



**FLUIDOMAT
LIMITED**

ISO 9001 : 2008



FM 82849

Head Office & Works : 7C-8J, I. S. Gajra Industrial Area I, A. B. Road, DEWAS - 455 001 (M.P.) INDIA
Phone : + 91-7272-268100, 258582, 258583. Fax : 91-7272-258581
Email : info@fluidomat.com Website : www.fluidomat.com
PIN No. 474210 (M.P.) 187881 (C001452)
FV/SE/DKS/2018-19



28th September, 2018

Online filing at www.listing.bseindia.com

To,
The General Manager
DCS-CRD
BSE Ltd.
Rotunda Building P.J. Tower,
Dalal Street Fort, Mumbai - 400001

BSE CODE: 522017

Sub: Compliance of Regulation 34- For Submission of the Approved and Adopted copy of the 42nd Annual Report for the year 2017-18.

Dear Sir/Madam,

Incompliance with the requirement of Regulation 34 of the SEBI (LODR) Regulations, 2015 we hereby submit a certified copy of the 42nd Annual Report containing the Financial Statements, Report of the Board, Corporate Governance and the Auditors Report duly approved and adopted by the members of the company at their 42nd Annual General Meeting held on Wednesday, 26th September, 2018.

You are requested to please take on record the above said document for your reference and further needful.

Thanking You,
Yours Faithfully,
For, **FLUIDOMAT LTD.**



**DEVENDRA KUMAR SAHU
COMPANY SECRETARY &
COMPLIANCE OFFICER**

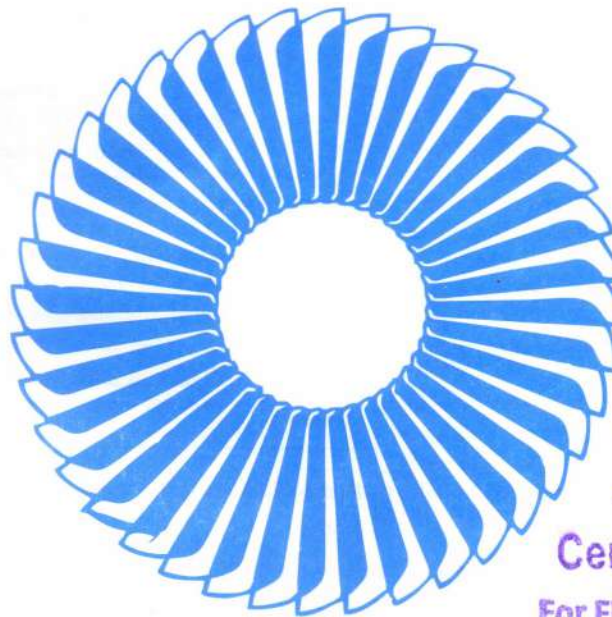
Encl.: a/a

ISO 9001:2008



FM 82849

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



*Approved
&
Adopted
in the 42nd
AGM Held on
26.09.2018*

Certified True Copy

For FLUIDOMAT LIMITED,

Ashonjari
Chairman & Managing Director.

 **FLUIDOMAT LIMITED**

42nd Annual Report

2017-18

**BOARD OF DIRECTORS**

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

CHIEF FINANCIAL OFFICER

Mrs. Monica Jain

VICE PRESIDENT

Mr. Pramod Jain

COMPANY SECRETARY & COMPLIANCE OFFICER

CS Devendra Kumar Sahu

STATUTORY AUDITORS**C. P. RAWKA & CO.**

Chartered Accountants

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

Company Secretaries

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

Chartered Accountants

BANKERS

Central Bank of India

REGISTERED OFFICE

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

CORPORATE OFFICE & WORK:

7-C, 8-J, I.S. Gajra Industrial Area,
A.B. Road, Dewas (M.P.) 455001
Tel.: 07272-258582, 258583, 268103
Email : fluidomat@bsnl.in

REGISTRAR AND SHARE TRANSFER AGENT:

Ankit Consultancy Pvt. Ltd.
Plot. No. 60, Electronic Complex,
Pardeshipura, Indore (M.P.) 452001,
Phone : 0731-4065797/99,0731-4281333
Email: ankit_4321@yahoo.com
Fax: 0731-4065798

42nd Annual General Meeting

| | |
|--------------|---|
| Date | : 26th September, 2018 |
| Day | : Wednesday |
| Time | : 2.00 p.m. |
| Place | : Pritam Lal Dua Auditorium, Government Ahilya Central Library, Near Regal Square, M. G. Road, Indore - 452 001 (M.P.) |
| Book Closure | : 20.09.2018 to 26.09.2018 (Both days inclusive) |

STOCK EXCHANGE :

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

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**NOTICE**

Notice is hereby given that 42nd Annual General Meeting of the members of **FLUIDOMAT LIMITED** will be held on Wednesday the 26th day of September, 2018 at 2.00 P.M. at the Pritam Lal Dua Auditorium, Government Ahilya Central Library, Near Regal Square, M G Road, Indore-452001 to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider, approve and adopt the Audited Financial Statements containing the Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended March 31st 2018 and the Reports of the Board and Auditors thereon.
2. To declare dividend on equity shares of the Company for the financial year ended 31st March, 2018.
3. To appoint a director in place of Shri Ashok Jain (DIN: 00007813) who is liable to retire by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESSES:**4. Re-appointment of Shri Ashok Jain (DIN:00007813) as a Chairman & Managing Director:**

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:
“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and Board of Directors and subject to the provisions of Section 196,197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013 and Articles of Association of the company, approval of the members of the Company be and is hereby accorded on account of attainment of 70 years of age on January 4, 2019 as the Chairman & Managing Director of the Company for a period of five years w.e.f. July 01, 2019 on remuneration upto Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) per month and reimbursement of medical expenses upto Rs. 1,00,000/- (One Lakh) per annum. whose period of office is liable to retirement by rotation.

FURTHER RESOLVED THAT in addition of his aforesaid remuneration, Shri Ashok Jain, the Chairman & Managing Director shall also be entitled for the following benefits and shall not be considered for the purpose of calculation of the maximum permissible remuneration as it covers under the exempted category.

1. **Employers Contribution to PF:** As per the Rules of the Company.
2. **Gratuity:** As per the rules of the Company, subject to the maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. **Earned Privilege Leave:** As per the rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every year of completed services at the end of the tenure.
4. **Directors Obligation Insurance Premium:** If any taken by the Company as per provisions of section 197(13) of the Companies Act, 2013.

FACILITIES TO PERFORM THE COMPANIES WORK:

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

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

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

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

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of his remuneration within the permissible limits in its absolute discretion as may considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any



question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

5. Re-appointment of Shri Khushal Chandra Jain (DIN:00007916) as an Independent Director:

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:
“**RESOLVED THAT** pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Khushal Chandra Jain (DIN: 00007916), who was appointed as an Independent Director upto the 1st term of 5 years ending on 31st March, 2019 and being eligible has submitted a declaration for his independence and upon recommendation of the Nomination and Remuneration Committee and the Board of directors, Shri Khushal Chandra Jain who has also having age of more than 75 years be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, w.e.f. 1st April, 2019 to 31st March, 2024.”

6. Re-appointment of Shri Mahendra Kumar Shah (DIN:00014556) as an Independent Director:

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:
“**RESOLVED THAT** pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Mahendra Kumar Shah (DIN: 00014556), who was appointed as an Independent Director upto the 1st term of 5 years ending on 31st March, 2019 and being eligible has submitted a declaration for his independence and upon recommendation of the Nomination and Remuneration Committee and the Board of directors, Shri Mahendra Kumar Shah be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, w.e.f. 1st April, 2019 to 31st March, 2024.”

7. Re-appointment of Shri Praful Ratilal Turakhia (DIN:00366398) as an Independent Director:

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:
“**RESOLVED THAT** pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Praful RatilalTurakhia (DIN: 00366398) who was appointed as an Independent Director upto the 1st term of 5 years ending on 31st March, 2019 being eligible has submitted a declaration for his independence and upon recommendation of the Nomination and Remuneration Committee and the Board of directors, Shri Praful Ratilal Turakhia be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, w.e.f. 1st April, 2019 to 31st March, 2024.”

By Orders of the Board

Date: 13th August, 2018

Place: Indore

DEVENDRA KUMAR SAHU
COMPANY SECRETARY
ACS 31933

Registered Office:

CIN: L74210MP1978PLC001452

117, First Floor, Navneet Darshan

16/2, Old Palasia, Indore (M.P.) 452001

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE



COMPANY. A BLANK FORM OF PROXY IS ATTACHED HEREWITH AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 42ND ANNUAL GENERAL MEETING.

2. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 IN NUMBERS AND HOLDING IN AGGREGATING NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed and forms part of the Notice.
4. The Company's Register of members and share transfer books shall remain closed from Thursday the September, 20th 2018 to Wednesday, the September, 26th 2018 (both days inclusive) for the purpose of the Annual General Meeting and ascertainment for entitlement of payment of dividend to the members whose names appear in the Register of members and the records of the beneficiaries of the CDSL and NSDL on the date of the Annual General Meeting.
5. The Members are requested to:
 - a) Intimate changes, if any, in their registered addresses immediately.
 - b) Quote their ledger folio number in all their correspondence.
 - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
 - d) Bring their Annual Report and Attendance Slips with them at the AGM venue.
 - e) Send their Email address to us for prompt communication and update the same with their D.P to receive softcopy of the Annual Report of the Company.
6. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Boards.
7. Members seeking any information are requested to write to the Company by email at info@fluidomat.com at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
8. Members are requested to notify immediately any change in their address and e-mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at Ankit Consultancy Pvt. Ltd. Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.).
9. Electronic copy of the Annual report is being sent to the members whose email IDs are registered with the Company / Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual report is being sent in the permitted mode.
10. Members may also note that the Annual Report for FY 2017-18 will be hosted on Company's website www.fluidomat.com.
11. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting needs to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
12. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the Company on all working days, except Saturday, between 2:00 P.M and 4:00 P.M up to the date of the meeting.
13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
14. Pursuant to the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), the Company is in process to transfer the equity shares in respect of which dividend has not been claimed or encashed for 7 or more consecutive years to the Investor Education and Protection Fund Authority (IEPF) of the Central Government. The Company has sent letters to the concerning shareholders whose dividend has not been claimed/encashed for 7 or more consecutive years. The details of such shareholders are posted on the website of the Company at <https://www.fluidomat.com>. Please note that the shares so transferred to the IEPF can be claimed from the IEPF Authority as per the procedure prescribed under the Rules.



15. As per SEBI Circular dated 20thApril, 2018 such shareholders holding shares of the company in the physical form are required to provide details of the Income Tax Permanent Account No. and Bank Account Details to the Share Transfer Agent of the Company. The Company has sent first letter to all the shareholders holding shares in the physical form by the Registered Post and further two reminder letters will also be sent by the Ordinary Post for requiring the aforesaid details. It may please be noted very carefully by the shareholders who are unable to provide required details to the Share Transfer Agent, or informed that the shares available in their name as per records to the share transfer agent does not belong to them or letter return back being undelivered on or before 17th October, 2018 (i.e. 180 days from the date of circular) shall be subject to enhanced due diligence by the Company and the Share Transfer Agent.
16. As per Amendments made w.e.f. 8thJune, 2018 in the Regulation 40 of the SEBI (LODR) Regulation 2015 the shares shall be transferable only in the Demat form w.e.f. 5th December, 2018. Therefore, as per requirement of the Regulation the Share Transfer Agent of the Company has sent letters to the members holding shares in the physical form advising the get the shares in the Demat form as earliest. The members are requested to please take necessary action for dematerialization of shares as earliest but before 5th December, 2018 to avoid hardship in transfer of shares thereafter.
17. Due dates for transfer of unclaimed/unpaid dividends and the amount remained unclaimed which may be transferred if continuing remain unpaid and or the balance amount if claimed by the shareholders for transfer thereafter the same to IEPF are as under:

| F.Y. Ended | Declaration Date | Due Date | Amount remains unpaid/un claimed as at 31.03.2018 (Rs.) |
|------------------------------|-------------------------|-----------------|--|
| 31 st March, 2011 | 26/09/2011 | 25/10/2018 | 215913.00 |
| 31 st March, 2012 | 26/09/2012 | 25/10/2019 | 277646.25 |
| 31 st March, 2013 | 26/09/2013 | 25/10/2020 | 531837.50 |
| 31 st March, 2014 | 26/09/2014 | 25/10/2021 | 623427.75 |
| 31 st March, 2015 | 26/09/2015 | 25/10/2022 | 614751.50 |
| 31 st March, 2016 | 26/09/2016 | 25/10/2023 | 554945.00 |
| 31 st March, 2017 | 26/09/2017 | 25/10/2024 | 443072.00 |

18. Voting through electronic means

In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of SEBI (LODR) Regulation, 2015 the Company is pleased to provide its members the facility to exercise their right to vote at the 42nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

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

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

The cut-off date for the purpose of voting (including remote e-voting) is Wednesday, the 19th September, 2018

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

| | |
|--|---|
| Commencement of remote e-voting | 09.00 am (IST) on Sunday 23rd September, 2018 |
| End of remote e-voting | 05.00 pm (IST) on Tuesday, 25th September, 2018 |

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

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

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsd.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?



1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID for example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.



3. Select “EVEN” of Fluidomat Ltd. for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

20. General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ishan1619@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
4. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th September, 2018.
5. CS Ishan Jain, Practicing Company Secretary (ACS No. 29444 CP 13032) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
6. The scrutinizer shall after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company.
7. The results of e-voting, and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorized in this regard. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.fluidomat.com and on the website of NSDL within three days of passing of the resolutions at the AGM of the Company and communicated to the BSE Ltd. within 48 hours as per SEBI (LODR) Regulation, 2015.
8. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents Ankit Consultancy Pvt. Ltd. at the address;
Plot No. 60, Electronic Complex, Pardeshipura Indore (M.P.) 452010 Tel-0731- 4281333/0731-4065797/99 Fax-0731-40657 98 Email id: ankit_4321@yahoo.com

21. Details of the directors seeking re-appointment as per Item No. 3, 4, 5, 6 and 7 of the notice at the ensuing Annual General Meeting as per Regulation 36(3) of SEBI (LODR) Regulation, 2015 are as under:

| Name of Directors | Shri Ashok Jain | Shri Khushal Chandra Jain | Shri Mahendra Kumar Shah | Shri Praful Ratilal Turakhia |
|----------------------------------|---|--|---|--|
| DIN | 00007813 | 00007916 | 00014556 | 00366398 |
| Designation | Chairman & Managing Director | Independent Director | Independent Director | Independent Director |
| Date of Birth | 05-01-1949 | 08-01-1943 | 19-07-1958 | 21-04-1948 |
| Date of Appointment (previous) | 01-07-2016 | 01-04-2014 | 01-04-2014 | 01-04-2014 |
| Expertise/Experience in specific | More than 45 years experience in the field of Company’s product | 54 years Corporate experience in the field of Accounts, Finance, | More than 33 years experience in Auditing and Taxation. | 45 years experience in Engineering Pharma Bulk |



| | | | | |
|--|--|---|--|---|
| functional areas | | Taxation and Industrial Management. | | Drugs and Chemical Industries. |
| Qualification | BE Mechanical | M. Com DIT | CA | BE Mechanical |
| No. & % of Equity Shares held | 1106452 (22.46%) | 200 | NIL | NIL |
| List of outside Company's directorship held | Redwood Packaging Pvt. Ltd | NIL | 1. Aawas Finance Ltd. 2. DMIC Pithampur Jal Prabandhan Company Limited | Ratilal Chemark Pvt. Ltd. |
| Chairman/Member of the Committees of the Board of Directors of the Company | Nil | 1. Nomination & Remuneration Committee-Chairman 2. Stakeholder Relationship Committee-Member 3. Audit Committee-Member 4. CSR Committee-Member 5. Corporate Compliance Committee - Chairman | 1. Nomination & Remuneration Committee-Member 2. Stakeholder Relationship Committee-Chairman 3. Audit Committee-Chairman 4. CSR Committee-Chairman 5. Risk Management Committee-Chairman 6. Corporate Compliance Committee - Member | 1. Nomination & Remuneration Committee-Member 2. Stakeholder Relationship Committee-Member 3. Audit Committee-Member 4. CSR Committee-Member 5. Corporate Compliance Committee - Member |
| Chairman / Member of the Committees of the Board, Directors of other Companies in which he is director | NIL | NIL | NIL | NIL |
| Disclosures of relationships between directors inter-se. | 1. Shri Kunal Jain: Executive Director Relation- Son 2. Mrs. Radhica Sharma; Deputy Managing Director Relation-Daughter | NIL | NIL | NIL |

BRIEF RESUME**1. Shri Ashok Jain:**

He is a technocrat and qualified graduate electrical engineer with more than 45 years all-round experience of design, development of fluid couplings and management of industry. He has developed the fluid coupling technology indigenously and brought India amongst few selected Companies in the world possessing this technology. He is considered the best expert in India on fluid couplings including its application, usages and energy saving. He is also recognized internationally by all the competitors and many users/buyers of fluid couplings in many places of the world.

