Shareholders pattern as on 31st March, 2009**

Sr.	Category	No. of Shares held	Holding % of shares
<b>A</b>	<b>Promoter Holding</b>		
1	Promoters		
	Indian Promoters	1837597	37.13
	Foreign Promoters	0	0.00
2	Persons Acting in Concert	0	0.00
	<b>Sub Total</b>	<b>1837597</b>	<b>37.13</b>
<b>B</b>	<b>Non Promoters Holding</b>		
3.	Institutional investors		
(a)	Mutual Funds and UTI	0	0.00
(b)	Bank, financial Institutions, companies (Central/State Govt./Non- Govt. Institutions)	200000	4.04
(c)	FIs	0	0.00
	<b>Sub Total</b>	<b>200000</b>	<b>4.04</b>
4	Others		
(a)	Private corporate Bodies	430988	8.71
(b)	Indian Public	2444231	49.38
(c)	NRI/OCBs	33684	0.68
(d)	Any other	3000	0.06
	<b>Sub Total</b>	<b>2911903</b>	<b>58.83</b>
	<b>TOTAL</b>	<b>4949500</b>	<b>100.00</b>

**(xvii) Details of the promoter's shares Under pledge :** 734078 equity shares held by Shri Ashok Jain, CMD

Consisting of 39.95% of the promoters holding and 14.83% of the total paid up capital has been pledged with the IFCI in terms of the loan agreement.

**(xviii) Details of shares credited in the suspense 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.

**(xix) Address for Communication :** Shareholders should address their correspondence to The Company's Share Transfer Agent Ankit Consultancy Pvt. Ltd., Alankar Point, Gita Bhawan Chouraha, A.B.Road, Indore (M.P.) and may also contact at the registered office of the Company.

**(xx) Name and Designation of the Compliance Officer :** Shri Pramod Jain Dy. Vice President.

**(xxi) Plant Location, Head Office & Address for correspondence :** 7C-8J, Industrial Area, No.1 A.B.Road, Dewas (M.P.) 455001  
Phone No. 0091 7272 258582, 258583, 268100  
Fax No. 0091 7272 258581  
Email fludomat@sanchamet.in

**For & On Behalf of the Board**

**ASHOK JAIN**

Place: INDORE, **CHAIRMAN & MANAGING DIRECTOR**  
Dated: 31st July 2009

**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 those 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

**PRAMOD JAIN**  
Dy. Vice-President

**ASHOK JAIN**  
CHAIRMAN & MANAGING DIRECTOR

Place: INDORE  
Date : 31st July, 2009

**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 31,2009.

For Fluidomat Limited

**ASHOK JAIN**  
CHAIRMAN & MANAGING DIRECTOR

Place: INDORE  
Date : 31st July, 2009

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH MANDATORY REQUIREMENTS OF CORPORATE GOVERNANCE TO THE MEMBERS OF FLUIDOMAT LIMITED**

To,  
**THE MEMBERS**  
**FLUIDOMAT LIMITED**

We have examined the compliance of conditions of Corporate Governance by **Fluidomat Limited** ("the Company"), for the year ended March 31, 2009 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with 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 the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned 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

Place : INDORE  
Date : 31st July, 2009

**J. P. SARAF**  
(PARTNER)  
Membership No. : 075319

**AUDITORS' REPORT**

**TO  
THE MEMBERS,  
FLUIDOMAT LIMITED**

1. We have audited the attached Balance Sheet of FLUIDOMAT LIMITED ("the Company") as at 31st March, 2009 and the Profit & Loss Account and also the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (i) 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;
  - (ii) In our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Profit & Loss Account and Cash flow statement dealt with by this report are in agreement with the books of accounts;
  - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors were disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of Companies Act, 1956;
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes appearing in schedule of significant Accounting Policies and Notes on Accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2009; and
    - (b) In case of the Profit & Loss Account, 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.

**For J.P. Saraf & Company**  
*Chartered Accountants*

**Place : INDORE**  
**Date : This 27th Day of June, 2009**

**(J.P. SARAF)**  
*Partner*  
Membership No. : 075319

**Annexure to the Auditors Report of Fluidomat Ltd. for the year ended 31.3.2009**

(Referred to in paragraph 3 of our report of even date)

- (i) In respect of the company's fixed assets:
  - (a) The company has generally 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 a 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 as compared with the available records.
  - (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 and on the basis of our examination of inventory records, we are of the opinion that the company is maintaining proper records of inventory. As explained to us, discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company, and the same have been properly dealt with.
- (iii) According to the information and explanations given to us, the company has neither taken nor 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 provisions 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 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 observed no continuing failure to correct major weaknesses in internal control.
- (v)
  - (a) According to the information and explanations given to us, we observed 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, we observed 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 sections 58 and 58AA or any other relevant provisions 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) To the best of our knowledge and as per explanation given to us, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act for the products of the company;
- (ix) According to the records of the Company, the company has been 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 in aggregate of Rs. 9,24,196/- (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)
Income Tax	1991-92	Commissioner Income Tax	59,354
Sales Tax	1996-97, 2003-04 & 2004-05	The Commissioner M.P. Com. Tax Appellate Board, Bhopal & Deputy Commissioner M.P. Com. Tax division III Indore	2,07,178