2. Shri Khushal Chandra Jain:

He is M.com & DIT and having more than 54 years experience in the field of accounts, Finance, Taxation and Industrial Management. He is acquainted with through knowledge of business. His experience, Commitment and capabilities are playing a crucial role in the growth of the company.



3. Shri Mahendra Kumar Shah:

He is Chartered Accountant and having more than 33 years experience in the field of accounts, Finance, Taxation, and Audit. He is qualified Chartered Accountant. He shows his commitment, integrity and efforts towards the success of the Company. He is serving in various Companies as a Director along with the Fluidomat Ltd. He is the chairman of Audit Committee of the Company.

4. Shri Praful Ratilal Turakhia:

He is qualified BE Mechanical and having more than 45 years of experience in the field of Engineering, Pharmacy Bulk and Chemical Industry. He is serving in various Companies as a Director along with the Fluidomat Ltd

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

Item No. 3 & 4

Shri Ashok Jain was re-appointed at the 39thAnnual General Meeting held on 26thSeptember, 2015 as the Chairman cum Managing Director for a period of 3 years w.e.f.1st July, 2016 on the total monthly remuneration not exceeding Rs.3,50,000/- per month.

Shri Ashok Jain is going to attain the age of 70 years on 4thJanuary, 2019 and he is eligible for re-appointment for period of five year after passing special resolution pursuant to the proviso of section 196(3)(a) of the Companies Act, 2013.

In view of his attaining the age of 70 years on 4thJanuary, 2019, and proposed re-appointment for a period of five years from 1st July, 2019 to 30th June, 2024, the company needs to seek approval of members by way of special resolution u/s 196(3)(a) read with Schedule V of the Companies Act, 2013.

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

The Nomination and Remuneration Committee and the Board at their meeting held on 13thAugust, 2018 considered that the Company needs to re-appoint Shri Ashok Jain as a Chairman & Managing Director for a further period of five years w.e.f. 1stJuly, 2019 on the terms and conditions and remuneration as set out in the Item No. 4 of the notice and recommend to pass necessary special resolution at the Meeting.

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

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

The Information as required under section II, Part 2 of the Schedule V is being given as under

I. General Information:

| | |
|---|--|
| (1) Nature of industry | Engineering machinery (Fluid coupling manufacturing) |
| (2) Date or expected date of commencement of commercial production | N.A., already existing in business |
| (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | N.A., already existing in business |



| | |
|--|--|
| (4) Financial performance based on given indicators | The Company has achieved gross turnover of Rs.2405.48 Lakhs for the year ended 31 st March, 2018 and earned profits before Tax Rs.314.27 Lakhs. |
| (5) Foreign investments or collaborations, if any. | There is no foreign investment or Foreign Collaboration in the Company. |
| II. Information about the appointee: | |
| (1)Background details | Shri Ashok Jain is a technocrat and qualified graduate electrical engineer with more than 45 years all-round experience of design, development of fluid couplings and management of industry. He has developed the fluid coupling technology indigenously and brought India amongst few selected Companies in the world possessing this technology. He is considered the best expert in India on fluid couplings including its application, usages and energy saving. He is also recognized internationally by all the competitors and many users/buyers of fluid couplings in many places of the world. |
| (2)Past remuneration | The total Remuneration for the year period 2017-18 was Rs. 44.44 Laks |
| (3)Recognition or awards | Nil |
| (4)Job profile and his suitability | Shri Ashok Jain, the Chairman And Managing Director is in-charge of the entire affairs of the Company being the Managing Director subject to superintendence and control of the Board of directors and conduct the activities of the Company, also assisted by two whole time directors |
| (5)Remuneration proposed | Rs. 42.00 Lakh+ perks as may be admissible. |
| (6)Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | The remuneration proposed is comparable with remuneration for equivalent position in a unit of comparable size and complexity. |
| (7)Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. | Shri Ashok Jain alongwith his relatives hold 50.87% equity share capital of the Company. He is also having interest to the extent of the remuneration which he may draw from the Company being the Chairman And Managing Director and dividend as may be declared by the Company. His relatives have also rented out office premises to the Company on terms approved by the Board. Shri Ashok Jain is a relative of Mr. Kunal Jain, and Mrs. Radhica Sharma whole-time directors and Mrs. Monica Jain, CFO of the Company. |
| III. Other information: | |
| (1)Reasons of loss or inadequate profits | There is no loss however, there may be inadequate profits due to adverse market position and matter of demand and supply, the profits may be inadequate in a particular period. The reasons for inadequate profit is decrease in the turnover and profits during the year 2017-18, |
| (2)Steps taken or proposed to be taken for improvement | The Company is continuing efforts to introduce higher value products and replacing old machines |
| (3)Expected increase in productivity and profits in measurable terms | The Company expect to increase its turnover and profits by about 8-10% every year. |

**Item No. 5 to 7**

Shri Khushal Chandra Jain (DIN: 00007916), Shri Mahendra Kumar Shah (DIN: 00014556) and Shri Praful RatilalTurakhia (DIN: 00366398) were appointed as the Independent Directors of the Company to hold office as Independent Director up to March 31, 2019 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended for their re-appointment as the Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during their tenure, the continued association would be beneficial to the Company and it is desirable to continue to avail their services as an Independent Directors.

Accordingly, it is proposed to re-appoint them as Independent Directors of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years w.e.f. 1st April, 2019 on the Board of the Company.

Shri Khushal Chandra Jain has attained the age of 75 years, therefore, his re-appointment can be made by way of special resolution. All the aforesaid independent directors proposed for re-appointment are not disqualified as a Director in terms of Section 164 of the Act and other applicable laws and has given their consent to act as a Director. The Company has also received declaration from them that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and under the SEBI (LODR) Regulations, 2015. In the opinion of the Board, these directors fulfil the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (LODR) Regulation, 2015.

They shall be paid remuneration by way of fee for attending meetings of the Board. Copy of draft letter of appointment of them setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

The aforesaid directors may be deemed to be interested in the resolution to the extent of the fee for attending the meetings as may be payable and their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Your directors recommend to pass resolutions as set out in the Item No. 5 to 7 by way of special resolution.

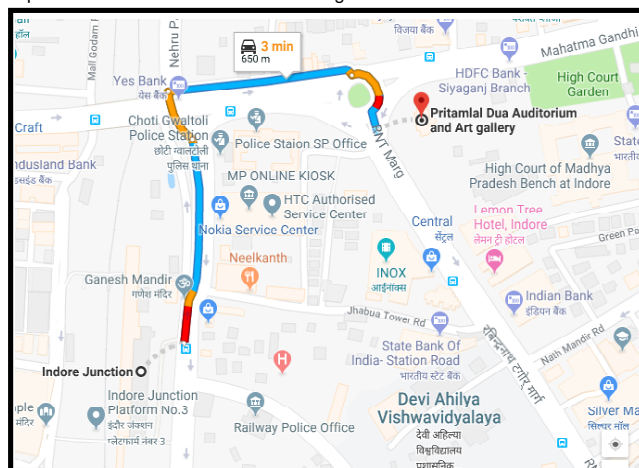
By Orders of the Board

**DEVENDRA KUMAR SAHU
COMPANY SECRETARY
ACS 31933**

Place: Indore

Date: 13th August, 2018

Venue Guide map for the 42nd Annual General Meeting of Fluidomat Limited to be held on 26th Day of September 2018





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

To
The members
Fluidomat Ltd.

Your Directors have pleasure in presenting 42nd Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March 31, 2018.

FINANCIAL RESULTS:

The Summarized financial results for the year as under :

(Rs. In Lakhs)

| Particulars | Year ended on | |
|--|----------------|----------------|
| | 31.03.2018 | 31.03.2017 |
| Revenue from Operations | 2405.48 | 2797.87 |
| Other Income | 109.52 | 99.91 |
| Total Income | 2515.00 | 2897.78 |
| Total Expenditure except Interest and Depreciation | 2130.77 | 2415.04 |
| Profit before Interest, Depreciation & Tax (EBIDTA) | 384.23 | 482.74 |
| Less: Interest | 0.09 | 0.00 |
| Less: Depreciation | 69.87 | 68.74 |
| Profit before Tax | 314.27 | 414.00 |
| Less: (a) Current Tax | 94.21 | 145.76 |
| (b) Deferred Tax | (12.62) | (6.51) |
| Net Profit for the Year | 232.68 | 274.75 |
| Reserves & Surplus | 2606.01 | 2477.11 |
| EPS (Equity Shares of Rs. 10/- each) Basic & Diluted (in Rs.) | 4.72 | 5.58 |
| Paid up Equity Share Capital | 492.70 | 492.70 |

REVIEW OF OPERATIONS /STATE OF AFFAIRS:

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

For the year ended on March 31, 2018 the Company has posted a total revenue of Rs. 2471.92 lakhs (net of Excise duty) as against Rs. 2652.29 lakhs (net of Excise duty) in the previous year, representing a marginal decrease of 6.80%.

For the year ended March 31, 2018 the Company has achieved Earnings before Interest, Depreciation and Tax (EBIDTA) of Rs. 384.23 lakhs as against the EBIDTA of Rs. 482.74 lakhs during the previous year.

The Net Profit of the Company for the year 2017-18 was Rs. 232.68 lakhs compared to Rs. 274.75 lakhs during the previous year. The company holds total unexecuted orders about Rs. 1988.00 lakhs as on 31.03.2018.

Earning per share (EPS) for the year 2017-18 stood at Rs. 4.72 compared to EPS Rs. 5.58 of previous year.

DIVIDEND:

Your Board of Directors are pleased to recommend a dividend of Rs.1.75(17.50%) on Equity Share of Rs.10/- each for the year ended March 31, 2018. (Previous year Rs.1.75 (17.50%) per Equity Share of Rs.10/- each).The above dividend would be paid subject to approval by the Members in the ensuing Annual General Meeting. The proposed dividend will absorb Rs.103.95 Lakhs including Dividend Distribution Tax of Rs.17.72 Lakhs.

TRANSFER TO RESERVES:

During the year, your company has voluntarily transferred Rs 100.00 Lakhs to the General Reserves, Previous year Rs. 100.00 Lakhs.

**SHARE CAPITAL:**

The paid up Equity Share Capital as on 31st March, 2018 was Rs. 492.70 Lakhs divided into 49.27 Lakhs equity shares of Rs. 10/- each. There is no change in Equity share Capital of the Company during the year. Your company do not hold any instruments convertible into the equity shares of the Company.

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

The Company is having adequate Key Managerial Personnel's as per requirements of section 203 of the Companies Act, 2013 as well as the SEBI (LODR) Regulations, 2015. There is no change in the key managerial personnel's during the year under review. However, at the Annual General Meeting (AGM) held on September 26, 2017 the Members had re-appointed Shri Kunal Jain as the whole-time Director(DIN 01475424) w.e.f. May 01, 2018 for a further term of Five years.

Declaration for Independency of Independent Directors

The Company have received necessary declaration from all the independent directors as required under section 149(6) of the Companies Act, 2013 confirming that they meet the criteria of Independence as per the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013. In the Opinion of the Board, all the independent directors fulfill the criteria of the independency as required under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Independent Directors seeking re-appointment:

Pursuant to the provision of section 149(10) of the Companies Act, 2013 a term of five consecutive years on the Board of the Company of Shri Khushal Chandra Jain (DIN 00007916), Shri Mahendra Kumar Shah (DIN 00014556) and Shri Praful Turakhia (DIN 00366398) as Independent Directors will be completed on 31st March, 2019.

However, they are eligible for re-appointment on passing of special resolution for a second term of five consecutive years. Therefore, the Board in their meeting held on 13th August, 2018 upon the recommendation of the Nomination and Remuneration Committee has recommended their re-appointment w.e.f. 1st April, 2019 to 31st March, 2024. Your Board of directors recommends to pass necessary special resolutions to that effect as set out in the notice of the Annual General Meeting.

Further that Shri Khushal Chandra Jain (DIN 00007916) has attained the age of 75 years, during his tenure on 7th January, 2018, therefore, the Company has proposed to pass special resolution as included in the Item No. & resolution No. 5 of the Notice.

Directors liable to retire by rotation seeking re-appointment:

Shri Ashok Jain, (DIN 00007813), the Chairman and Managing director is liable to retire by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment. Your directors recommend to pass necessary resolution as proposed in the Item No. 4 of the Notice.

Executive Directors seeking re-appointment:

The tenure of Shri. Ashok Jain as the Managing Director will be completed on 30th June, 2019 further he shall also attend the age of 70 years on 04/01/2019; therefore, the Board upon the recommendation of the Nomination and Remuneration Committee has re-appointed him for a further period of five years w.e.f. 1st July, 2019. Your Board of directors recommends to pass special resolution as per the provision of section 196(3)(a) of the Companies Act, 2013 to that effect as set out in the notice of the Annual General Meeting and justification for re-appointing him is being annexed in the explanatory statement.

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

Total Four (4) meetings of the Board were held during the year. The intervening gap between any two meetings was not exceeding 120 days as prescribed by the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. For further details of the meetings, please refer the Corporate Governance Report which forms part of this report.

B. Policy on Directors' appointment and remuneration:

The Board has, on the recommendation of the nomination and remuneration committee framed a nomination, remuneration and evaluation policy which lays down the criteria for identifying the persons who are qualified to be appointed as directors and, or senior management personnel of the company, along with the criteria for determination of remuneration of directors, KMP's and other employees and their evaluation and includes other matters, as prescribed under the provisions of section 178 of Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations 2015. Policy of the Company has been given at the website of the Company at [Link:-http://www.fluidomat.com](http://www.fluidomat.com). The details of the same are also covered in Corporate Governance Report forming part of this annual report.

C. Board Evaluation:

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy.



The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairman. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees. The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

COMMITTEES OF THE BOARD:

In accordance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and other purposes the Board has the following Five(5) committees:

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

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a) In the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed;
- b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit of the company for the year ended on that date;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The annual financial statements have been prepared on a going concern basis;
- e) Proper internal financial controls were in place and the financial controls were adequate and operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

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

In terms of the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. C.P. Rawka & Co., Chartered Accountants, (Firm Registration No. 000518C) was appointed as the statutory auditors of the Company to hold office for one term of 5 years commencing from conclusion of the 41st Annual General Meeting upto the conclusion of the Annual General Meeting of the Company to be held in calendar year 2022. The Auditors have confirmed that they are eligible to continue as Auditors of the Company. Further, as per amendment made in section 139 of the Companies Act, 2013 which came in to force w.e.f. 7th May, 2018, the company is not required to ratify their appointment.

The Auditors Report and the Notes on financial statement for the year 2017-18 referred to in the Auditor's Report are self-explanatory and does not contain any qualification, reservation or adverse remark, therefore, do not call for any further comments.

B. Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, amended time to time, the provision regarding Cost Audit under this act was not applicable to Company during the year 2017-18.

C. Secretarial Auditors:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s D.K. Jain & Co., Company Secretaries to undertake the Secretarial Audit of the Company for the year 2017-18. The Secretarial Auditors in their report for the year 2017-18 has confirmed the compliances by the Company as covered in their report.

The Report of the Secretarial Audit for the year 2017-18 in the Form MR-3 is annexed herewith as "**Annexure-1**".



D. Disclosure of frauds against the Company:

There were no instances for other than reportable fraud to the Central Government covered under section 134(3)(ca) of the Companies Act, 2013. Further that, the auditors have not found any fraud as required to be reported by them under section 143(12) to the Central Government during the year 2017-18.

TRANSACTIONS WITH RELATED PARTIES:

The Company has not entered into any material contracts, with the related parties during the year 2017-18 and other contracts or arrangements were in the ordinary course of business on arms length basis, which were approved by the Audit Committee and the Board from time to time. Therefore, there is no particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 which needs to disclose in the prescribed form AOC-2 and may be treated as not applicable. However, the related party transactions as covered under Indian Accounting Standards (Ind AS 24) have been disclosed in the Note No. 41 of the financial statements for the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

CONSOLIDATED FINANCIAL STATEMENTS:

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

PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES:

Your company does not have any subsidiary, associate or joint venture company at the beginning or any time during the year 2017-18 therefore, the disclosure in the Form AOC-1 is not applicable to the Company.

PUBLIC DEPOSITS:

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

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL RESULTS:

The Board of Directors has devised systems, policies and procedures / frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to Company's policies, safeguarding assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews the internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals. Nothing has come to the attention of the Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review. There have been no significant changes in the Company's internal financial controls during the year that have materially affected, or are reasonably likely to materially affect its internal financial controls. There are inherent limitations to the effectiveness of any system of disclosure, controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures.

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

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

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The Company has not provided any loans, guarantees and not made any investments pursuant to section 186 of the Companies Act, 2013 except the investments made by the company in the quoted Mutual Funds during the year under review. Details of which are as under:-

| Sr.No. | Name of the Mutual Fund | Investment Amount (in Rs.) |
|--------|--|----------------------------|
| 1 | IDFC Sterling Equity Fund (Growth option) | 20,00,000.00 |
| 2 | DSP BR Small & Midcap Fund (Growth option) | 20,00,000.00 |
| 3 | L&T Emerging Business Fund (Growth option) | 20,00,000.00 |
| 4 | Tata India Consumer Fund (Growth option) | 20,00,000.00 |
| | TOTAL | 80,00,000.00 |

The investment made by the company are within the limit prescribed u/s 186 of the Companies Act, 2013.