- (x) The Company has no accumulated losses as at 31st March, 2009 and 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 explanation given to us, the company has not defaulted in repayment of dues to Financial Institutions, Banks or Debenture holders as at the Balance Sheet date.
- (xii) In our opinion and according to the information and explanation 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 explanation 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 explanation 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) According to the information and explanation 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).
- (xvii) 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.
- (xviii) The Company has not issued any debenture during the year.
- (xix) No money has been raised through the Public Issue during the year under Audit.
- (xx) 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

Place : **INDORE**

Date : **This 27th Day of June, 2009**

**(J.P. SARAF)**

Partner

Membership No. : 075319

## BALANCE SHEET AS AT 31st MARCH, 2009

	SCHEDULE	AS AT 31.03.2009 RUPEES	AS AT 31.03.2008 RUPEES
<b>SOURCES OF FUNDS :</b>			
<b>SHARE HOLDERS FUNDS</b>			
Share Capital	1	5,24,72,500	5,24,72,500
Reserves & Surplus	2	<u>1,71,78,575</u>	<u>32,13,327</u>
		<u>6,96,51,075</u>	<u>5,56,85,827</u>
<b>LOAN FUNDS</b>			
Secured Loans	3	<u>1,60,55,210</u>	<u>1,88,44,669</u>
		<u>1,60,55,210</u>	<u>1,88,44,669</u>
<b>DEFERRED TAX LIABILITY (NET)</b>			
(Refer Note 10 on Schedule 19)		55,38,539	56,93,790
TOTAL		<u>9,12,44,824</u>	<u>8,02,24,286</u>
<b>APPLICATION OF FUNDS :</b>			
<b>FIXED ASSETS</b>			
Gross Block	4	7,84,72,374	7,73,39,270
Less: Depreciation		<u>4,66,83,836</u>	<u>4,39,65,014</u>
NET BLOCK		<u>3,17,88,538</u>	<u>3,33,74,256</u>
Capital Work-in-progress		<u>89,80,622</u>	<u>3,901</u>
		<u>4,07,69,160</u>	<u>3,33,78,157</u>
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories	5	2,98,54,494	2,60,04,584
Sundry Debtors	6	4,01,00,455	4,39,59,843
Cash and Bank Balances	7	48,22,156	28,32,499
Loans and Advances	8	<u>45,66,754</u>	<u>26,49,721</u>
		<u>7,93,43,859</u>	<u>7,54,46,647</u>
<b>Less: CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	9	2,39,38,377	2,37,49,500
Provisions	10	<u>49,29,818</u>	<u>48,51,018</u>
		<u>2,88,68,195</u>	<u>2,86,00,518</u>
Net Current Assets		<u>5,04,75,664</u>	<u>4,68,46,129</u>
TOTAL		<u>9,12,44,824</u>	<u>8,02,24,286</u>
NOTES TO ACCOUNTS	19		

As per our report of even date

For and on behalf of the Board

for J.P.SARAF & CO.  
Chartered Accountants(ASHOK JAIN)  
Chairman & Managing Director(JAI PRAKASH SARAF)  
Partner  
M. No. 075319(Kunal Jain)  
Executive Director(K.C. Jain)  
Director(M.K. Shah)  
DirectorPlace : Indore  
Date : This 27th Day of June, 2009(Pramod Jain)  
Dy. Vice President



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009

	SCHEDULE	Year Ended 31.03.2009 RUPEES	Year Ended 31.03.2008 RUPEES
<b>INCOME</b>			
Sales	11	15,91,34,147	14,61,97,474
Other Income	12	<u>6,03,690</u>	<u>4,79,876</u>
		<u>15,97,37,837</u>	<u>14,66,77,350</u>
<b>LESS : EXPENDITURE</b>			
Manufacturing, Administrative, Selling and Other exp.	13	<u>13,28,42,522</u>	<u>12,24,52,049</u>
<b>PROFIT BEFORE INTEREST AND DEPRECIATION</b>			
Interest	14	<u>19,52,430</u>	<u>2,42,25,301</u>
<b>PROFIT BEFORE DEPRECIATION</b>			
Depreciation		<u>30,62,186</u>	<u>31,27,379</u>
<b>PROFIT BEFORE TAXATION</b>			
<b>PROVISION FOR TAXES</b>			
a) Current Tax		80,32,762	33,69,491
b) Deferred Tax		-1,55,251	32,99,658
c) Fringe Benefit Tax		<u>2,64,281</u>	<u>2,58,208</u>
<b>PROFIT AFTER TAX AND BEFORE PRIOR PERIOD ITEMS</b>			
Income Tax paid for earlier years		0	37,820
Prior Period items		<u>2,26,341</u>	<u>2,79,096</u>
<b>PROFIT AFTER TAX AND PRIOR PERIOD ITEMS</b>			
Balance as per last Account		<u>23,00,873</u>	<u>-95,51,158</u>
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>			
		<u>1,62,66,121</u>	<u>23,00,873</u>
<b>APPROPRIATIONS</b>			
a) Transfer to Preference Share Capital Redemption Reserve		30,90,000	0
b) Transfer to Debenture Redemption Reserve		16,07,500	0
c) Surplus carried to Balance Sheet		<u>1,15,68,621</u>	<u>0</u>
		<u>1,62,66,121</u>	<u>0</u>
<b>EARNINGS PER EQUITY SHARE OF RS.10/- EACH (Rs.)</b>			
Basic		2.83	2.41
Diluted		2.58	2.20

(Refer note No. 09 of schedule No. 19)

## NOTES TO ACCOUNTS

19

For and on behalf of the Board

As per our report of even date

for J.P.SARAF & CO.  
Chartered Accountants(ASHOK JAIN)  
Chairman & Managing Director(JAI PRAKASH SARAF)  
Partner  
M. No. 075319(Kunal Jain)  
Executive Director(K.C. Jain)  
Director(M.K. Shah)  
Director

Place : Indore

Date : This 27th Day of June, 2009

(Prmod Jain)  
Dy. Vice President



## SCHEDULES TO THE ACCOUNTS

	AS AT 31.03.2009 RUPEES	AS AT 31.03.2008 RUPEES
<b>SHARE HOLDER'S FUNDS</b>		
<b>1. SHARE CAPITAL</b>		
<b>Authorised:</b>	5,50,00,000	5,50,00,000
5500000 (Previous year 5500000) Equity Shares of Rs.10/-each		
50000 (Previous year 50000) 10% Redeemable Preference Shares of Rs. 100/- each	<u>50,00,000</u>	<u>50,00,000</u>
	<u>6,00,00,000</u>	<u>6,00,00,000</u>
<b>Issued, Subscribed &amp; Paid up</b>		
A) 4949500 (Previous year 4949500) Equity Shares of Rs. 10/- each <b>Of the above shares</b>	4,94,95,000	4,94,95,000
(i) 4478500 Equity Shares of Rs. 10/- each (fully paid-up-in cash)		
(ii) 471000 Equity Shares of Rs. 10/- each are allotted to IFCI Ltd: as fully paid up pursuant to the restructuring package for a consideration other than cash.		
Less: Calls in Arrears(Other than from Directors)	<u>-1,12,500</u>	<u>-1,12,500</u>
	4,93,82,500	4,93,82,500
B) 30900 10% Redeemable Preference Share of Rs. 100/- each are allotted to IFCI Limited as fully paid up pursuant to the restructuring package for a consideration other than cash.	30,90,000	30,90,000
	<u>5,24,72,500</u>	<u>5,24,72,500</u>
<b>2. RESERVES AND SURPLUS</b>		
Capital Reserve (Balance as per last year)	9,12,454	9,12,454
Preference Share Capital Redemption Reserve (Transferred from Profit and Loss Account)	30,90,000	0
Debenture Redemption Reserve (Transferred from Profit and Loss Account)	16,07,500	0
Surplus as per Profit & Loss Account	<u>1,15,68,621</u>	<u>23,00,873</u>
	<u>1,71,78,575</u>	<u>32,13,327</u>
<b>3 SECURED LOANS</b>		
A) Working Capital Loans from Central Bank of India	33,78,268	28,61,557
B) Term Loan from IFCI Limited	52,30,000	93,46,026
C) Vehicle Loans from Banks	10,16,942	2,07,086
D) Debentures :		
64300 Fully paid up 10% optionally fully convertible Debentures of Rs. 100/- each allotted to IFCI Ltd. (as fully paid up pursuant to the restructuring package for a consideration other than cash.)	64,30,000	64,30,000
	<u>1,60,55,210</u>	<u>1,88,44,669</u>

**NOTES :**

- (i) Term Loan from IFCI Limited is secured by way of first mortgage and charge on all present and future immovable assets and second charge on all movable assets.
- (ii) Various working capital facilities from Central Bank of India are secured by way of hypothication of inventories, book debts and other movable assets and further secured by second charge on the immovable assets of the company.
- (iii) Vehicle Loans are secured by hypothication of related vehicle.
- (iv) The above mentioned loans are also secured by personal guarantee of Mr. Ashok Jain, Chairman and Managing Director of the company (for working capital facility Smt. Pramila Jain has also extended her personal guarantee).



## Schedule to the Accounts (Continued..)

## 4. FIXED ASSETS :

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS AT 01.04.2008	ADDITION 01.04.2008-31.03.2009	SALES/ADJUSTMENTS	COST AS AT 31.03.2009	UPTO 31.03.2008	PERIOD 01.04.2008-31.03.2009	WRITTEN BACK/ADJUSTMENT	UPTO 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
LAND (LEASE HOLD)	316715	0	20622	296093	0	0	0	0	296093	316715
LAND (FREE HOLD)	1620000	0	1620000	0	0	0	0	0	0	1620000
SITE DEVELOPMENT	861080	0	0	861080	188425	14036	0	202461	658619	672655
BUILDING	13238547	0	0	13238547	5657674	382739	0	6040413	7198134	7580873
PLANT & MACHINERY	54057975	292863	0	54350838	33968772	2022283	0	35991055	18359783	20089203
COMPUTERS	1517701	777755	257196	2038260	1058478	193420	244659	1007239	1031021	459223
FURNITURE	2954949	98953	0	3053902	2139265	146142	0	2285407	768495	815684
VEHICLES	2772303	2104314	242963	4633654	952400	303566	98705	1157261	3476393	1819903
<b>TOTAL</b>	<b>77339270</b>	<b>3273885</b>	<b>2140781</b>	<b>78472374</b>	<b>43965014</b>	<b>3062186</b>	<b>343364</b>	<b>46683836</b>	<b>31788538</b>	<b>33374256</b>
CAPITAL WORK IN PROGRESS									8980622	3901
<b>GRAND TOTAL</b>	<b>77339270</b>	<b>3273885</b>	<b>2140781</b>	<b>78472374</b>	<b>43965014</b>	<b>3062186</b>	<b>343364</b>	<b>46683836</b>	<b>40769160</b>	<b>33378157</b>
PREVIOUS YEAR	74796469	3079730	536929	77339270	41194338	3127379	356703	43965014	33378157	-