The Company has given advance against salary or otherwise to employees of the Company as per the Company's policy.

EXTRACT OF ANNUAL RETURN:

The Extract of the Annual Return in form MGT-9 for the year ended 31st March, 2018 is annexed herewith as "Annexure-2". The same is available at www.fluidomat.com

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

In view of the requirement under section 135 of the Companies Act, 2013, and the rules made their under, the company is having CSR Committee and policy for CSR indicating the activities to be undertaken by the Company. Report on CSR as per Rule 8 of the Companies (CSR Policy) Rules, 2014 is enclosed as “Annexure-3” of this Report.

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 obtained from Auditors of the Company that effect form part of this Annual Report.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as “Annexure-4”.

INTERNAL COMMITTEE ON PREVENTION OF SEXUAL HARASSMENT:

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

RISK MANAGEMENT:

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

VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

Your company has a Vigil Mechanism in place which also includes a whistle blower policy in terms of the listing regulation for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The Vigil Mechanism/Whistle Blower Policy of the Company can be accessed on the Company’s website at the link:(<http://www.fluidomat.com/investor-relation/>) and the same is being attached with this Report as “Annexure-5”.

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

PARTICULARS OF EMPLOYEES:

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

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

| S. No | Name | Designation | Remuneration for the year 2017-18(Rs.) | Remuneration for the year 2016-17(Rs.) | Increase In Remuneration (Rs.) | Percentage of Increase In Remuneration | Ratio Between Director’s Remuneration and Median Remuneration |
|-------|----------------------------|----------------------|--|--|--------------------------------|--|---|
| 1 | Shri Ashok Jain | CMD | 44,44,389 | 44,21,784 | 22,605 | 0.51% | 21.46 |
| 2 | Shri Kunal Jain | WTD | 35,00,948 | 32,12,102 | 2,88,846 | 9.00% | 17.44 |
| 3 | Radhica Sharma | WTD | 27,36,600 | 24,02,186 | 3,34,414 | 13.92% | 13.66 |
| 4 | *Shri Khushal Chandra Jain | Independent Director | Nil | Nil | NA | NA | NA |
| 5 | *CA Mahendra Kumar Shah | Independent Director | Nil | Nil | NA | NA | NA |
| 6 | *Shri Praful R Turakhia | Independent Director | Nil | Nil | NA | NA | NA |
| 7 | Mrs. Monica Jain | CFO | 11,60,364 | 10,98,250 | 62,114 | 5.66% | 5.77 |
| 8 | CS Devendra Kumar Sahu | CS | 4,34,906 | 3,57,904 | 77,002 | 21.51% | 2.26 |

*Shri Khushal Chandra Jain, CA Mahendra Kumar Shah and Shri Praful R. Turakhia Independent Directors were paid sitting fees for attending the Meetings of the Board.



- B. The percentage increase in the Median remuneration of employees in the financial year:** 18.13%.
- C. The number of permanent employees on the Roll of the Company as on 31st March, 2018:** 198.
- D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Based on Remuneration Policy of the Company, salary of the employees was increased at average 10% and managerial remuneration was increased at 7.81% this is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.

- E. Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

The Company affirms that remuneration is as per the remuneration policy of the Company:

- F. Name of the top 10 employees in terms of remuneration drawn in the financial year 2017-18:**

A statement of top-10 employees in terms of remuneration drawn as per rule 5(2) read with rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is annexed with the report as "Annexure-6".

- G. Details of employees who received remuneration in excess of Rs. One crore and Two lakh or more per annum:**

- i. During the year, none of the employees received remuneration in excess of Rs. 102.00 Lakh or more per annum or Rs. 8.50 per month for part of the year. In accordance with the provisions of section 197 of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, therefore there is no information is available to disclose.
- ii. During the year, none of the employees received remuneration in excess of that drawn by the Managing Director or Whole-time director and none of the employees hold two percent of the equity shares of the Company.

TRANSFER OF SHARES AND DIVIDEND AMOUNT TO IEPF:

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") notified by the Ministry of Corporate Affairs, the unclaimed and unpaid dividends amount for the year 2010-11 is required to be transferred to IEPF in the due date as specified in the Notice of the AGM and shares of the respective shares on which no dividend is claimed for a consecutive 7 years will also be transferred to IEPF Authority as per the requirement of the IEPF rules on due date.

The details related to dividend remains unpaid-unclaimed in the Company has been given in the Corporate Governance Report attached with the annual report of the Company.

PROVISION OF VOTING BY ELECTRONIC MEANS:

Your Company is providing E-voting facility under section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015. The details regarding e-voting facility is being given with the notice of the Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A. Economic Scenario and Outlook:

India has emerged as the fastest growing major economy in the world and it is expected to be one of the strong economic powers in the world over the next 10-15 years. However the GDP growth reduced to 6.6% in the year 2017-18 as against the growth of 7% during last three years.

Though the year 2017-18 began on a positive note with demand showing signs of revival & with the impact of demonetization fading, however, implementation of the Goods and Service Tax (GST) from 1st July, 2017 again led to uncertainty and loss of momentum which had an impact on the economic growth.

The company turnover declined marginally during the year 17-18 inspite of pending orders. The market situation and sentiments were affected adversely owing to uncertainties arising out of initial difficulties and confusions in implementation of GST and at the same time insolvency and liquidity crunch in some large companies. The result was deferment of lifting goods already ordered and also deferment of implementation of expansion or new addition plans in almost all sectors of industries. These factors of short term nature were responsible in decline of our turnover.

GST has been the biggest tax reform in history of independent India and will have very positive long term effect on India's economy and growth. GST and other reforms will have positive effect on ease of doing business, removal of multiple taxes and complex taxation structure and will enable highly efficient logistic and supply chain mechanism.

Having recorded a Gross Domestic Product (GDP) of US \$ 2.6 trillion for 2017, India became the world's sixth largest economy. This will bring India amongst one of strong economies in the world and with increased GDP growth above 7.4% India may become fastest growing economy in the world.

The Government of India, under the Make in India initiative with other initiatives & demand arising out of high pace of infrastructure growth, will give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent.



These Government initiatives will have positive outcome in years to come.

The above improvements and changes of long term nature will have a positive turnaround effect in country's economy and Fluidomat business will also be benefitted. The order booking during April to July 2018 has already shown growth.

With improved credibility and positive image of our country number of enquiries from international market for scoop control couplings for critical applications of Boiler Feed Pump and Fan are flowing in. These applications have large business potential associated with positive growth in revenue.

Fluidomat has intrinsic strength of indigenous design & production technology alongwith accreditation of ISO 9001-2008, ISO 14001-2004, OHSAS 18001-2007, which also contribute strongly to earn Global Business.

Program for modernization of plant & machinery will continue from its internal resources and committed to continual quality improvements, R & D & innovations.

B. Industry structure and developments:

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

C. Quality Management System:

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

D. Internal Control System:

The Company has adequate internal control systems and procedures in place for effective and smooth conduct of business and to meet exigencies of operation and growth. The transactions are recorded and reported in conformity with generally accepted accounting practices. The internal control systems and procedures ensure reliability of financial reporting, compliance with the Company's policies and practices, governmental regulations and statutes. Internal Audit is conducted by independent firm of auditors. Internal Auditors regularly check the adequacy of the system, their observations are reviewed by the management and remedial measures, as necessary, are taken. Internal Auditors report directly to the Chairman of the Audit Committee to maintain its objectivity and independence.

E. Opportunities and Threats:

Since your company is catering the needs of almost all sectors of Industries, therefore it has a good business cushion against recession in one or other sector as the other sector may improve concurrently.

The Indian Government focus on infrastructure growth will offer more opportunities to capital goods sector.

The Banking system in the domestic market is facing an unprecedented situation of uncertainty and economic challenge due to non-performing assets (NPAs). Though the Government and the central Bank are seized of the gravity of the situation and are moving ahead with initiative to contain and resolve the problem, global macro-economic factors, beyond the control of the domestic economy can disrupt the equilibrium. In such a scenario the entire capital goods sector itself will face difficulties due to lack of new projects and liquidity crisis.

Apart from the normal risk demand-supply conditions, raw material prices, competitor strategies, changes in government regulations, tax regimes, economic developments within the country and globally no major risks are foreseen.

F. Human Resources:

We are committed to providing our employees with a work environment that is based on fairness, openness and mutual respect. Our on-ground work force and our employees together are the key to successes of our Company.

The Company emphasizes on the highest level of professional ethics, personal decorum, adherence to deadlines, compliance to standards and customer service.

The Company continues with its dedicated efforts to identify talent and has been recognized for its exemplary people-related parties in the Industry.

G. Health, Safety and environment measures:

Company is committed to meet the highest international standards of health, safety and environmental performance. It continues to accord highest priority to conducting safe operations while being responsible towards the environment and ecology.

The Company focused on safe operations in line with its commitments to improve its health, safety and environment performance. As a part of our drive to standardize our health, safety & environment management, company has certified under occupational health & safety management system (OHSAS 18001: 2007) for the manufacture of Fluid Couplings and Flexible Couplings and environment management system (ISO 14001: 2004) by BSI.

Internal and external safety audits and inspections were carried out regularly. Emergency management plans have been developed to deal with any emergency within the factory premises.

H. Segment Reporting & Finance performance of the Product:

Company has only one segment i.e. manufacturing of fluid couplings and the financial performance of the product is being incorporated in the Director's Report section.

**I. 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.

INDUSTRIAL RELATIONS:

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

ACKNOWLEDGEMENTS:

Your directors place on record their appreciation of the continued support extended during the year by the company's customers, business associates, suppliers, bankers, investors and Government authorities. They also place on record their appreciation of the dedication and contributions made by all the employees for their commitment, hard work and support.

Your directors would also like to thank all the shareholders for their continued faith in the company and expect the same in future.

For and on behalf of the Board

Place: Indore
Date 13th August, 2018

Ashok Jain
Chairman & Managing Director
DIN 00007813

“Annexure-1”

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Fluidomat Ltd.
117, 1st Floor, Navneet Darshan,
16/2, Old Palasia, Indore (M.P.) 452001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Fluidomat Limited** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period for the **Financial Year ended on 31st March, 2018** (1st April, 2017 to 31st March, 2018) complied with the statutory provisions, listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, However, Overseas Direct Investment and External Commercial Borrowings was not applicable to the Company during the Audit Period;
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
 - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
 - (b) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (ii) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
 - (a) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- (b) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The SEBI (Delisting of Equity Shares) Regulations, 2009; and
- (e) The SEBI (Buyback of Securities) Regulations, 1998

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure I**.

The Company is having business of manufacturing of general engineering goods (Fluid couplings) therefore, as such no specific law relating to its manufacturing and business activities are applicable to the Company.

We have also examined compliance with the applicable clauses of the followings:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The SEBI (LODR) Regulations, 2015.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

The Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further that, no changes in the composition of the Board of directors have taken place during the period under review.

Adequate notices were given to all directors and the committee members to scheduled the Board and Committee Meetings and agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company relating to the applicable taxation Laws like; Direct Taxes, Indirect Taxes, the compliance of the IND-AS, financial results for the quarter/half year and annual financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith has not been reviewed by us, since the same have been subject to the statutory financial auditor or by other designated professionals.

This report is to be read with our letter of even date which is annexed as **Annexure II** and forming an integral part of this report.

We further report that during the audit period of the Company, there was no specific events/action having a major bearing on the Company's affairs in pursuant of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

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

CS (Dr.) D.K.JAIN
PROPRIETOR
FCS 3565, CP 2382
Place: Indore,
Date: 16th May 2018

**Annexure - I to the Secretarial Audit Report****List of other applicable laws to the Company under the major groups and heads**

1. Factories Act, 1960;
2. Industries (Development & Regulation) Act, 1951
3. Standard Weight and Measurement Act,
4. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on it payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
5. Acts prescribed under prevention and control of Pollution;
6. Acts prescribed under Environmental protection;
7. Acts as prescribed under Direct Tax and Indirect Tax
8. Labour Welfare Act of respective States.
9. Local laws as applicable to the Registered office and plant.

Annexure - II to the Secretarial Audit Report

To,

The Members

Fluidomat Ltd.

117, 1st Floor Navneet Darshan,

16/2, Old Palasia, Indore (M.P.) 452001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed provide a reasonable basis for forming our opinion.
3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable IND-AS, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines, standards etc., are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they needs to take independent advise or decision as per their own satisfaction.

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

CS (Dr.) D.K. JAIN

PROPRIETOR

FCS 3565 CP 2382

Place: Indore

Date: 16thMay 2018



“Annexure-2”

FORM No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the Financial Year Ended 31st March, 2018
 {Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1)
 of the Companies (Management and Administration) Rules, 2014}

I. REGISTRATION AND OTHER DETAILS:

| | |
|--|--|
| i) CIN | L74210MP1978PLC001452 |
| ii) Registration Date | 11/12/1975 |
| iii) Name of the Company | FLUIDOMAT LIMITED |
| iv) Category/ Sub-Category of the Company | Company Limited by Shares Indian Non-Government Company |
| v) Address of the Registered office and contact details | 117 1st Floor Navneet Darshan, 16/2, Old Palasia, Indore (MP) 452018 Contact No. 07272 268103, Email: info@fluidomat.com , Website: www.fluidomat.com |
| vi) Whether Listed Company Yes/No | YES (BSE LIMITED) |
| vii) Name, Address and Contact Details of Registrar and Transfer Agent, If any | Ankit Consultancy Private Limited 60, Electronic Complex, Near Pardeshipura, Indore (MP)-452010 Phone:0731-2551745/46, E-mail: ankit_4321@yahoo.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the Business Activities contributing 10% or more of the total turnover of the Company:

| Sl. No. | Name and Description of main products/Services | NIC code of the product/ Service | % of total turnover of the Company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Fluid Couplings & its spare parts | 28120 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company does not have any holding/subsidiary, associate or joint ventures during the year under review.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category –wise Share Holding**

| Category of Shareholders | No of Shares held at the beginning of the year (01.04.2017) | | | | No of Shares held at the end of the year (31.03.2018) | | | % Change during the year | |
|--------------------------|---|----------|---------|-------------------|---|----------|---------|--------------------------|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian: | 2624731 | 0 | 2624731 | 53.27 | 2624731 | 0 | 2624731 | 53.27 | 0 |
| (g) Individual /HUF | | | | | | | | | |
| (h) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (i) State Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |



| | | | | | | | | | |
|---|----------------|---------------|----------------|--------------|----------------|---------------|----------------|--------------|--------------|
| (j) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (k) Banks/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (l) any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (A) (1) | 2624731 | 0 | 2624731 | 53.27 | 2624731 | 0 | 2624731 | 53.27 | 0 |
| (2) Foreign | | | | | | | | | |
| (a) NRIs- Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b) Others- Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d) Banks/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (A) (2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Shareholding of Promoter (A)(1) + (A) (2) | 2624731 | 0 | 2624731 | 53.27 | 2624731 | 0 | 2624731 | 53.27 | 0 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds (Financial) | 51208 | 0 | 51208 | 1.04 | 0 | 0 | 0 | 0 | (1.04) |
| b) Banks/FI | 500 | 0 | 500 | 0.01 | 500 | 0 | 500 | 0.01 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FPIs | 26000 | 0 | 26000 | 0.53 | 28400 | 0 | 28400 | 0.58 | 0.05 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Other (Specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Total (B) (1) | 77708 | 0 | 77708 | 1.58 | 28900 | 0 | 28900 | 0.59 | (.99) |
| 2. Non-Institution | | | | | | | | | |
| a) Bodies Corp. | 154426 | 2900 | 157326 | 3.19 | 131507 | 2900 | 134407 | 2.73 | (0.46) |
| i) Indians | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| i) Individual Shareholders holding nominal share capital upto Rs. 2 lakh | 1188804 | 362556 | 1551360 | 31.49 | 1203318 | 354156 | 1557474 | 31.61 | 0.12 |
| ii) Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh | 358576 | 0 | 358576 | 7.28 | 434007 | 0 | 434007 | 8.81 | 1.53 |
| c) Other(specify) | | | | | | | | | |
| (NRI & OCB) | 148829 | 2500 | 151329 | 3.07 | 142873 | 2500 | 145373 | 2.95 | (0.12) |
| (Clearing Member) | 5970 | 0 | 5970 | 0.12 | 2108 | 0 | 2108 | 0.04 | (0.08) |
| Sub-Total (B) (2) | 1856605 | 367956 | 2224561 | 45.15 | 1913813 | 359556 | 2273369 | 46.14 | 0.99 |
| Total Public Shareholding (B) = (B) (1)+ (B) (2) | 1934313 | 367956 | 2302269 | 46.73 | 1942713 | 359556 | 2302269 | 46.73 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 4559044 | 367956 | 4927000 | 100 | 4567444 | 359556 | 4927000 | 100 | 0.000 |

**ii) Shareholding of Promoters**

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year (01.04.2017) | | | Shareholding at the end of the year (31.03.2018) | | | % change in share holding during the year |
|---------|----------------------------|--|---------------------------------|--|--|----------------------------------|---|---|
| | | No. of Shares | % of total share of the company | % of Share Pledged encumbered to total share | No. of Share | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | |
| 1 | Mr. Kunal Jain | 1178131 | 23.92 | 0 | 1178131 | 23.92 | 0 | 0 |
| 2 | Mr. Ashok Jain | 1017952 | 20.66 | 0 | 1017952 | 20.66 | 0 | 0 |
| 3 | Mr. Ashok Jain HUF | 88500 | 1.80 | | 88500 | 1.80 | 0 | 0 |
| 4 | Mrs. Pramila Jain | 210268 | 4.27 | 0 | 210268 | 4.27 | 0 | 0 |
| 5 | MadanbaiShantilal Kothari | 52200 | 1.06 | 0 | 52200 | 1.06 | 0 | 0 |
| 6 | Sandeep Sharma | 31730 | 0.64 | 0 | 31730 | 0.64 | 0 | 0 |
| 7 | Kavita Kothari | 27300 | 0.55 | 0 | 27300 | 0.55 | 0 | 0 |
| 8 | Surendra Shantilal Kothari | 18650 | 0.37 | 0 | 18650 | 0.37 | 0 | 0 |
| | Total | 2624731 | 53.27 | 0 | 2624731 | 53.27 | 0 | 0 |

(iii) Change in Promoter Share holding

| | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|--------------------------|---|--------------|---|--------------|
| | No. of shares of the company | % of total | No. of shares of the company | % of total |
| Promoter holdings | 2624731 | 53.27 | - | - |
| (Increase) Transfer | 0 | 0 | 2624731 | 53.27 |

(iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Changes during the year | | | | | Reason | Shareholding at the end of the year | |
|--|---|----------------------------------|--|--------------------------|-------------------------|-----------------------|----------|---|-------------------------------------|----------------------------------|
| | No. of Shares | % of total shares of the Company | Date | No. shares before Change | No. shares After Change | Increase | Decrease | | No. of Shares | % of total shares of the Company |
| Shri Sunil Milpachand Jain | 136000 | 2.76 | 19.01.2018 | 136000 | 134561 | - | (1439) | Disposed Off | 134561 | 2.73 |
| Mrs. Chhayalata Jaichand Patni | 110203 | 2.24 | - | - | - | - | - | - | 110203 | 2.24 |
| Shashank S Khade Sharad N Khade | 30661 | 0.62 | 12.05.2017 19.01.2018 27.01.2018 | 30661 52239 57839 | 52239 57839 60839 | 21578 5600 3000 | - | Acquisition Acquisition Acquisition | 60839 | 1.23 |
| Mr. Anshu Govail | 48000 | 0.97 | - | - | - | - | - | - | 48000 | 0.97 |
| Amol Capital Markets Pvt. Ltd (clubbed on PAN basis) | 45560 | 0.92 | - | - | - | - | - | - | 45560 | 0.92 |
| Amol Securities P Ltd | 33379 | 0.68 | - | - | - | - | - | - | 33379 | 0.68 |
| Komac Investments & Finance Pvt. Ltd. | 33092 | 0.67 | 19.05.2017 | 33092 | 30900 | - | (2192) | - | 30900 | 0.63 |
| G V Nagabrahma N. B. Vijayakumar | 31129 | 0.63 | - | - | - | - | - | - | 31129 | 0.63 |
| Thierry Schmidt Eugene Schmidt | 26000 | 0.53 | 03.06.2017 09.06.2017 | 26000 28146 | 28146 28400 | 2146 254 | - | Acquisition Acquisition | 28400 | 0.58 |



| | | | | | | | | | | |
|---|-------|------|---|---|---|---|---|---|-------|------|
| LaxmichandKunverji Kenia Kunverji Nanji Kenia | 28770 | 0.58 | - | - | - | - | - | - | 28770 | 0.58 |
|---|-------|------|---|---|---|---|---|---|-------|------|

(V) Shareholding of Directors and Key Managerial Personal

| Sl. No. | For each of the Directors & KMPs | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1 | Shri Ashok Jain, Chairman & Managing Director | 1106452 | 22.46 | 1106452 | 22.46 |
| 2 | Shri Kunal Jain Whole Time Director | 1178131 | 23.91 | 1178131 | 23.91 |
| 3 | Mrs Radhica Sharma (Jointly with Mr. Sandeep Sharma) Dy. Managing Director & Woman Director | 31730 | 0.64 | 31730 | 0.64 |
| 4 | Shri Khushal Chandra Jain Independent Director | 200 | 0.01 | 200 | 0.65 |
| 5 | Shri Mahendra Kumar Shah Independent Director | 0 | 0 | 0 | 0 |
| 6 | Shri Praful Ratilal Turakhia Independent Director | 0 | 0 | 0 | 0 |
| 7 | Mrs Monica Jain, CFO | 0 | 0 | 0 | 0 |
| 8 | Mr. Devendra Kumar Sahu Company Secretary | 0 | 0 | 0 | 0 |

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding /accrued but not due for payment**

| | Secured Loan excluding deposits | Unsecured Loan | Deposits | Total Indebtedness |
|---|---------------------------------|----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 40.75 | 0 | 0 | 40.75 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 40.75 | 0 | 0 | 40.75 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 0 | 0 | 0 | 0 |
| * Reduction | 37.80 | 0 | 0 | 37.80 |
| Net Change | (37.80) | 0 | 0 | (37.80) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 2.95 | 0 | 0 | 2.95 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 2.95 | 0 | 0 | 2.95 |

Note: Only fund based loan has been considered and the Bank Guarantee & LC being non fund based has not been considered and reported.

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manger**

| Sl. No | Particulars of Remuneration | Name of MD/WTD/Manager | | | Total Amount |
|--------|---|------------------------|----------------------|---------------------------|--------------------|
| | | Shri Ashok Jain, MD | Shri Kunal Jain, WTD | Mrs Radhica Sharma, Dy.MD | |
| 1 | Gross Salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 | 39,60,000 | 32,17,500 | 25,20,000 | 96,97,500 |
| | (b) Value of Perquisites u/s 17(2) Income-Tax Act, 1961 | 1,67,589 | 26,048 | 15000 | 2,08,637 |
| | (c) Profits n lieu of Salary under Section 17 (3) Income-Tax, Act 1961 | 0 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 | 0 |
| 4 | Commission | 0 | 0 | 0 | 0 |
| | As % of Profit | 0 | 0 | 0 | 0 |
| | Other, Specify | 0 | 0 | 0 | 0 |
| 5 | Other, Specify P.F. | 3,16,800 | 2,57,400 | 2,01,600 | 7,75,800 |
| | Other, Specify Leave salary | 0 | 0 | 0 | 0 |
| | Total (A) | 44,44,389 | 35,00,948 | 27,36,600 | 1,06,81,937 |
| | Ceiling as per the Act. (read with Schedule V of the Act) | - | - | - | 5,04,00,000 |

Note: The perquisites includes the provisions made for Gratuity and Leave encashment, etc.

B. Remuneration to other Directors:

| Sl. No | Particulars of Remuneration | Name of Directors | | | Total Amount |
|--------|---|---|--|--|--------------|
| | | Shri Khushal Chandra Jain, Independent Director | CA Mahendra Kumar Shah, Independent Director | Shri Praful Turakhia, Independent Director | |
| 1 | Independent Directors | | | | |
| | Fee for Attending Board / Committee Meetings | 15000 | 12000 | 15000 | 42000 |
| | Commission | 0 | 0 | 0 | 0 |
| | Other, Specify | 0 | 0 | 0 | 0 |
| | Total (1) | 15000 | 12000 | 15000 | 42000 |
| 2 | Other Non- Executive Directors: There is no other non executive directors in the Company | | | | |
| | Total (B) (1+2) | 15000 | 12000 | 15000 | 42000 |
| | Total Managerial Remuneration | | | | 1,07,23,937 |
| | Overall Ceiling as per the Act (read with Schedule V of the Act) | | | | 5,04,00,000 |

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

| Sl. No. | Particulars of Remuneration | Mrs. Monica Jain, CFO | CS Devendra Kumar Sahu, CS | Total Amount |
|---------|---|-----------------------|----------------------------|------------------|
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 | 9,00,000 | 2,11,687 | 11,11,687 |
| | (b) Value of Perquisites u/s 17(2) Income-Tax Act, 1961 | 1,88,364 | 2,04,500 | 3,92,864 |
| | (c) Profits in lieu of Salary under Section 17 (3) Income-Tax, Act 1961 | 0 | 0 | 0 |
| | Stock Option | 0 | 0 | 0 |
| 2 | Sweat Equity | 0 | 0 | 0 |
| 3 | Commission | 0 | 0 | 0 |
| | As % of Profit | 0 | 0 | 0 |
| 4 | Other, Specify P.F. | 72,000 | 18,719 | 90719 |
| | Total (A) | 11,60,364 | 4,34,906 | 15,95,270 |

Note: The perquisites includes the provisions made for Gratuity and Leave encashment, etc,

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

No penalty, punishment or compounding orders were issued against the Company, any of its directors and officer of the Company during the reporting period.

For and on behalf of the Board

Place: Indore

Date: 13th August, 2018

Ashok Jain

Chairman & Managing Director

DIN 00007813



ANNUAL REPORT 2017-18

“Annexure-3”

ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline of the company’s CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR Policy of the Company

Approved by Board of Directors on 13.02.2014

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large. The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

The Company has framed a CSR Policy in Compliance with the provisions of the Companies Act, 2013 and the same is uploaded on the Company’s website and can be accessed at the web link provided below:

The CSR policy is available on WebLink:-<http://www.fluidomat.com>

2. **Composition of CSR committee**

1. CA Mahendra Kumar Shah -Chairman
2. Shri Khushal Chandra Jain -Member
3. Shri Praful Turakhia -Member
4. Mrs. Radhica Sharma -Member

3. **Average net profit of the company for last three financial years** : Average net Profit Rs. 600.45 Lakhs

4. **Prescribed CSR Expenditure** (Two percent of the amount as in item 3 above) The Company was required to spend Rs.28.26 Lakhs(Current Year Rs.12.01 lakhs and previous year accumulated unspent balances Rs. 16.25 lakhs)

5. **Details of CSR spend for the financial year:**

- a) Total amount spent for the financial year: Rs. 04.00 Lakhs
- b) Amount unspent upto 31.03.2018 : Rs. 24.26Lakhs (Including Previous Balances)
- c) Manner in which the amount spent during the financial year is detailed below:

(Amount in Rs)

| Sl. No. | CSR Project or Activity identified | Sector in Which the project is Covered | Projects or Programs (1) Local Area or other (2) Specify the State and District where Projects or Programs was undertaken | Amount Outlay (Budget) project or programs wise (Rs.) | Amount spent on the project or programs (Rs.) | Cumulative expenditure upto reporting period (Rs.) | Amount spent: Director through Implementing agency |
|---------|---|--|---|---|---|--|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1 | Promoting education for Differently abled child | Education | Indore | 1,50,000 | 1,50,000 | 1,50,000 | Indore Society for Mentally Challenged Indore |
| 2 | Contribution to PM’s National Relief Fund | PM’s Relief Fund | Pan India | 2,50,000 | 2,50,000 | 4,00,000 | Direct |

6. During the financial year Company has spent Rs. 4.00 Lakhs out of Rs.28.26 Lakhs(current year Rs.12.01 lakhs and previous year’s balances Rs. 16.25 lakhs),Committee is further identifying suitable Implementing Agency for this purpose and required more time to meet other Implementing Agency to achieve its CSR objectives. Company will endeavor to spend the complete amount on CSR activities in accordance with the statutory requirements.

7. The CSR Committee of the Board of Directors hereby confirms that implementation and Monitoring is fully accordance with the CSR Policy of the Company. The amount spent under CSR activities was fully complied with CSR objective and Policy of the Company. The said contribution does not violate any provision of the Companies Act, 2013 and Rules made their under.

Signature
Ashok Jain
Managing Director
(DIN 00007813)
30.05.2018

Signature
CA M.K.Shah
Chairman CSR Committee
30.05.2018



"Annexure-4"

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

(A) Conservation of energy

| S.No. | Particulars | | |
|-------|---|--|-----|
| 1 | the steps taken or impact on conservation of energy; | Conservation of natural resources continues to be the key focus area of your Company. Energy Efficiency equipment is installed. Optimizing the water consumption, Installation of energy efficient cooling water pump and Installed voltage controllers.Replacement of old motors by energy efficient Motors | |
| 2 | the steps taken by the company for utilising alternate sources of energy; | NA | |
| 3 | the capital investment on energy conservation equipments | NIL | NIL |

(B) Technology absorption

| | | | |
|-------|--|---|-----|
| (i) | the efforts made towards technology absorption | Updation of in house Technology is a Continuous process, absorption implemented in our Industry & Technology developed by R & D department is fully absorbed for development in the existing product and new models. As per requirement by our company's R & D. | |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution | The company has been able to sucessfully indugenize the toolings to a large extent. Incresed effeciency, better performance and wider product range. | |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year | NIL | |
| | (a) the details of technology imported | NA | |
| | (b) the year of import | NA | |
| | (c) whether the technology been fully absorbed | NA | |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | NA | |
| (iv) | the expenditure incurred on Research and Development | NIL | NIL |

| (C) Foreign exchange earnings and Outgo | Rs. in lakhs | |
|--|---------------------|----------------|
| | 2017-18 | 2016-17 |
| (i) The Foreign Exchange earned in terms of actual inflows during the year; | 172.67 | 127.08 |
| (ii) and the Foreign Exchange outgo during the year in terms of actual outflows. | 2.70 | 3.70 |

Place: Indore
Date: 13thAugust, 2018

For and on behalf of the Board
Ashok Jain
Chairman & Managing Director
DIN 00007813

**Whistle Blower & Vigil Mechanism Policy****1. Preface**

Pursuant to SEBI (LODR) Regulation, 2015 and as per applicable provisions of section 177 of the Companies Act, 2013 requires every listed company shall establish a Whistle Blower policy/Vigil Mechanism for the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy. The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of directors and employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases.

Under these circumstances, Fluidomat Limited, being a listed Company proposes to establish a Whistle Blower Policy/ Vigil Mechanism and to formulate a policy for the same.

2. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.

- a. “**Associates**” means and includes vendors, suppliers and others with whom the Company has any financial or commercial dealings.
- b. “**Audit Committee**” means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with SEBI (LODR) Regulation, 2015.
- c. “**Employee**” means every employee of the Company (whether working in India or abroad), including the directors in the employment of the Company.
- d. “**Code**” means the Fluidomat Code of Conduct.
- e. “**Director**” means every Director of the Company, past or present.
- f. “**Investigators**” mean those persons authorised, appointed, consulted or approached by the Ethics Counselor/Chairman of the Audit Committee and includes the auditors of the Company and the police.
- g. “**Protected Disclosure**” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- h. “**Subject**” means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- i. “**Whistleblower**” means an Employee or director making a Protected Disclosure under this policy.

3. Scope of this Policy.

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and malpractices and events which have taken place/suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

4. Eligibility

All Employees and directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

6. Disqualifications

- a. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.
- c. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable to be prosecuted under Company's Code of Conduct.

7. Procedure

- a. All Protected Disclosures should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- b. The contact details of the Chairman of the Audit Committee of the Company is as under:

CA M.K. Shah
117, 1st Floor, 'Navneet Darshan,
16/2, Old Palasia, Indore – 452018 (M.P.) INDIA
mkshahassociates@yahoo.com
91-731-2564820



- c. If a protected disclosure is received by any executive of the Company other than Chairman of Audit Committee, the same should be forwarded to the Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.
- d. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistleblower.
- f. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistleblower. The Chairman of the Audit Committee shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- e. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- f. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistleblowers.

8. Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and the other members of the Audit Committee should deal with the matter on hand. In case where a company is not required to constitute an Audit Committee, then the Board of directors shall nominate a director to play the role of Audit Committee for the purpose of vigil mechanism to whom other directors and employees may report their concerns.
- b. The Chairman of the Audit Committee may at its discretion, consider involving any Investigators for the purpose of investigation.
- c. The decision to conduct an investigation taken by the Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.
- d. The identity of a subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- f. Subjects shall have a duty to co-operate with the Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- g. Subjects have a right to consult with a person or persons of their choice, other than the Ethics Counselor/Investigators and/or members of the Audit Committee and/or the Whistleblower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- h. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- j. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- k. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure

9. Protection

- 9.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary



- proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 9.2 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 9.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- 9.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 10. Secrecy / Confidentiality**
- 10.1 The complainant, Members of Audit Committee, the Subject and everybody involved in the process shall:
- 10.2 Maintain confidentiality of all matters under this Policy
- 10.3 Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- 10.4 Not keep the papers unattended anywhere at any time
- 10.5 Keep the electronic mails / files under password.
- 11. Decision**
- 11.1 If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- 11.2 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Whistle Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.
- 12. Reporting**
- The Chairman of the Audit Committee shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 12. Access To Chairman Of The Audit Committee**
- The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.
- 13. Communication**
- A whistle Blower policy cannot be effective unless it is properly communicated to employees. Therefore, the policy is published on the website of the company.
- 14. Retention Of Documents**
- All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.
- 15. Administration and Review Of The Policy**
- A quarterly status report on the total number of compliant received, if any during the period with summary of the findings of Audit Committee and corrective steps taken should be send to the Chairman of the company. The Company Secretary shall be responsible for the administration, interpretation, application and review of this policy.
- 16. Amendment**
- The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

Place: Indore

Date 13th August, 2018

For and on behalf of the Board

Ashok Jain
Chairman & Managing Director
DIN 00007813



Name of the top 10 employees in terms of remuneration drawn in the financial year 2017-18: “Annexure-6”

| S. No. | Name of the Employee | Designation of the employee | Remuneration received in Rs. | Nature of employment, whether contractual | Qualification and experience of the employee | Date of commencement of employment | The age of such employee | The last employment held by such employee before joining the company | Whether such Employee is a relative of any director or manager of the company and if so, name of such director or manager | Remarks |
|--------|--------------------------|-------------------------------------|------------------------------|---|--|--|--------------------------|--|---|---|
| 1 | Shri Ashok Jain | Managing Director | 44,44,389 | contractual | BE, Mechanical, 45 years experience | Re-appointed on 01.07.2016 for 3 years | 69 years | NA | Mr. Kunal Jain, Whole-time Director, Mrs Radhica Sharma , Whole-time Director | Appointment was approved by the shareholders of the Company |
| 2 | Mr Kunal Jain | Executive Director | 35,00,948 | contractual | B.Com, 16 years experience | Re-appointed on 01.05.2018 for 5 years | 36 years | NA | Shri Ashok Jain, Chairman & Managing Director Mrs Radhica Sharma , Whole-time Director | Appointment was approved by the shareholders |
| 3 | Mrs Radhica Sharma | Deputy Managing Director | 27,36,600 | contractual | BBA, PGDEM 17 years experience | Re-appointed on 10.02.2017 for 3 years | 39 years | NA | Shri Ashok Jain, Chairman & Managing Director Mr. Kunal Jain, Whole-time Director, | Appointment was approved by the shareholders of the Company |
| 4 | Mrs Pramila Jain | Vice-President Marketing | 13,79,995 | Permanent Employee | B.Sc.32 years experience | 01.07.1986 | 65 years | NA | Shri Ashok Jain, Chairman & Managing Director Mr. Kunal Jain, Whole-time Director, Mrs Radhica Sharma, Dy Managing Director | — |
| 5 | Mrs Monica Jain | Chief Financial Officer | 11,60,364 | contractual | MBA (Finance) CFA 6 years experience | 01.09.2012 | 43 years | NA | Shri Ashok Jain, Chairman & Managing Director Mr. Kunal Jain, Whole-time Director, Mrs Radhica Sharma, Dy Managing Director | Appointment was approved by Board of Directors of the Company |
| 6 | Mr Sundeep Sharma | Vice-President- International Trade | 11,27,470 | Permanent Employee | BBA, Advance Diploma in Software Engineering 19 years experience | 18.10.2004 | 44 years | M/s Retco Sify Securities India Pvt Ltd | Shri Ashok Jain, Chairman & Managing Director Mr. Kunal Jain, Whole-time Director, Mrs Radhica Sharma, Dy Managing Director | — |
| 7 | Mr Pramod Kumar Jain | Vice-President Finance & Accounts | 9,93,550 | Permanent Employee | M.Com, LLB (Hons) PGDFM, 32 Years experience | 16.12.1995 | 52 years | M/s Johnson Pedder Pvt Ltd | NO | — |
| 8 | Mrs Sunaina Jain | General Manager Costing | 7,85,494 | Permanent Employee | PGDBA 7 years experience | 16.08.2011 | 38 years | NA | Shri Ashok Jain, Chairman & Managing Director Mr. Kunal Jain, Whole-time Director, Mrs Radhica Sharma, Dy Managing Director | — |
| 9 | Mr Prashant Vilekar | General Manger Quality & Service | 6,62,500 | Permanent Employee | BE Mechanical 40 years experience | 11.07.2005 | 63 years | M/s Parag Fans & Cooling System Ltd | NO | — |
| 10 | Mr Smerajit Kumar Biswas | General Manger Marketing | 6,45,850 | Permanent Employee | BE Electrical 39 years experience | 01.12.1991 | 64 years | M/s Bailbhol & Co. Ltd | NO | — |



CORPORATE GOVERNANCE REPORT FOR THE YEAR 2017-18

(Forming Part of the 42nd Board's Report, for the year ended 31st March, 2018)

Corporate governance is about commitment towards maximizing stakeholder value on a sustainable basis. Good corporate governance is a key driver of sustainable corporate growth and creating long-term value for stakeholders. Ethical business conduct, integrity and commitment to values, emphasis on transparency and accountability which enhance and retain stakeholders' trust are the hallmark of good corporate governance. The Companies Act, 2013 aims to bring governance standards at par with those in developed nations through several key provisions such as composition and functions of Board of Directors, Code of Conduct for independent directors, performance evaluation of directors, class action suits, auditor rotation and independence, and so on. The new Act emphasizes self regulation, greater disclosure and strict measures for investor protection. Your company is committed to adopt the best practices in corporate governance and disclosure. It is our constant endeavour to adhere to the highest standard of integrity and to safeguard the interest of all our stakeholders.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance strives for attaining the optimum level of transparency and accountability in all facets of its operation and dealing with its shareholders, employees, lenders, creditors, customers and the government. The Company is in compliance with the requirements stipulated under SEBI(LODR) Regulation, 2015 with regard to Corporate Governance and also has taken certain steps to ensure transparency and accountability. Your company shall continue to follow the same with a desire for further

development on continuous basis. The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met with integrity.

The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate practices. The Board of Directors, by considering itself as trustee of its shareholders, aims at maximizing shareholders value and protecting the interest of all stakeholders

BOARD OF DIRECTORS:

Composition:

The Board of Directors of the Company have an optimum combination of Executive and Non-Executive Directors with one woman Director and fifty percent of the Board of Directors comprising of Non-Executive Directors. During the year, the Board comprised of **6 (six)** Directors of whom 3 (three) are Executive Directors and 3 (three) are Non-executive/ Independent Directors.

Composition of Board of Directors of the Company is in conformity with the provisions of Companies Act, 2013 and regulation 17 of SEBI (LODR) Regulation, 2015.

Directors' Profile:

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The brief profile of the Company's Board of Directors is as under:

| Name of Directors | Shri Ashok Jain | CA Mahendra Kumar Shah | Shri Khushal Chand Jain | Shri Praful R. Turakhia | Mrs. Radhica Sharma | Shri Kunal Jain |
|---|--|---|--|---|--|--|
| Date of Birth | 05-01-1949 | 19-07-1958 | 08-01-1943 | 21-04-1948 | 14-09-1979 | 27-04-1982 |
| Date of Appointment in the current term | 01-07-2016 | 01-04-2014 | 01-04-2014 | 01-04-2014 | 10-02-2017 | 01-05-2018 |
| Expertise / Experience in specific functional areas | More than 45 years experience in the field of Company's product, | More than 33 years experience in Auditing and Taxation. | 54 years Corporate experience in the field of Accounts, Finance, Taxation and Industrial Management. | 45 years experience in Engineering Pharma Bulk Drugs and Chemical Industries. | 17 years experience in the field of commercial matters and Industrial Management | 16 years experience in commercial matters. |



| | | | | | | |
|--|---|--|--|--|---|---|
| Qualification | BE Mechanical | CA | M. Com DIT | BE Mechanical | BBA,PGDBM | B.Com |
| No. & % of Equity | 1106452 | - | 200 | - | - | 1178131 |
| Shares held | 22.46% | - | 0.00% | - | - | 23.92% |
| List of outside Company's directorship held | Redwood Packaging Pvt. Ltd. | 1. Aawas Finance Ltd. 2. DMIC Pithampur Jal Prabandhan Company Limited | - | Ratilal Chemark Pvt. Ltd. | - | Redwood Packaging Pvt. Ltd. |
| Chairman / Member of the Committees of the Board of Directors of the Company | Nil | 1. Nomination & Remuneration Committee-Member 2.Stakeholder Relationship Committee-Chairman 3. Audit Committee -Chairman 4. CSR Committee-Chairman 5. Risk Management Committee-Chairman 6. Corporate Compliance Committee - Member | 1. Nomination & Remuneration Committee-Chairman 2.Stakeholder Relationship Committee-Member 3.Audit Committee-Member 4.CSR Committee-Member 5. Corporate Compliance Committee - Chairman | 1. Nomination & Remuneration Committee-Member 2.Stakeholder Relationship Committee-Member 3.Audit Committee-Member 4.CSR Committee-Member 5. Corporate Compliance Committee - Member | 1.CSR Committee-Member 2.Risk Management Committee -Member | 1.Risk Management Committee-Member |
| Chairman / Member of the Committees of the Board, of other Companies in which he is director | - | - | - | - | - | - |
| Directors Interse | Father of 1) Shri Kunal Jain 2) Smt. Radhica Sharma | N.A. | N.A. | N.A. | Daughter of Shri Ashok Jain and sister of Shri Kunal Jain | Son of Shri Ashok Jain and Brother of Smt. Radhica Sharma |

A. During the financial year 2017-18 the board of Directors met **4 (four)** times on, 26th May, 2017, 14th August, 2017, 25th November, 2017 and 9th February, 2018. The time gap between any two meetings did not exceed 120(One Hundred Twenty) days.

B. The composition of the Board of Directors and their attendance at the meeting during the year were as follows:

| Name of the Directors | Category | Designation | No. of Board meeting held during the financial year | No. of Board meeting attended during the financial year | Whether attended last AGM held on Sept. 26th , 2017 |
|-----------------------|-------------------------------|---------------|---|---|---|
| Shri Ashok Jain | Promoter & Executive Chairman | Chairman & MD | 4 | 4 | Yes |



| | | | | | |
|-------------------------|------------------------------------|----------------------|---|---|-----|
| Shri Kunal Jain | Promoter & Executive Director | WTD | 4 | 4 | Yes |
| Mrs. Radhica Sharma | Executive Director | Dy Managing Director | 4 | 4 | Yes |
| CA M.K. Shah | Independent/Non-executive Director | Director | 4 | 3 | Yes |
| Shri K.C. Jain | Independent/Non-executive Director | Director | 4 | 4 | Yes |
| Shri Praful R. Turakhia | Independent/Non-executive Director | Director | 4 | 4 | Yes |

C. Independent Directors’ Meeting:

During the year a separate meeting of the Independent Directors was held on 25th November, 2017 inter-alia to review the performance of Non-Independent Directors and the Board as whole. All the Independent Directors were present at the meeting.

D. Familiarization programmes for the Independent Directors:

Familiarization programmes for the Independent Directors was conducted to familiarize them with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc.

The same may also be accessed through the link <http://www.fluidomat.com>.

COMMITTEES OF THE BOARD

(a) Audit Committee:

The Committee presently comprises three members, all non-executive Independent directors. The chairman of the committee Mr. M K. Shah is a Fellow member of the “Institute of Chartered Accountant of India”. The Committee met **four (4)** times during the financial year **2017-18 on 26th May, 2017, 14th August, 2017, 25th November, 2017 and 09th February, 2018.** Details of meeting attended by the members are as follows:

| Name of the Director | Category meeting attended | Numbers of |
|----------------------------------|---------------------------|------------|
| Shri M.K. Shah (Chairman) | Independent Director | 3 of 4 |
| Shri Praful R. Turakhia (Member) | Independent Director | 4 of 4 |
| Shri K.C. Jain (Member) | Independent Director | 4 of 4 |

The chief financial officer, internal auditor and the representatives of statutory auditors are permanent invitees and attend all the meetings of the committee except chief financial officer. The compliance officer who is a Member of the Institute of Company Secretaries of India is the secretary to the committee. The Chairman of the Committee was present at the 41st Annual General Meeting of the Company held on September 26, 2017.

The constitution of the Committee meets with the requirement of section 177 of the Companies Act, 2013 and Listing Regulations.

The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

1. Oversight of the company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors’ Responsibility Statement to be included in the Board’s report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statement before submission to the board for approval;
6. Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;



8. Valuation of assets of the Company, wherever it is necessary;
9. Evaluation of internal financial controls and risk management systems;
10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
12. Discussion with internal auditors of any significant findings and follow up there on;
13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting thematter to the board;
14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. To review the functioning of the Whistle Blower mechanism;
16. Approval of appointment of CFO.
17. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015.
7. Utilization of loan and advances, if any.

The Audit Committee reviewed the reports of the internal auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the accounts; considered significant financial issues

affecting the Company and held discussions with the internal and statutory auditors and the Company Management during the year.

(b) Nomination and Remuneration Committee:

Composition, Meetings and Attendance:

The Committee comprises of the Members as stated below. The Committee during the year ended March 31, 2018 had **1(one)** meeting on 14th August, 2017. The attendance of the members was as under.

| Name of the Director | Category | Numbers of meeting attend |
|----------------------------------|----------------------|---------------------------|
| Shri K.C. Jain (Chairman) | Independent Director | 1 of 1 |
| Shri M.K. Shah (Member) | Independent Director | 1 of 1 |
| Shri Praful R. Turakhia (Member) | Independent Director | 1 of 1 |

Terms of Reference of Nomination, Remuneration and Compensation Committee:

The Remuneration Committee is duly constituted in accordance with the provisions of SEBI (LODR) Regulation, 2015 and Section 178 and other provisions of Companies Act, 2013 and is empowered to do the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to appointment and remuneration for Directors, Key Managerial Personnel and other senior employees;
2. To formulate criteria for evaluation of the members of the Board of Directors including Independent Directors, the Board of Directors and the Committees thereof;
3. To devise policy on Board Diversity;
4. To identify persons, qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and where necessary, their removal;
5. To formulate policy ensuring the following:
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully,
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - c. Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 - d. Recommendation to the board, all remuneration, in whatever form, payable to senior management.



6. To design Company's policy on specific remuneration packages for Executive/ Whole Time Directors and Key Managerial Personnel including pension rights and any other compensation payment;
7. To determine, peruse and finalize terms and conditions including remuneration payable to Executive/ Whole Time Directors and Key Managerial Personnel of the Company from time to time;
8. To review, amend or ratify the existing terms and conditions including remuneration payable to Executive/Whole Time Directors, Senior Management Personnel and Key Managerial Personnel of the Company;
9. Any other matter as may be assigned by the Board of Directors.

Remuneration Policy:

The Policy for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) is uploaded on Company's website. (Link:-<http://www.fluidomat.com>) and has been attached with Board report.

(c) Stakeholders' Relationship Committee:

During the period under reporting 5 (five) meetings of the Stakeholders Relationship Committee were held on **8th April, 2017, 19th May, 2017, 24th July, 2017, 27th September, 2017 and 25th January, 2018** which were attended by all the members.

The terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements are:

1. To look into the Redressal of grievances of shareholders, debenture holders and other security holders;
2. To expedite the process of share transfers;
3. To look into the complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.

The composition, names of the members, chairperson, and particulars of the Meetings and attendance of the members during the year are as follows:

| Name of the Director | Category | Numbers of meeting attend |
|----------------------------------|----------------------|---------------------------|
| Shri M.K. Shah (Chairman) | Independent Director | 5 of 5 |
| Shri Praful R. Turakhia (Member) | Independent Director | 5 of 5 |
| Shri K.C. Jain (Member) | Independent Director | 5 of 5 |

During the year 57 complaints were received from shareholders, which were timely attended/ resolved. As on 31st March, 2018, no investor grievance has remained unattended/ pending for more than thirty days.

(d) Risk Management Committee:

The Board has constituted a Risk Management Committee (RMC). The RMC is responsible to provide oversight in achieving the Company's Enterprise Risk Management (ERM) objectives. The ERM helps these objectives by creating a comprehensive approach to anticipate, identify, prioritize and manage material risks attached to the Company's operations. The primary responsibility of the Committee is to ensure that sound policies, procedures and practices are in place for the enterprise-wide management of the Company's material risks and to report the results of the Committee's activities to the Company's Audit Committee and also to the Board. The terms of reference of the Committee are:

1. Provide ongoing guidance and support for the refinement of the overall risk management
2. Ensure that management understands and accepts its responsibility for identifying, assessing and managing risk.
3. Determine which enterprise risks are most significant.
4. Assign risk owners and approve action plans.
5. Approve company-wide Risk Assessment & Risk Profile.
6. Update the leadership team from time to time on the on-going ERM progress/changes.
7. Review & report to the Company's Audit Committee/ Board.

One Risk Management Committee (RMC) meeting was held during the year 2017-18 on **09th February, 2018**.