AS AT  
31.03.2009  
RUPEES

AS AT  
31.03.2008  
RUPEES

## 5. INVENTORIES

(As valued and certified by the Management)

Stores and Spares	12,86,449	13,47,291
Raw Materials & Components	1,36,36,712	1,01,79,786
Stock in Process	1,12,50,166	91,58,674
Finished Goods	36,35,099	52,95,472
Scrap	<u>46,068</u>	<u>23,361</u>
	<u>2,98,54,494</u>	<u>2,60,04,584</u>

## 6. SUNDRY DEBTORS

(Unsecured &amp; Considered good)

Debts exceeding six months	19,81,318	34,27,121
Other Debts	<u>3,81,19,137</u>	<u>4,05,68,318</u>
	4,01,00,455	4,39,95,439
Less : Provision for Doubtful Debts	<u>0</u>	<u>35,596</u>
	<u>4,01,00,455</u>	<u>4,39,59,843</u>

## 7. CASH AND BANK BALANCES

Cash in hand	89,275	2,34,441
Balances with scheduled Banks :		
i) In Current Account	6,94,395	15,59,572
ii) In Fixed Deposit (Against Margin Money Account with Central Bank of India)	<u>40,38,486</u>	<u>10,38,486</u>
	<u>48,22,156</u>	<u>28,32,499</u>



## Schedule to the Accounts (Continued ...)

	AS AT 31.03.2009 RUPEES	AS AT 31.03.2008 RUPEES
<b>8. LOANS AND ADVANCES</b>		
(Unsecured, considered good unless otherwise specified)		
Advances Recoverable in cash or in kind or for value to be received	9,94,020	10,73,789
Accrued Interest	1,54,715	1,51,657
Balance with Central Excise	17,90,335	3,98,085
Tax Deducted at Source	15,829	15,829
Deposit with Government Department	4,31,192	4,31,192
Other Deposits	<u>11,80,663</u>	<u>5,79,169</u>
	<u>45,66,754</u>	<u>26,49,721</u>
<b>9. CURRENT LIABILITIES</b>		
Sundry Creditors	1,59,30,208	1,60,31,662
Dues of Micro & Small Enterprises	100077/-	
Dues of Other Creditors	<u>15830131/-</u>	
Other liabilities	78,72,046	74,70,903
Interest Accrued but not Due	<u>1,36,123</u>	<u>2,46,935</u>
	<u>2,39,38,377</u>	<u>2,37,49,500</u>
<b>10. PROVISIONS</b>		
For Current Income Tax (Net)	8,51,705	14,40,494
For Bonus	14,83,572	13,02,393
For Gratuity to Chairman & Managing Director	3,50,000	3,50,000
For Leave Encashment	<u>22,44,541</u>	<u>17,58,131</u>
	<u>49,29,818</u>	<u>48,51,018</u>
<b>11. SALES &amp; SERVICES</b>		
Sales of finished goods	15,88,50,052	14,59,78,046
(including spares & components)		
Miscellaneous Sales (Scrap)	<u>2,84,095</u>	<u>2,19,428</u>
	<u>15,91,34,147</u>	<u>14,61,97,474</u>
<b>12. OTHER INCOME</b>		
Miscellaneous receipt	6,03,690	4,79,876
(Tax deducted at source Rs.20711/- (10514/-)	<u>6,03,690</u>	<u>4,79,876</u>