The composition, names of the members, chairperson, and particulars of the Meetings and attendance of the members during the year are as follows:

| Name of the Director | Category | Numbers of meeting attend |
|------------------------------|----------------------|---------------------------|
| Shri M.K. Shah (Chairman) | Independent Director | 0 of 1 |
| Shri Kunal Jain (Member) | Executive Director | 1 of 1 |
| Mrs. Radhica Sharma (Member) | Executive Director | 1 of 1 |

(e) Corporate Social Responsibility (CSR) Committee:

CSR Committee was constituted pursuant to Section 135 of the Companies Act, 2013. The Composition of the Committee and attendance of the members of the Committee at the meetings held is as below. The CSR Committee met 2 (two) times on 26th May, 2017 and 09th Feb, 2018 during the year ended March 31, 2018

| Name of the Director | Category | Numbers of meeting attend |
|----------------------------------|----------------------|---------------------------|
| Shri M.K. Shah (Chairman) | Independent Director | 1 of 2 |
| Shri Praful R. Turakhia (Member) | Independent Director | 2 of 2 |
| Shri K.C. Jain (Member) | Independent Director | 2 of 2 |
| Mrs. Radhica Sharma (Member) | Executive Director | 2 of 2 |



The terms of reference of the Corporate Social Responsibility Committee broadly include the following:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the review thereof at periodical intervals;
2. To recommend the amount of expenditure to be incurred on the activities referred above;
3. To monitor the expenditure incurred on the specified activities; and
4. To monitor the implementation of Corporate Social Responsibility Policy of the Company from time to time.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI(LODR) Regulation, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

B. Extraordinary General Meeting (EGM):

No Extraordinary General Meeting held during the year 2017-18

DISCLOSURES:

A. Subsidiary Companies

The Company does not have any subsidiary, associate or joint ventures during the year 2017-18.

B. Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

The Audit Committee and the Board has approved a policy for related party transactions which has been uploaded on the Company's website.

C. Providing voting by Electronic Means.

Your Company is providing E-voting facility under Regulation 44 of SEBI (LODR) Regulation, 2015 and Companies Act, 2013. The details regarding e-voting facility is being given with the notice of the Meeting.

D. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

E. Compliance with Indian Accounting Standards

In the preparation of the financial statements, the

TERMS OF APPOINTMENT & REMUNERATION - CEO & MD

| Particulars | Shri Ashok Jain, Chairman & MD | Mrs. Radhica Sharma WTD-Jt. Managing Director | Shri Kunal Jain WTD |
|---------------------------|---|---|---|
| Period of Appointment | 01.07.2016 to 30.06.2019 | 10.02.2017 to 09.02.2020 | 01.05.2018 to 30.04.2023 |
| Salary Grade | Rs. 3,50,000/- per month w.e.f 01.06.2014 | Rs. 1,40,000 per month with an Annual Increment of Rs. 10,000/- per year | Rs. 2,00,000 per month with an Annual Increment of Rs. 10,000/- per year |
| Category: A (Allowances) | HRA, Medical Expenses, LTA, Club fees & Personal accident Insurance Premium | HRA, Medical Expenses, LTA, Club fees & Personal accident Insurance Premium | HRA, Medical Expenses, LTA, Club fees & Personal accident Insurance Premium |
| Category: B (Perquisites) | Contribution to PF, Gratuity, Leave Encashment as per Rules | Contribution to PF, Gratuity, Leave Encashment as per Rules | Contribution to PF, Gratuity, Leave Encashment as per Rules |
| Category: C | Car, Telephone, Internet & Cell | Car, Telephone, Internet & Cell | Car, Telephone, Internet & Cell |
| Minimum Remuneration | As per provisions Companies Act, 2013 read with Schedule V of the Act | As per provisions Companies Act, 2013 read with Schedule V of the Act | As per provisions Companies Act, 2013 read with Schedule V of the Act |
| Notice Period and fees | 3 months from either side | 3 months from either side. | 3 months from either side |

Details of remuneration paid to the Directors are given in Form MGT – 9



GENERAL BODY MEETINGS:

A. Annual General Meetings:

| Date of AGM | Venue | Time | No. of resolutions passed other than ordinary Businesses | No. of resolutions passed by Postal Ballot |
|-------------|--|---------|--|--|
| 26/09/2015 | 117, Navneet Darshan, 16/2 Old Palasia, Indore-452018 | 2:00 PM | One | Nil |
| 26/09/2016 | Pritam Lal Dua Auditorium, Govt. Ahilya Central Labrary, Near Regal Square, M.G. Road, Indore-452001 | 2:00 PM | Two | Nil |
| 26/09/2017 | As above | 2:00 PM | Two | Nil |

Company has followed the Indian Accounting Standards as notified. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

F. Vigil Mechanism/Whistle Blower Policy

The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open door policy where employees have access to the Head of the business/function. The company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard. As part of our corporate governance practices, the company has adopted the Whistleblower policy that covers our directors and employees. The policy is provided pursuant to SEBI (LODR) Regulation, 2015 on our website, <http://www.fluidomat.com> and also annexed with the Board Report.

G. prevention of insider trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Company Secretary & Head Compliance is responsible for implementation of the Code.

H. Proceeds from public issues, rights issue, preferential issues, etc.

The Company has not raised money through an issue (public issues, rights issues, preferential issues etc.) during the year under review.

I. Disclosures with respect to demat suspense account/ Unclaimed Suspense Account:

There is no equity shares lying in the demat suspense account/ Unclaimed Suspense Account.

J. Confirmation that in the opinion of the Board, the Independent Director fulfill the condition specified in this regulation and are independent of the Management:

All Independent Directors has given disclosure as required under the Companies Act, 2013 and Listing Regulations that they are independent of the management and the Management do hereby confirm there independency.

K. Detailed Reason for resignation of Independent Director who resigns before the expiry of his tenure along with the confirmation by such director that there are no other material reason other than those provided:

There is no resignation of any independent Director during the Financial Year.

CODE OF CONDUCT:

The Board has adopted the code of conduct for all its Directors and Senior Management which has been displayed on the Company's website. All Board members and senior management personnel have affirmed compliance with the code on annual basis. A declaration to this effect by CEO of the Company forms part of this Annual Report.

MEANS OF COMMUNICATION:

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

MD/CFO CERTIFICATION:

The MD and the CFO have issued certificate pursuant



to the provisions of Regulation 17(8) of SEBI (LODR) Regulation, 2015. The said certificate is annexed and forms part of the Annual Report.

COMPLIANCE UNDER NON-MANDATORY/ DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS REQUIRMENTS OF LISTING REGULATIONS:

The Company complied with all mandatory requirements and has adopted non-mandatory requirement as per details given below:

A. The Board:

The Company does not have Non-Executive Chairman.

B. Shareholder's Rights:

The quarterly and half yearly results are published in the newspaper, displayed on the website of the Company and are sent to the Stock Exchanges where the shares of the Company are listed. The half-yearly results are not separately circulated to the shareholders.

C. Audit Qualification:

The auditors have not qualified the financial statement of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements.

D. Reporting of Internal Auditor:

The Internal Auditors of the Company report to the Audit Committee.

GENERAL SHAREHOLDER INFORMATION:

Date, Time and Venue of Annual General Meeting : On 26th September, 2018 at 2.00 P.M. Annual General Meeting at the Pritam Lal Dua Auditorium, Government Ahilya Central Library, Near Regal Square, M G Road, Indore- 452001

E-voting period : From 23.09.2018 on 9:00 A.M. [IST] To 25.09.2018 on 5:00 P. M [IST]

Financial Calendar Results : (Tentative)

for the quarter ending 30thJune, 2018 : On or Before 14thAugust, 2018

for the quarter ending 30thSept, 2018 : On or Before 14thNovember, 2018

for the quarter ending 31stDec., 2018 : On or Before 14th Feb., 2019

for the quarter ending 31st March, 2019 : On or Before 30th May, 2019

Board Meeting for consideration of Annual Accounts for

the financial year 2017-18

Book Closure : 20thSept., 2018 to 26th Sept., 2018 (both days inclusive)

Cutoff date for E-voting : 19th September, 2018

Posting/ mailing of Annual Report : Before 1st September, 2018

Last date for receipt of Proxy : 24thSeptember, 2018 at 1:59 PM

Dividend : Within 30 days from the date of declaration

Listing on Stock Exchange : The equity shares of the company are listed at BSE Ltd. and the listing fees has been paid for 2018-2019

Registered Office : 117, 1st Floor, Navneet Darshan,16/2, Old Palasia, Indore (M.P.)-452018 (Address for Correspondence)

Compliance Officer and Company Secretary : CS Devendra Kumar Sahu

Registrars and Share Transfer Agents : Ankit Consultancy Pvt. Ltd., Plot No.60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010
Tel: 0731- 2551745/46
Fax: 0731- 4065798
Email: ankit_4321@yahoo.com

Scrutinizer for E-voting : CS Ishan Jain, Practicing Company Secretary

Scrip Code : 522017

ISIN NO : INE459C01016

The financial year covered by this Annual Report : April 1, 2017 to March 31, 2018

Share Transfer System : Transfers are registered and returned by the Registrars & Share Transfer Agents within a period of 15 days from the date of receipt of the documents, provided the same are in order

Commodity price risk or foreign exchange risk and hedging activity : usual policy is to sell its products at prevailing market prices, and not to enter into price hedging arrangements.

Plant Location : 7-C, 8-J, I.S. Gajra Industrial Area, A. B. Road, Dewas (M.P.)



MARKET INFORMATION:

Stock Market Price Data:
Monthly high/low during the year 2017-18 at BSE Limited Mumbai :

| Month | High | Low | Total No. of shares |
|----------------|--------|--------|---------------------|
| April-2017 | 201.60 | 162.35 | 254457 |
| May-2017 | 237.95 | 185.10 | 238298 |
| June-2017 | 204.80 | 185.00 | 49898 |
| July-2017 | 203.00 | 181.50 | 70767 |
| August-2017 | 189.50 | 175.00 | 43167 |
| September-2017 | 222.00 | 172.50 | 113419 |
| October-2017 | 209.80 | 190.00 | 56966 |
| November-2017 | 211.00 | 186.05 | 56229 |
| December-2017 | 204.00 | 187.00 | 48644 |
| January-2018 | 223.95 | 191.00 | 112477 |
| February-2018 | 206.50 | 175.00 | 44856 |
| March-2018 | 187.00 | 169.10 | 50667 |

*(Source website of BSE Limited)

Distribution of Shareholding as on March, 31, 2018:

| Share Holding of (Slab) | Share Holders | % of Share | Share Amount | % to Total |
|-------------------------|---------------|---------------|-----------------|---------------|
| Upto -1000 | 4668 | 65.85 | 3232230 | 6.56 |
| 1001-2000 | 910 | 12.84 | 1568460 | 3.18 |
| 2001-3000 | 412 | 5.81 | 1112960 | 2.26 |
| 3001-4000 | 192 | 2.71 | 718520 | 1.46 |
| 4001-5000 | 344 | 4.85 | 1690120 | 3.43 |
| 5001-10000 | 342 | 4.82 | 2710240 | 5.50 |
| 10001-20000 | 111 | 1.57 | 1647690 | 3.34 |
| 20001-30000 | 34 | 0.48 | 864500 | 1.75 |
| 30001-40000 | 18 | 0.25 | 653160 | 1.33 |
| 40001-50000 | 14 | 0.20 | 677400 | 1.37 |
| 50001-100000 | 18 | 0.25 | 1308630 | 2.66 |
| 100000-above | 26 | 0.37 | 33086090 | 67.15 |
| Total | 7089 | 100.00 | 49270000 | 100.00 |

Dematerialization of Shares as at 31/03/2018 :

| CATEGORY | NO. OF SHARES | % |
|---|------------------|--------------|
| Total number of Dematted shares with NSDL | 38,39,049 | 77.92 |
| Total number of Dematted shares with CDSL | 7,28,395 | 14.78 |
| Total number of Physical shares | 3,59,556 | 7.30 |
| TOTAL | 49,27,000 | 100.0 |

Unclaimed Dividends:

Dividends remain unpaid/unclaimed for a period of seven years will be transferred the Investor Education & Protection Fund (IEPF) established by the Government. The dates by which the dividend amounts will be transferred to IEPF are as under:

| Financial Year | Date of Declaration | Rate of for Divided per Share Rs. | Due date for transfer to IEPF | Amount unpaid divided Rs. |
|----------------|---------------------|-----------------------------------|-------------------------------|---------------------------|
| 2010-11 | 26.09.2011 | 1.00 | 25.10.2018 | 215913.00 |
| 2011-12 | 26.09.2012 | 1.25 | 25.10.2019 | 277646.25 |
| 2012-13 | 26.09.2013 | 2.50 | 25.10.2020 | 531837.50 |
| 2013-14 | 26/09/2014 | 2.75 | 25.10.2021 | 623427.75 |
| 2014-15 | 26/09/2015 | 2.75 | 25.10.2022 | 614751.50 |
| 2015-16 | 26/09/2016 | 2.50 | 25.10.2023 | 554945.00 |
| 2016-17 | 26/09/2017 | 1.75 | 25.10.2024 | 443072.00 |

REDRESSAL OF INVESTOR GRIEVANCES THROUGH SEBI SCORES MECHANISM:

SEBI has issued various circular for Listed Companies to Registered itself on SCORES. It is a web based centralized grievance redress system of SEBI. SCORES enables investors to lodge and follow up their complaints and track the status of redressal of such complaints online from the SCORES website.

Your Company is also registered on SCORES and promptly redressing investor grievances. The same is maintaining by our Registrar and Share Transfer Agent M/s Ankit Consultancy Pvt. Ltd.

RECONCILIATION OF SHARE CAPITAL AUDIT:

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital.

For and on behalf of the Board

Place: Indore **Ashok Jain**
Date: 13th August, 2018 **Chairman & Managing Director**
DIN 00007813

Declaration by the Managing Director under SEBI (LODR) Regulation, 2015 Regarding Compliance with Code of Conduct

In accordance with SEBI (LODR) Regulation, 2015 with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2018.

For, Fluidomat Limited
Place: Indore **Ashok Jain**
Date: 13th August, 2018 **Chairman & Managing Director**
DIN 00007813



COMPLIANCE CERTIFICATE
[Under Regulation 17(8) of SEBI (LODR)
Regulations, 2015]

To,
The Board of Directors
Fluidomat Limited

- A.** We have reviewed the Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2017-18 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B.** To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D.** We have indicated to the auditors and the Audit committee:
- (a) significant changes in internal control over financial reporting during the Financial Year 2017-18
 - (b) significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and
 - (c) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For, Fluidomat Limited **For, Fluidomat Limited**

Ashok Jain **Monica Jain**
Chairman & Managing Director **Chief Financial Officer**
DIN: 00007813

Place: Indore
Date: 30th May, 2018

**AUDITOR'S CERTIFICATE ON CORPORATE
GOVERNANCE**

**TO THE MEMEBERS OF
FLUIDOMAT LIMITED**

1. This certificate is issued in accordance with the terms of our engagement letter dated 26th Sept., 2017.
2. This report contains details of compliance of conditions of Corporate Governance by **Fluidomat Limited** ('the Company') for the year ended 31 March, 2018, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulation").

Management's Responsibility

3. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintaining operating effectiveness of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to express a reasonable assurance in a form of an opinion as to whether the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations for the year ended 31 March, 2018.
5. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.
9. We 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.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For C. P. RAWKA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000518C

Place : Indore
Date : 13th Day of August, 2018

(C. P. RAWKA)
PROPRIETOR
M. No.: 070060

**INDEPENDENT AUDITORS' REPORT**

**TO,
THE MEMBERS,
FLUIDOMAT LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS Financial Statements of **FLUIDOMAT LIMITED** ('the Company'), which comprise the balance sheet as at 31st March 2018, the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the India Accounting Standards (Ind AS) prescribed specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order issued under section 143(11) of the Act.

We conducted our audit of Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st



March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss Including other comprehensive income, the Cash Flow Statement, and statement of change in equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations in its financial position in note no. 35.2 to the Ind AS Financial Statements.
 - II. The Company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses.
 - III. There has been no eligible amount required to be transferred to the Investor Education and Protection Fund by the Company.

For C. P. RAWKA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000518C

Place: Indore

Date : This 30th Day of May, 2018

(C. P. RAWKA)
PROPRIETOR
M. No.: 070060

**Annexure 'A' to Independent Auditors' Report**

(Referred to Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Fluidomat Ltd. for the year ended 31st March, 2018)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us the fixed assets have been physically verified by the management of the Company in accordance with phased programme of verification, which in our opinion is reasonable, considering the size and nature of its business. No material discrepancies were noticed during such verification.
- (c) According to information and explanation given to us including registered title deeds, we report that, the title deed comprising all the immovable properties of land and buildings which are freehold, are held in the name of company as at the balance sheet date. In respect of immovable property of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreement are in the name of the company, where the company is the lessee in the agreement.
- (ii) According to the information and explanations given to us, physical verification of the inventories has been conducted by the management at reasonable interval. The Company has maintained proper records of inventory, there was no material discrepancies noticed on physical verification of the inventories as compared to the book.
- (iii) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Therefore, the provision clause 3 (iii) (a) to (C) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- (iv) According to the information and explanations given to us, the company has not entered into any eligible transactions as specified in the provisions of section 185 and 186 of the Companies Act, 2013 hence this clause is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified.
- (vi) According to the information and explanations given to us, the Company is not covered under Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Act, hence this clause is not applicable to the Company.
- (vii)(a) According to the information and explanations given to us and on the basis of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues with the appropriate authorities. As provided to us by the management, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, are Rs. 1242896/- (Commercial Tax, Central Sales Tax & Entry Tax).
- (b) According to the records of the Company, there are no dues outstanding of income tax / Sales Tax/ wealth tax / service tax / custom duty / excise duty / VAT / cess etc. on account of any dispute except the following:

| Nature of Dues | Period to which the amount relates | Forum where matter is pending | Amount (In Rupees) |
|-----------------------|---|---|---------------------------|
| Sales Tax | 2013-14 & 2014-15 | Asst. Comm. Of commercial Tax, Div.-III, Indore | 4280549 |

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks. The Company has not taken any loan either from financial institutions or the government and has not issued any debentures during the year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of any public offer including debt instruments and term Loans during the year and hence the provisions of clause 3 (ix) of the Order are not applicable to the Company
- (x) On the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the



Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements as required by the applicable Indian accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For C. P. RAWKA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000518C

Place: Indore

Date : This 30th Day of May, 2018

(C. P. RAWKA)
PROPRIETOR
M. No.: 070060

Annexure 'B' to Independent Auditors' Report

(Referred to Para 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Fluidomat Ltd. for the year ended 31st March, 2018)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **FLUIDOMAT LIMITED** ("the Company") as of 31st March, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls over Financial Reporting, both applicable to an audit of the Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on, the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Indore

Date : This 30th Day of May, 2018

For C. P. RAWKA & CO.
CHARTERED ACCOUNTANTS
Firm Reg. No: 000518C

(C. P. RAWKA)
PROPRIETOR
M. No.: 070060



BALANCE SHEET AS AT 31st MARCH, 2018

| Particulars | Note No. | Rs. In Lakhs | | |
|---|----------|---------------------|---------------------|---------------------|
| | | As At 31.03.2018 | As At 31.03.2017 | As At 01.04.2016 |
| ASSETS | | | | |
| (I) Non-current assets | | | | |
| (a) Property, Plant and Equipment | 4 | 723.28 | 747.55 | 767.63 |
| (b) Capital Work-in-progress | 5 | 30.99 | 18.15 | 23.16 |
| (c) Intangible assets | 6 | 13.03 | 6.28 | 3.56 |
| (d) Intangible assets under development | 7 | 0.00 | 9.25 | 9.97 |
| (e) Financial assets | | | | |
| (i) Other Financial assets | 8 | 1077.53 | 1271.73 | 703.27 |
| (f) Other non-current assets | 9 | 33.57 | 34.90 | 32.17 |
| Total Non Current Assets | | 1878.40 | 2087.86 | 1539.76 |
| (II) Current Assets | | | | |
| (a) Inventories | 10 | 456.27 | 569.48 | 584.93 |
| (b) Financial Assets | | | | |
| (i) Investment | 11 | 75.09 | 0.00 | 0.00 |
| (ii) Trade receivables | 12 | 1043.51 | 875.27 | 1212.99 |
| (iii) Cash & Cash equivalents | 13 | 15.51 | 2.95 | 26.35 |
| (iv) Bank Balances other than (iii) above | 14 | 32.62 | 28.56 | 22.96 |
| (v) Other Financial Assets | 15 | 257.92 | 0.00 | 0.00 |
| (c) Other current assets | 16 | 30.34 | 31.23 | 46.15 |
| Total Current Assets | | 1911.26 | 1507.49 | 1893.38 |
| TOTAL ASSETS | | 3789.66 | 3595.35 | 3433.14 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity share capital | 17 | 492.70 | 492.70 | 492.70 |
| (b) Other Equity | 18 | 2606.01 | 2477.11 | 2350.61 |
| Liabilities | | | | |
| (I) Non-current Liabilities | | | | |
| (a) Provisions | 19 | 80.81 | 71.60 | 62.14 |
| (b) Deferred tax liabilities (net) | 20 | 26.41 | 39.03 | 45.54 |
| Total Non-current Liabilities | | 107.22 | 110.63 | 107.68 |
| (II) Current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 21 | 2.95 | 40.75 | 0.00 |
| (ii) Trade payables | 22 | 231.32 | 200.65 | 196.32 |
| (iii) Other Financial Liabilities | 23 | 32.62 | 28.56 | 22.95 |
| (b) Other current liabilities | 24 | 256.27 | 188.07 | 197.80 |
| (c) Provisions | 25 | 59.09 | 54.55 | 47.48 |
| Current Tax Liabilities (Net) | 26 | 1.48 | 2.33 | 17.60 |
| Total Current Liabilities | | 583.73 | 514.91 | 482.15 |
| TOTAL EQUITY AND LIABILITIES | | 3789.66 | 3595.35 | 3433.14 |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENT

3

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

As per our report of even date For and on behalf of the Board

For C. P. RAWKA & CO.
CHARTERED ACCOUNTANTS,
Firm No. : 000518C

(ASHOK JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN : 00007813

(RADHICA SHARMA)
DY. MANAGING DIRECTOR
DIN : 06811597

(KUNAL JAIN)
EXECUTIVE DIRECTOR
DIN : 01475424

(C.P. RAWKA)
PROPRIETOR
M.No. 070060

(M.K. SHAH)
DIRECTOR
DIN : 00014556

(K.C. JAIN)
DIRECTOR
DIN : 00007916

(PRAFUL R. TURKHIA)
DIRECTOR
DIN : 00366398

Place : Indore
Date : This 30th Day of May, 2018

(MONICA JAIN)
CHIEF FINANCIAL OFFICER

(DEVENDRA KUMAR SAHU)
COMPANY SECRETARY



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2018

| Particulars | Note No. | Rs. In Lakhs | |
|---|----------|--------------------------------|--------------------------------|
| | | Year Ended 31st March, 2018 | Year Ended 31st March, 2017 |
| INCOME | | | |
| Revenue from Operations | 27 | 2405.48 | 2797.87 |
| Other Income | 28 | 109.52 | 99.91 |
| Total Income | | 2515.00 | 2897.78 |
| EXPENSES : | | | |
| Cost of Materials Consumed | 29 | 850.90 | 974.93 |
| Change in inventories of finished goods and work in progress | 30 | 67.21 | (3.47) |
| Employee Benefits Expenses | 31 | 766.01 | 733.33 |
| Excise Duty | | 43.08 | 245.49 |
| Finance Costs | 32 | 0.09 | 0.00 |
| Depreciation and Amortisation Expense | 4 | 69.87 | 68.74 |
| Other Expenses | 33 | 399.57 | 454.75 |
| CSR Expenses | | 4.00 | 10.01 |
| Total Expenses | | 2200.73 | 2483.78 |
| PROFIT BEFORE TAX | | 314.27 | 414.00 |
| Tax Expenses | | | |
| a) Current Tax | | 94.78 | 144.10 |
| b) Tax adjustments related to previous years | | -0.57 | 1.66 |
| c) Deferred Tax | | -12.62 | -6.51 |
| PROFIT FOR THE YEAR | | 232.68 | 274.75 |
| Other Comprehensive Income: | | 0.00 | 0.00 |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | 232.68 | 274.75 |
| EARNINGS PER EQUITY SHARE (Face Value of Rs.10 each) | | | |
| Basic & Diluted (in Rs.) | 34 | 4.72 | 5.58 |
| SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENT | 3 | | |

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

As per our report of even date For and on behalf of the Board

For C. P. RAWKA & CO.
CHARTERED ACCOUNTANTS,
Firm No. : 000518C

(ASHOK JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN : 00007813

(RADHICA SHARMA)
DY. MANAGING DIRECTOR
DIN : 06811597

(KUNAL JAIN)
EXECUTIVE DIRECTOR
DIN : 01475424

(C.P. RAWKA)
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M.No. 070060

(M.K. SHAH)
DIRECTOR
DIN : 00014556

(K.C. JAIN)
DIRECTOR
DIN : 00007916

(PRAFUL R. TURKHIA)
DIRECTOR
DIN : 00366398

Place : Indore
Date : This 30th Day of May, 2018

(MONICA JAIN)
CHIEF FINANCIAL OFFICER

(DEVENDRA KUMAR SAHU)
COMPANY SECRETARY



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

Rs. In lakhs

| | Year Ended 31st March, 2018 | Year Ended 31st March, 2017 |
|--|--------------------------------|--------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES : | | |
| NET PROFIT BEFORE TAX | 314.27 | 414.00 |
| Adjustment for : | | |
| Depreciation | 69.87 | 68.74 |
| Loss/ (Profit) on Sale/Discard of Fixed Assets | (1.05) | 0.74 |
| Loss /(Profit) on fare valuation of Investment | 4.91 | 0.00 |
| Interest (Net) | (99.73) | (92.09) |
| Lease rental net of lease equalisation | 0.21 | 0.21 |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 288.48 | 391.60 |
| Adjustment for : | | |
| (Increase) / Decrease in trade and other receivable | (166.03) | 349.92 |
| (Increase) / Decrease in Inventories | 113.21 | 15.45 |
| Increase / (Decrease) in Trade Payables & provisions | 115.84 | 1.45 |
| CASH GENERATED FROM OPERATIONS | 351.50 | 758.42 |
| Interest Paid | (0.09) | 0.00 |
| Income Tax Paid | (94.21) | (145.76) |
| NET CASH FROM OPERATING ACTIVITIES | 257.20 | 612.66 |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Payment towards Capital Expenditure | (56.85) | (53.60) |
| Investment in Mutual Fund | (80.00) | 0.00 |
| Sale of Fixed Assets (Net) | 1.75 | 7.01 |
| Other Financial Assets | (67.78) | (574.06) |
| Interest Earned | 99.82 | 92.09 |
| NET CASH (USED IN) FROM INVESTING ACTIVITIES : | (103.06) | (528.56) |
| C. CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Proceeds from short term borrowings | (37.80) | 40.75 |
| Payment of Dividend | (86.22) | (123.17) |
| Dividend Tax Paid | (17.56) | (25.08) |
| NET CASH (USED IN) / FROM FINANCING ACTIVITIES | (141.58) | (107.50) |
| NET INCREASE / (DECREASE) CASH & BANK BALANCES (A+B+C) | 12.56 | (23.40) |
| CASH & CASH EQUIVALENT OPENING BALANCE | 2.95 | 26.35 |
| CASH & CASH EQUIVALENT CLOSING BALANCE | 15.51 | 2.95 |

Note :

The previous year's figures have been regrouped & rearranged wherever necessary. It will not impact equity and result of the company.

As per our report of even date For and on behalf of the Board

For C. P. RAWKA & CO.
CHARTERED ACCOUNTANTS,
Firm No. : 000518C

(ASHOK JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN : 00007813

(RADHICA SHARMA)
DY. MANAGING DIRECTOR
DIN : 06811597

(KUNAL JAIN)
EXECUTIVE DIRECTOR
DIN : 01475424

(C.P. RAWKA)
PROPRIETOR
M.No. 070060

(M.K. SHAH)
DIRECTOR
DIN : 00014556

(K.C. JAIN)
DIRECTOR
DIN : 00007916

(PRAFUL R. TURKHIA)
DIRECTOR
DIN : 00366398

Place : Indore
Date : This 30th Day of May, 2018

(MONICA JAIN)
CHIEF FINANCIAL OFFICER

(DEVENDRA KUMAR SAHU)
COMPANY SECRETARY



STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2018

A. Equity Share Capital

(Rupees in Lakhs)

| Particulars | Amount |
|--|--------|
| Balance as on 01 April,2016 | 492.70 |
| Change in Equity Share capital during the year | 0 |
| Balance as on 31 March,2017 | 492.70 |
| Change in Equity Share capital during the year | 0 |
| Balance as on 31 March,2018 | 492.70 |

B. Other Equity

| | Reserves and Surplus | | | | |
|--|----------------------|----------------------------|-----------------|-------------------|----------------|
| | Capital Reserve | Capital Redemption Reserve | General Reserve | Retained Earnings | Total |
| Balance at the beginning of the reporting period 01.04.2016 | 10.25 | 30.90 | 387.89 | 1921.57 | 2350.61 |
| Profit for the year 2016-17 | | | | 274.75 | 274.75 |
| Other Comprehensive Income for the year | | | | 0.00 | 0.00 |
| Total Comprehensive Income for the year 2016-17 | | | | 274.75 | 274.75 |
| Less Transfer to general reserve | | | | -100.00 | -100.00 |
| Add Transferred from Retain Earnings | 0 | 0 | 100.00 | 0 | 100.00 |
| Proposed dividend paid | | 0 | 0 | -123.17 | -123.17 |
| Tax on Dividend | | | 0 | -25.08 | -25.08 |
| Balance as at 31.03.2017 | 10.25 | 30.90 | 487.89 | 1948.07 | 2477.11 |
| Balance as at 01.04.2017 | 10.25 | 30.90 | 487.89 | 1948.07 | 2477.11 |
| Profit for the year 2017-18 | 0 | 0 | 0 | 232.68 | 232.68 |
| Other Comprehensive Income for the year | | | | 0 | 0 |
| Total Comprehensive Income for the year | | | | 232.68 | 232.68 |
| Less Transfer to general reserve | 0 | 0 | 0 | -100.00 | -100.00 |
| Add Transferred from Retain Earnings | 0 | 0 | 100.00 | 0 | 100 |
| Proposed dividend paid | 0 | 0 | 0 | -86.22 | -86.22 |
| Tax on Dividend | 0 | 0 | 0 | -17.56 | -17.56 |
| Balance as at 31.03.2018 | 10.25 | 30.90 | 587.89 | 1976.97 | 2606.01 |

As per our report of even date For and on behalf of the Board

For C. P. RAWKA & CO.
CHARTERED ACCOUNTANTS,
Firm No. : 000518C

(ASHOK JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN : 00007813

(RADHICA SHARMA)
DY. MANAGING DIRECTOR
DIN : 06811597

(KUNAL JAIN)
EXECUTIVE DIRECTOR
DIN : 01475424

(C.P. RAWKA)
PROPRIETOR
M.No. 070060

(M.K. SHAH)
DIRECTOR
DIN : 00014556

(K.C. JAIN)
DIRECTOR
DIN : 00007916

(PRAFUL R. TURKHIA)
DIRECTOR
DIN : 00366398

Place : Indore
Date : This 30th Day of May, 2018

(MONICA JAIN)
CHIEF FINANCIAL OFFICER

(DEVENDRA KUMAR SAHU)
COMPANY SECRETARY

**1. Corporate Information :**

Fluidomat Limited is a Public Limited Company incorporated in the State of Madhya Pradesh, India and is listed on BSE Limited (BSE). The registered office of the Company is located at 117 First Floor, Navneet Darshan, 16/2 Old Palasia Indore 452018. The Company is an ISO 9001:2008 certified Company manufactures a wide range of fixed speed and variable speed fluid couplings for Industrial and automotive drives upto 3800 kw since 1971. The financial statements were authorized for issue in accordance with a resolution of the directors on 30th May, 2018

2. Basis of preparation:**(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('The Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS, for all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous AS') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, except where otherwise stated, the accounting principles have been consistently applied.

(ii) Operating Cycle:

Company's operating cycle shall be 12 months beginning from 1st of April to 31st of March every financial year.

3. Significant Accounting Policies:

The financial statements have been prepared using the significant accounting policies and measurement basis summarized below:-

A. Current and non-current classification

Assets and liabilities are classified as current if expected to realize or settle within twelve months after the balance sheet date. Deferred tax assets and liabilities are classified as non current assets and non-current liabilities, as the case may be.

B. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs with two decimals thereof as per the requirement of Schedule III, unless otherwise stated.

C. Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

D. Property, plant and equipment

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS hence regarded thereafter as historical cost.

All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.



Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

E. Depreciation methods, estimated useful life and residual value

Depreciation on property, plant and equipment is provided on prorata basis on straight-line method using the useful life of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

| S.no. | Description of Assets | Useful life as per the Companies Act |
|-------|-----------------------|--------------------------------------|
| 1 | Building | 30 Years |
| 2 | Plant & Machinery | 10-15 Years |
| 3 | Office Equipment | 5 Years |
| 4 | Furniture | 10 Years |
| 5 | Computer | 3 Years |
| 6 | Software & Web sites | 6 Years |
| 7 | Vehicle | 8-10 Years |

On the basis of technical assessment made by the management, it believes that the useful life as given above best represent the period over which the assets are expected to be used.

Leasehold land is amortized on a straight line basis over the unexpired period of their respective lease.