## Schedule to the Accounts (Continued ...)

	Year Ended 31.03.2009 RUPEES	Year Ended 31.03.2008 RUPEES
<b>13. MANUFACTURING, ADMINISTRATIVE, SELLING &amp; OTHER EXPENSES</b>		
Raw Material & Components Consumed :		
(a) Aluminium & Others (Schedule '16')	3,80,02,190	3,09,98,843
(b) Boughtout Components (Schedule '17')	2,26,19,858	1,78,39,805
Stores and Spares Consumed ( Schedule '18')	41,12,827	33,79,137
Cartage & Freight Inward	12,63,142	9,50,957
Excise duty	1,53,17,269	1,85,51,303
Power & Fuel	46,08,444	42,29,666
Machining charges	28,71,095	19,15,086
Salaries & Wages	2,37,38,491	1,91,54,547
Contribution to Provident & Other Funds	20,66,538	17,73,988
Employees Welfare	2,05,165	1,55,485
Rent	3,75,000	3,66,844
Lease Rent & Hire Charges	1,40,306	41,659
Rates and Taxes	1,68,366	1,45,983
Insurance	2,14,847	1,84,772
Postage Telephone & Courier Expenses	6,45,833	6,72,930
Bank Charges (including Bank Guarantee Commission Rs.158425/-/(76690/-)	7,05,191	6,81,726
Travelling & Conveyance	29,65,885	34,18,596
Vehicle Running & Maintenance Expenses	3,43,234	2,76,867
Factory Expenses	7,42,829	4,89,965
Subscription & Membership	81,194	80,341
Advertisement & publicity	99,204	1,34,112
Printing & Stationery	3,89,947	4,16,164
Legal & Professional Charges	4,77,880	2,08,601
Miscellaneous expenses	3,38,793	2,20,681
<u>REPAIRS :</u>		
to Building	93,468	1,19,585
to Plant & Machinery	6,99,183	6,09,794
to Other Assets	2,66,370	1,32,876
<u>AUDITORS REMUNERATION :</u>		
Audit Fees	50,000	35,000
Taxation Matters	6,000	5,000
Out of pocket expenses	12,196	9,354
<u>SELLING AND DISTRIBUTION:</u>		
Selling & Distribution expenses	19,77,523	18,54,675
Commissions to Selling Agents	27,70,010	30,63,887
<u>OTHER EXPENSES :</u>		
Sales Tax	45,77,102	55,35,435
Loss on sale/write off of Fixed Assets	60,996	18,604
Bad Debts	2,89,972	2,92,377
	<u>13,32,96,348</u>	<u>11,79,64,645</u>
Add : Decrease/(Increase) in Stock (Schedule '15)	<u>-4,53,826</u>	<u>44,87,404</u>
	<u>13,28,42,522</u>	<u>12,24,52,049</u>



## Schedule to the Accounts (Continued ...)

	Year Ended 31.03.2009 RUPEES	Year Ended 31.03.2008 RUPEES
<b>14. INTEREST (NET)</b>		
On Term Loans	9,86,228	15,55,498
On Debentures to IFCL	6,43,000	6,43,000
To Bank & Others	<u>5,21,917</u>	<u>5,10,501</u>
	21,51,145	27,08,999
Less: Received (Gross) Tax deducted at source Rs.22446/-(20708/-) from Bankers & Others	<u>1,98,715</u>	<u>1,49,189</u>
	<u>19,52,430</u>	<u>25,59,810</u>
<b>15. DECREASE/(INCREASE) IN STOCK</b>		
OPENING STOCK:		
Stock in Process	91,58,674	1,20,98,180
Finished goods	52,95,472	68,27,553
Scrap	<u>23,361</u>	<u>39,178</u>
	<u>1,44,77,507</u>	<u>1,89,64,911</u>
Less : CLOSING STOCK:		
Stock in Process	1,12,50,166	91,58,674
Finished goods	36,35,099	52,95,472
Scrap	<u>46,068</u>	<u>23,361</u>
	<u>1,49,31,333</u>	<u>1,44,77,507</u>
Decrease/Increase in stock	<u>-4,53,826</u>	<u>44,87,404</u>
<b>16. RAW MATERIAL CONSUMED</b> (Aluminium & Others)		
Opening Stock	36,77,224	22,45,425
Add : Purchase	<u>4,21,73,198</u>	<u>3,50,10,998</u>
	4,58,50,422	3,72,56,423
Less: Excise Duty (CENVAT)	<u>29,70,063</u>	<u>25,80,356</u>
	4,28,80,359	3,46,76,067
Less: Closing Stock	<u>48,78,169</u>	<u>36,77,224</u>
	<u>3,80,02,190</u>	<u>3,09,98,843</u>
<b>17. BOUGHTOUT COMPONENTS CONSUMED</b>		
Opening Stock	65,02,562	37,43,736
Add : Purchase	<u>2,67,79,936</u>	<u>2,27,26,118</u>
	3,32,82,498	2,64,69,854
Less: Excise Duty (CENVAT)	<u>19,04,097</u>	<u>21,27,487</u>
	3,13,78,401	2,43,42,367
Less: Closing Stock	<u>87,58,543</u>	<u>65,02,562</u>
	<u>2,26,19,858</u>	<u>1,78,39,805</u>
<b>18. STORES &amp; SPARES</b>		
Opening Stock	7,82,235	11,89,886
Add : Purchase	<u>44,03,545</u>	<u>31,02,758</u>
	51,85,780	42,92,644
Less: Excise Duty (CENVAT)	<u>2,07,101</u>	<u>1,31,272</u>
	49,78,679	41,61,372
Less: Closing Stock	<u>8,65,852</u>	<u>7,82,235</u>
	<u>41,12,827</u>	<u>33,79,137</u>



Schedule to the Accounts (Continued ...)

## SCHEDULE '19' NOTES TO THE ACCOUNTS :

### (1) SIGNIFICANT ACCOUNTING POLICIES :

- (A) **BASIS FOR PREPARATION OF FINANCIAL STATEMENT** : 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 principals have been consistently applied.
- (B) **USE OF ESTIMATES** : The preparation of financial statements in conformity with generally accepted accounting principles requires management to make assumptions and estimates, which it believes are reasonable under the circumstances that affect the reported amounts of assets, liabilities and contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.
- (C) **FIXED ASSETS & DEPRECIATION** : Fixed assets are stated at cost net of Cenvat. Depreciation is being accounted for in the books on Straight Line Method at the rates specified in schedule XIV of the Companies Act, 1956.  
Lease hold land is being amortized in equal installments over the period of lease.
- (D) **INVENTORIES** : Stock of Raw Materials, Stores & Spares are valued at weighted average cost and Finished Goods and Stock in Process are valued at lower of cost or net realizable value. Scrap is valued at net realizable value.
- (E) **EXCISE DUTY** : Excise Duty on goods produced is accounted for at the time of clearance of goods.
- (F) **EMPLOYEE BENEFITS** :
- (i) Short term employee benefits are recognized as expenses in the profit and loss account of the year in which service is rendered.
  - (ii) Contribution to defined contribution scheme such as Provident Fund, Family Pension Fund and ESI Fund are charged to the Profit & Loss account .
  - (iii) 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 profit & loss account of the year equivalent to the premium amount payable as per the actuarial valuation made by LIC of India.
  - (iv) Leave encashment is charged to revenue on accrual basis.
- (G) **CONTINGENT LIABILITIES** : Contingent liabilities, which are considered significant and material by the company, are disclosed in the Notes to Accounts.
- (H) **REVENUE RECOGNITION** : Sales are recognized on dispatch to customers and are inclusive of Excise duty, Sales Tax and Packing charges.
- (I) **GOVERNMENT GRANTS** : Capital Subsidy shown under Capital Reserves.
- (J) **FOREIGN CURRENCY TRANSACTIONS** : Transactions in Foreign currency are recorded at the exchange rates prevailing on the date of Transaction and exchange difference arising from Foreign Currency Transactions are dealt with in Profit and Loss Account. Current Assets and Current Liabilities at the year-end are being translated at Closing Rates and exchange difference dealt with in the Profit & Loss Account.
- (K) **BORROWING COST** : Borrowing cost that are directly attributable to the acquisition of qualifying assets are 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.
- (L) **TAXES ON INCOME** : Current Tax is determined in accordance with the relevant tax regulations applicable to the company.  
Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods. Deferred tax assets are recognised only to the extent there is a virtual certainty of its realization .
- (M) **IMPAIRMENT OF ASSETS** : The Company on an annual basis makes an assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to profit and loss account.

**Notes to the Accounts (Continued ...)**

	AS AT 31.03.2009 RUPEES	AS AT 31.03.2008 RUPEES
<b>(2) NOTES TO THE ACCOUNTS:</b>		
01) Estimated amount of contracts remaining to be executed On capital account and not provided for:	Nil	Nil
02) (i) Contingent liabilities not provided for in respect of: (As certified by the Management) Counter Guarantees given to the Bank in respect of Guarantees given by them on behalf of the company. Margin money Rs. 40,00,000/- (10,00,000/-)	<b>1,27,34,760</b>	92,41,601
(ii) Demands against the Company being disputed not acknowledged as debt and not provided for in respect of which the Company is in appeal :		
(a) Income Tax Demands	<b>59,354</b>	59,354
(b) Labour payment	<b>24,567</b>	Nil
03) Fixed deposit receipt pledged with :		
(a) Bankers	<b>40,38,486</b>	10,38,486
04) Advance includes :		
(a) Due from the Director of the company Maximum Balance outstanding during the year 107182/-(199772/-)	Nil	Nil
05) Miscellaneous Expenses include :		
Charity and Donation	<b>23,401</b>	6,955
06) Auditor's Remuneration:		
(a) Audit Fee	<b>50,000</b>	35,000
(b) Taxation Matters	<b>6,000</b>	5,000
(c) Out of Pocket Expenses	<b>12,196</b>	9,354
07) Expenditure on employee drawing remuneration which in the aggregate is not less than Rs. 24,00,000/- per annum where employed throughout the year or not less than Rs. 200,000/- per month where employed for a part of the year.		
(a) Employed throughout the year :		
No. of employees	None	None
Remuneration	Nil	Nil
(b) Employed for a part of the year :	None	None
08) Unpaid amount due to Micro & Small Enterprises are disclosed under schedule No. 09 under Sundry Creditors on the basis of information available with the Company regarding the status of the suppliers. This has been relied upon by the Auditors. Such undertaking to which the Company owes for more than 30 days as at the end of the year are given below :		

S.No.	Name of the Supplier	Amount
01.	Spareage Seals Ltd.	5,656/-
02.	R.R. Techno Services	33,905/-

**Notes to the Accounts (Continued ...)**

09) Earning Per Share (EPS)

As per Accounting Standard-20 Basic Earning per share is Rs. 2.83 whereas the diluted earning per share is Rs.2.58. The following is a reconciliation of the equity shares used in computation of basic & diluted earning per equity share :

	<u>31.03.2009</u>	<u>31.03.2008</u>
Basic Equity Shares (Nos.)	49,27,000	49,27,000
Weighted average of Equity Shares (Nos.) for EPS calculation	49,27,000	49,27,000
ADD : Effect of dilutive common equity share :		
Optionally fully convertible Debentures (OFCD) (Nos.)	<u>6,43,000</u>	<u>6,43,000</u>
Dilutive equity share (Nos.)	<u>55,70,000</u>	<u>55,70,000</u>
A Net Profit/(Loss) for the year for basic earning per share	1,39,65,248	1,18,52,031
Add : Forgo of interest on OFCD on its dilution	6,43,000	6,43,000
Less : Tax benefit on forgo of interest on OFCDs	<u>(2,18,556)</u>	<u>(2,18,556)</u>
B Net Profit/(Loss) for the year for diluted earning per share	<u>1,43,89,692</u>	<u>1,22,76,475</u>
Earnings for Dilutive EPS	2.58	2.20
Earnings for Basic EPS	2.83	2.41

10) Deferred Tax :

Deferred Tax Liability/Assets have been determined on the basis of Accounting Standard 22 "Accounting for Taxes on Income " and the details thereof are as follows :

	<u>31.03.2009</u>	<u>31.03.2008</u>
Deferred tax liability on :		
Difference of book and tax Depreciation	66,56,317	69,55,143
Less : Deferred tax assets on :		
Expenses allowable u/s 43-B for tax purposes when paid	<u>11,17,778</u>	<u>12,61,353</u>
	<u>11,17,778</u>	<u>12,61,353</u>
Deferred Tax Liability (Net)	55,38,539	56,93,790
Deferred Tax charge for the year	-155251	3299658

11) 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.

12) The figures have been rounded off to the nearest rupees.

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

14) Additional information pursuant to Part II & III of Schedule VI of the Companies Act, 1956.

**A. CAPACITY & PRODUCTION**

Class of Goods	Unit	Capacity	* Installed	Production
Fluid Coupling	Nos.	1500	1500	1704
		(1500)	(1500)	(1481)

\* As certified by the Management.

**B. SALES & STOCKS :**

Class of Goods	SALES		OPENING STOCK		CLOSING STOCK	
	Nos.	Rupees	Nos.	Rupees	Nos.	Rupees
Fluid Couplings	1760	122154043	162	4634342	*107	3282944
	(1490)	(104802745)	(169)	(6605743)	(*162)	(4634342)

\*Including 01 (02) Nos. Coupling returned during the year.

Note : Closing stock includes 02 (03) Nos. Fluid Couplings sent to South Africa Trade Fare for display.

Spares & Components	36696009	661130	352155
(Including Flexible Coupling)	(41175301)	(221810)	(661130)

**Notes to the Accounts (Continued ...)**

**C. RAW MATERIAL & COMPONENTS CONSUMED :**

Material	Unit	Quantity	Rupees
Aluminum	KG	94077 (92218)	11235529 (11141150)
Other			26766661 (19857693)
Boughtout Components			22619858 (17839805)

\* As the individual value of each item of components and other does not exceed 10% of total consumption, the quantity there of has not been given.

Figures in brackets related to previous year ended as at 31.03.2008

**D. VALUE OF IMPORTED AND INDIGENOUS MATERIAL CONSUMED :**

	31.03.2009	%	31.03.2008	%
Raw Material Imported	308432	0.51	1138554	2.33
Indigenous	60313616	99.49	47700094	97.67

**E VALUE OF IMPORTS ON CIF BASIS**

- 240787

**F EXPENDITURE INCURRED IN FOREIGN CURRENCY :**

253235 382994

**G EARNING IN FOREIGN CURRENCY ON FOB BASIS :**

Export Sales & Services 10101506 4660811

15) Related Party disclosures: (As required under Accounting Standard 18)

Name of the person	Relation	Nature of Transactions	2008-09	2007-08
1 Mr. Ashok Jain	Chairman & Managing Director	Remuneration	15,77,849	15,71,585
		Interest on Loan	-	45,911
		Balance Payable at year end	76,950	8,150
2 Mr. Kunal Jain	Executive Director	Remuneration	5,75,325	4,45,500
		Rent of Registered Office	1,14,000	1,12,215
		Balance Payable at year end	25,950	34,500
3 Mr. Praful R.Turakhia	Director	Sitting Fee	1,000	-
4 Mr. D. K. Kemkar	Director	Sitting Fee	3,000	4,000
5 Mr. M. K. Shah	Director	Sitting Fee	4,000	6,000
6 Mr. K. C. Jain	Director	Sitting Fee	5,000	6,000
7 Mr. Narendra Kathed	Director	Sitting Fee	3,000	5,000
8 Mr. Jagdish Garwal	Nominee Director of M/s IFCI Ltd.	Sitting Fee	3,000	2,000
9 Mrs. Pramila Jain	Wife of CMD	Remuneration	3,48,186	2,89,942
		Balance Payable at year end	21,271	15,856
10 Mrs. Radhica Sharma	Daughter of CMD	Remuneration	3,55,572	2,77,944
		Balance Payable at year end	23,442	17,238
11 Mr. Sundeep Sharma	Son in law of CMD	Remuneration	3,55,572	2,77,944
		Balance Payable at year end	23,400	19,304

16) Schedule 1 to 19 form an integral part of Balance Sheet and Profit and Loss Account and have been duly authenticated.

**Notes to the Accounts (Continued ...)**

17) Additional information pursuant to Part IV of Schedule VI of the Companies Act, 1956.

I. Registration Details		
Registration No	001452	State Code 10
Balance Sheet Date	31.03.2009	
II. Capital Raised during the year :		
	Public Issue	Right Issue
	Nil	Nil
	Bonus issue	Private Placement
	Nil	Nil

III. Position of Mobilisation and Deployment of Funds (amount in Rs. Thousands)

	Total liabilities	Total Assets
	9,12,45	9,12,45
Sources of Funds :		
	Paid-up capital	Reserves & Surplus
	5,24,73	1,71,78
	Secured loans	Unsecured loans
	1,60,55	Nil
	Deferred Tax Liability	
	55,39	
Application of Funds :		
	Net Fixed Assets	Investments
	4,07,69	Nil
	Net current Assets	Misc. Expenditure
	5,04,76	Nil

IV. Performance of Company (amount in Rs.Thousands)

* Turnover	Total Expenditure
15,97,38	13,78,57
Profit/Loss Before Tax	Profit/Loss After Tax
2,18,81	1,37,39
Earning Per Share	Dividend Rate %
2.83	Nil

\* (Including Other Income)

V. Generic Names of Three Principal Products/Services of Company (As per monetary terms)

Item Code No. (ITC Code)	<b>84833002</b>
Product Description	<b>FLUID COUPLING</b>

Signature to the Schedules '1' to '19'

As per our report of even date

For and on behalf of the Board

**for J.P.SARAF & CO.**  
Chartered Accountants

**(ASHOK JAIN)**  
Chairman & Managing Director

**(JAI PRAKASH SARAF)**  
Partner  
M. No. 075319

**(Kunal Jain)**  
Executive Director

**(K.C. Jain)**  
Director

**(M.K. Shah)**  
Director

Place : Indore

**(Prmod Jain)**

Date : This 27th Day of June, 2009

Dy. Vice President



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	2008-09 (Rs.in lacs)	2007-08 (Rs.in lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX	218.81	185.38
Adjustment for :		
Depreciation	30.62	31.27
Loss/ (Profit) on Sale/Discard of Fixed Assets	(1.20)	0.19
Interest (Net)	19.52	25.60
Lease rental net of lease equalisation	0.21	0.21
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>267.96</b>	<b>242.65</b>
Adjustment for :		
(Increase) / Decrease in trade and other receivable	19.42	(147.46)
(Increase) / Decrease in Inventories	(38.50)	6.93
Increase / (Decrease) in Trade Payables & provisions	2.68	95.07
<b>CASH GENERATED FROM OPERATIONS</b>	<b>251.56</b>	<b>197.19</b>
Interest Paid	(5.22)	(5.11)
Income Tax Paid (including Fringe Benefit Tax)	(82.97)	(36.28)
Expenses / Payments related to earlier years	2.26	2.41
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>165.63</b>	<b>158.21</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(122.51)	(28.13)
Sale of Fixed Assets (Net)	18.98	1.41
Interest Received	1.99	1.49
<b>NET CASH ( USED IN ) FROM INVESTING ACTIVITIES :</b>	<b>(101.54)</b>	<b>(25.23)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from issue of Share Capital	0.00	0.00
Proceeds from long term & other borrowings	(27.94)	(114.60)
Interest paid	(16.25)	(20.85)
<b>NET CASH ( USED IN ) / FROM FINANCING ACTIVITIES</b>	<b>(44.19)</b>	<b>(135.45)</b>
<b>NET INCREASE / (DECREASE) CASH &amp; BANK BALANCES (A+B+C)</b>	<b>19.90</b>	<b>(2.47)</b>
<b>CASH &amp; BANK BALANCE OPENING BALANCE</b>	<b>28.32</b>	<b>30.79</b>
<b>CASH &amp; BANK BALANCE CLOSING BALANCE</b>	<b>48.22</b>	<b>28.32</b>

**Note :**

The previous year's figures have been regrouped & rearranged wherever necessary.

As per our report of even date

For and on behalf of the Board

for **J.P.SARAF & CO.**  
Chartered Accountants

**(ASHOK JAIN)**  
Chairman & Managing Director

**(JAI PRAKASH SARAF)**  
Partner  
M. No. 075319

**(Kunal Jain)**  
Executive Director

**(K.C. Jain)**  
Director

**(M.K. Shah)**  
Director

Place : Indore

**(Pramod Jain)**

Date : This 27th Day of June, 2009

Dy. Vice President



**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 33rd Annual General Meeting of the Company held on Friday, 25th day of September, 2009 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 33rd Annual General Meeting of the Company, to be held on Friday, 25th day of September, 2009 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 \_\_\_\_\_ 2009

Reference Folio No. /

Signature(s) of Members(s)

DP ID & Client ID

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_

Affix one  
rupee  
Revenue  
Stamp

**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.

RUPEES  
of  
69



BOOK - POST

*If undelivered please return to :*

**FLUIDOMAT LIMITED**

117, 1st Floor, 'Navneet Darshan',  
16/2, Old Palasia, Indore - 452 018 (M.P.)  
Tel.: 0731-2564820  
Website : [www.fluidomat.com](http://www.fluidomat.com)