The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

F. Intangible assets

Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful life. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The Company has elected to continue with the carrying value of all its Intangible Assets, recognized as on 31 March 2016, as the deemed cost for the purpose of transition to IND AS.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

G. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and operating balances.

H. Inventories:

Inventories of raw materials and stores and spares are valued at weighted average cost net of duties and finished goods and Stock-in-Process are valued at lower of cost or net realizable value and Scrap is valued at net realizable value.

I. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and



(2) Those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are accounted in the Statement of Profit and Loss.

(iii) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk..

J. Impairment of non- financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

K. Segment Reporting:

Since the Company operates in one segment only, segment reporting as required IND-AS is not applicable.

L. Borrowing costs:

Borrowing cost that is directly attributable to the acquisition of qualifying assets is capitalized for the period until the Assets is ready for its intended use. Other borrowing costs are recognized as an expense in the period for which it is incurred.

M. Contingent Liability:

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

N. Provisions:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

O. Revenue recognition:

Revenue is measured at the value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates and discounts.



The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods:

Sales are recognized when substantial risk and rewards of ownership are transferred to customer, In case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally sales take place when goods are shipped onboard based on bill of lading.

Revenue from services:

Revenue from services is recognized in the accounting period in which the services are rendered.

P. Employee Benefits:**(i) Current Employee Benefit:**

- (1) Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.
- (2) Contribution to defined contribution scheme such as Provident Fund, Family Pension Fund and ESI Fund are charged to the Statement of Profit & Loss.
- (3) Leave encashment is charged to revenue on accrual basis.

(ii) Other long-term employee benefit obligations**(a) Gratuity**

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust maintained with Life Insurance Corporation of India (LIC). The difference, if any, between the actuarial valuation of the gratuity of employees at the year end, valuation done by LIC and the balance of funds with Life Insurance Corporation of India is provided for as assets/ (liability) in the books.

Q. Foreign Currency Transactions:

- (i) The financial statements are presented in Indian rupee (INR), which is Company's functional currency.
- (ii) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (iii) Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.
- (iv) Remittances not received until the end of the year are considered at the closing exchange rate as applicable. Difference between realization against debtors in the subsequent year and outstanding debtors is recognized as exchange differences in the Statement of Profit and Loss.

R. Income tax:**a. Current Tax:**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b. Deferred Tax:

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.



Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled

S. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all potentially dilutive equity shares

T. Government Grants:

Capital Subsidy shown under Capital Reserves.

U. Dividend:

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorized and is no longer at the discretion of the entity.

V. Related Party Disclosure:

Disclosures, regarding related parties and transactions with them, as required in terms of Indian Accounting Standard 24, has been made at the relevant places in the notes to accounts.

3A. Significant accounting judgments, estimates and assumptions:

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Property Plant & Equipment

The company has estimated the useful life of Property, Plant and Equipment and Investment Property as per the useful life prescribed in Schedule II of the Companies Act, 2013.

(b) Taxes

- (i) The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.
- (ii) Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.
- (iii) The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or Company in which the deferred tax asset has been recognized.

**(c) Defined benefit**

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using valuations done by LIC. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

3B.Recent Accounting Pronouncements**(Disclosure in compliance of para 30 & 31 of IND AS 8)**

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115 - 'Revenue from Contracts with Customers' and consequential amendments to various Ind AS standards. The amended Rules also notified amendments to Ind AS 12 - 'Income Taxes', Ind AS 21 - 'The Effect of Changes in Foreign Exchange Rates'. The amendments are effective from accounting periods beginning from 1st April, 2018.

Ind AS 115 – 'Revenue from Contracts with Customers':

This standard establishes a single comprehensive model for accounting of revenue arising from contracts with customers. The Company is currently assessing the impact of application of Ind AS 115 on the Company's financial statements.

Amendments to Ind AS 12 – 'Income Taxes':

The amendments clarify the requirement for recognizing deferred tax assets on unrealized losses on debt instruments that are measured at fair value. The amendments also clarify certain other aspects of accounting for deferred tax assets. The changes will not have any material impact on the financial statements of the Company.

Amendments to Ind AS 21 – 'The Effect of Changes in Foreign Exchange Rates':

The amendments clarify translation of advance payments denominated in foreign currency into functional currency at the spot rate on the day of payment. The guidance aims to reduce diversity in practice. The changes will not have any material impact on the financial statements of the Company.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

4 PROPERTY, PLANT & EQUIPMENT

(Rs. in Lakhs)

| PARTICULARS | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | |
|---------------------------------------|--|--|----------------------------|-----------------------------------|---|---------------------|---------------------|---------------------|
| | COST AS AT 01.04.2017 31.03.2018 | ADDITIONS 01.04.2017- 31.03.2018 | SALES/ ADJUST- MENTS | AS AT 01.04.2017 31.03.2018 | PERIOD WRITTEN BACK/ADJ- USTMENT | AS AT 31.03.2018 | AS AT 31.03.2018 | AS AT 31.03.2017 |
| TANGIBLE ASSETS: | | | | | | | | |
| LAND (LEASE HOLD) | 1.31 | 0.00 | -0.21 | 1.10 | 0.00 | 0.00 | 1.10 | 1.31 |
| LAND (FREE HOLD) | 136.26 | 0.00 | 0.00 | 136.26 | 0.00 | 0.00 | 136.26 | 136.26 |
| BUILDING | 401.40 | 0.00 | 0.00 | 401.40 | 11.67 | 0.00 | 239.69 | 251.36 |
| PLANT & MACHINERY | 893.99 | 11.28 | 0.00 | 905.27 | 39.25 | 0.00 | 270.29 | 298.26 |
| OFFICE EQUIPMENT | 24.22 | 0.68 | 0.00 | 24.90 | 3.10 | 0.00 | 6.13 | 8.55 |
| COMPUTER | 23.73 | 1.93 | 0.00 | 25.66 | 1.70 | 0.00 | 3.43 | 3.20 |
| FURNITURE | 39.60 | 0.00 | 0.00 | 39.60 | 1.65 | 0.00 | 14.00 | 15.65 |
| VEHICLES | 98.88 | 30.12 | -14.01 | 114.99 | 10.00 | -13.31 | 52.38 | 32.96 |
| TOTAL | 1619.39 | 44.01 | -14.22 | 1649.18 | 67.37 | -13.31 | 723.28 | 747.55 |
| 6 INTANGIBLE ASSETS: | | | | | | | | |
| SOFTWARE | 14.71 | 9.25 | 0.00 | 23.96 | 2.50 | 0.00 | 13.03 | 6.28 |
| TOTAL | 1634.10 | 53.26 | -14.22 | 1673.14 | 69.87 | -13.31 | 736.31 | 753.83 |
| 5 CAPITAL WORK IN PROGRESS | | | | | | | | |
| TANGIBLE ASSETS | | | | | | | | |
| BUILDING SHED UNDER CONSTRUCTION | | | | | | | 18.15 | 18.15 |
| PLANT & MACHINERY UNDER INSTALLATION | | | | | | | 12.84 | 0.00 |
| TOTAL | | | | | | | 30.99 | 18.15 |
| 7 INTANGIBLE ASSETS | | | | | | | | |
| SOFTWARE & WEB SITE UNDER DEVELOPMENT | | | | | | | 0.00 | 9.25 |
| TOTAL | | | | | | | 0.00 | 9.25 |
| GRAND TOTAL | 1634.10 | 53.26 | -14.22 | 1673.14 | 880.27 | 69.87 | 767.30 | 781.23 |
| PREVIOUS YEAR | 1585.25 | 59.34 | -10.49 | 1634.10 | 814.06 | 68.74 | 781.23 | 804.32 |



4a. PROPERTY, PLANT & EQUIPMENT

(Rs. in Lakhs)

| PARTICULARS | GROSS BLOCK | | DEPRECIATION | | | NET BLOCK | | | | | |
|---------------------------------------|--------------------------|--|----------------------------|--------------------------|--------------------|-------------------------------------|---------------------------------|---|--------------------|---------------------|---------------------|
| | COST AS AT 01.04.2016 | ADDITIONS 01.04.2016- 31.03.2017 | SALES/ ADJUST- MENTS | COST AS AT 31.03.2017 | UPTO 01.04.2016 | PERIOD 01.04.2016- 31.03.2017 | WRITTEN BACK/ADJ- USTMENT | ADJUSTED AGAINST GENERAL RESERVE | UPTO 31.03.2017 | AS AT 31.03.2017 | AS AT 01.04.2016 |
| TANGIBLE ASSETS: | | | | | | | | | | | |
| LAND (LEASE HOLD) | 1.52 | 0.00 | -0.21 | 1.31 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1.31 | 1.52 |
| LAND (FREE HOLD) | 136.26 | 0.00 | 0.00 | 136.26 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 136.26 | 136.26 |
| BUILDING | 385.33 | 16.07 | 0.00 | 401.40 | 139.03 | 11.01 | 0.00 | 0.00 | 150.04 | 251.36 | 246.30 |
| PLANT & MACHINERY | 878.49 | 15.50 | 0.00 | 893.99 | 555.77 | 39.96 | 0.00 | 0.00 | 595.73 | 298.26 | 322.72 |
| OFFICE EQUIPMENT | 23.77 | 0.45 | 0.00 | 24.22 | 11.39 | 4.28 | 0.00 | 0.00 | 15.67 | 8.55 | 12.38 |
| COMPUTER | 22.78 | 0.95 | 0.00 | 23.73 | 18.06 | 2.47 | 0.00 | 0.00 | 20.53 | 3.20 | 4.72 |
| FURNITURE | 27.16 | 12.44 | 0.00 | 39.60 | 23.19 | 0.76 | 0.00 | 0.00 | 23.95 | 15.65 | 3.97 |
| VEHICLES | 99.20 | 9.96 | -10.28 | 98.88 | 59.44 | 9.01 | -2.53 | 0.00 | 65.92 | 32.96 | 39.76 |
| TOTAL | 1574.51 | 55.37 | -10.49 | 1619.39 | 806.88 | 67.49 | -2.53 | 0.00 | 871.84 | 747.55 | 767.63 |
| INTANGIBLE ASSETS: | | | | | | | | | | | |
| SOFTWARE | 10.74 | 3.97 | 0.00 | 14.71 | 7.18 | 1.25 | 0.00 | 0.00 | 8.43 | 6.28 | 3.56 |
| TOTAL | 1585.25 | 59.34 | -10.49 | 1634.10 | 814.06 | 68.74 | -2.53 | 0.00 | 880.27 | 753.83 | 771.19 |
| CAPITAL WORK IN PROGRESS | | | | | | | | | | | |
| TANGIBLE ASSETS | | | | | | | | | | | |
| BUILDING SHED UNDER CONSTRUCTION | | | | | | | | | | | |
| INTANGIBLE ASSETS | | | | | | | | | | | |
| SOFTWARE & WEB SITE UNDER DEVELOPMENT | | | | | | | | | | | |
| GRAND TOTAL | 1585.25 | 59.34 | -10.49 | 1634.10 | 814.06 | 68.74 | -2.53 | 0.00 | 880.27 | 781.23 | 804.32 |
| PREVIOUS YEAR | 1513.83 | 79.58 | -8.17 | 1585.25 | 748.73 | 73.15 | -7.58 | -0.24 | 814.06 | 804.32 | 798.29 |

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS hence regarded thereafter as historical cost.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018**

Rs. In Lakhs

| PARTICULARS | As At | | |
|--|----------------|----------------|----------------|
| | 31.03.2018 | 31.03.2017 | 01.04.2016 |
| 8 FINANCIAL ASSETS | | | |
| (i) Other Financial assets | | | |
| Fixed Deposit with Bank | 730.61 | 1053.48 | 586.94 |
| Fixed Deposit agst. 100% Margin Money for Bank Guarantee | 180.48 | 0.00 | 0.00 |
| Fixed Deposit agst. 10% Margin Money for Bank Guarantee | 56.89 | 152.47 | 48.33 |
| Interest Accrued on FDR | 109.55 | 65.78 | 68.00 |
| (Bank deposits & interest accrued with more than 12 months maturity) | | | |
| Total | 1077.53 | 1271.73 | 703.27 |
| 9 OTHER NON CURRENT ASSETS | | | |
| Deposit with Govt. Department | 9.36 | 8.77 | 8.06 |
| Deposit with Others | 24.21 | 26.13 | 24.11 |
| Total | 33.57 | 34.90 | 32.17 |
| 10 INVENTORIES | | | |
| Raw Materials and Components (refer note no. 29.3) | 245.91 | 288.60 | 310.42 |
| Stock-in-Process | 106.16 | 122.14 | 97.52 |
| Finished Goods | 86.89 | 137.99 | 158.55 |
| Stores and Spares | 15.93 | 19.21 | 15.94 |
| Tools | 0.73 | 0.76 | 1.13 |
| Scrap | 0.65 | 0.78 | 1.37 |
| Total | 456.27 | 569.48 | 584.93 |
| For mode of valuation refer Point No. H of Significant Accounting Policies | | | |
| FINANCIAL ASSETS | | | |
| 11 INVESTMENT | 31.03.2018 | 31.03.2017 | 01.04.2016 |
| Investment in Mutual Fund- Quoted | No. of Units | No. of Units | No. of Units |
| IDFC STERLING EQUITY FUND | 34339.185 | 0 | 0 |
| DSP BR SMALL & MIDCAP FUND | 33444.157 | 0 | 0 |
| L&T EMERGING BUSINESS FUND | 71188.740 | 0 | 0 |
| TATA INDIA CONSUMER FUND | 109376.282 | 0 | 0 |
| Total | 75.09 | 0.00 | 0.00 |
| 12 TRADE RECEIVABLES (Unsecured) | | | |
| Considered Good | 1043.51 | 875.27 | 1212.99 |
| Considered Doubtful | 0.00 | 0.00 | 0.00 |
| Total | 1043.51 | 875.27 | 1212.99 |
| i Company does not have any secured Trade Receivable | | | |
| ii There are no dues against related parties and Directors | | | |
| 13 CASH & CASH EQUIVALENTS | | | |
| Cash on Hand | 1.03 | 0.83 | 1.93 |
| BANK BALANCES (With Scheduled Bank) | | | |
| In Current Account | 14.48 | 2.12 | 24.42 |
| Total | 15.51 | 2.95 | 26.35 |
| 14 BANK BALANCE OTHER THAN (13) | | | |
| Other Bank Balances | | | |
| Unpaid Dividend Accounts | 32.62 | 28.56 | 22.96 |
| Total | 32.62 | 28.56 | 22.96 |



| PARTICULARS | Rs. In Lakhs | | | | | |
|---|-----------------------------------|---------------------|-----------------------------------|--------------------|-----------------------------------|--------------------|
| | As At 31.03.2018 | As At 31.03.2017 | As At 01.04.2016 | | | |
| 15 OTHER FINANCIAL ASSETS | | | | | | |
| Fixed Deposit with Bank | 253.58 | 0.00 | 0.00 | | | |
| Interest Accrued on FDR (Bank deposits & interest accrued with less than 12 months maturity) | 4.34 | 0.00 | 0.00 | | | |
| Total | 257.92 | 0.00 | 0.00 | | | |
| 16 OTHER CURRENT ASSETS (Unsecured and Considered Good) | | | | | | |
| i Advance recoverable in cash or kind or for value to be received | 22.27 | 22.63 | 30.07 | | | |
| ii Balance with Central Excise Authorities | 0.00 | 3.56 | 7.49 | | | |
| iii Advance to Sundry Creditors | 8.07 | 5.04 | 8.59 | | | |
| Total | 30.34 | 31.23 | 46.15 | | | |
| Advance recoverable (i) includes interest free loan given to employees amount 0.83 Lakhs & previous Year 1.23 Lakhs | | | | | | |
| 17 SHARE CAPITAL: | | | | | | |
| Authorised Share Capital | | | | | | |
| 5500000 (Previous year 5500000) Equity Shares of Rs.10/-each | 550.00 | 550.00 | 550.00 | | | |
| 50000 (Previous year 50000) 10% Redeemable Preference Shares of Rs. 100/- each | 50.00 | 50.00 | 50.00 | | | |
| Issued, Subscribed & Paid up | | | | | | |
| 4927000 (Previous year 4927000) Equity Shares of Rs.10/- each fully paid up | 492.70 | 492.70 | 492.70 | | | |
| | 492.70 | 492.70 | 492.70 | | | |
| 17 (i) 471000 Equity Shares of Rs. 10/- each out of the issued, subscribed and paid up share capital were allotted to IFCI Ltd. as fully paid up for a consideration other than cash. | | | | | | |
| 17 (ii) The details of shareholders holding more than 5% Shares : | | | | | | |
| Name of the Shareholders | As at 31st March, 2018 | | As at 31st March, 2017 | | As at 01st April, 2016 | |
| | No. of Shares | % held | No. of Shares | % held | No. of Shares | % held |
| Shri Ashok Jain | 1106452 | 22.46% | 1106452 | 22.46% | 1106452 | 22.46% |
| Shri Kunal Jain | 1178131 | 23.91% | 1178131 | 23.91% | 1178131 | 23.91% |
| 17 (iii) The Reconciliation of the number of shares outstanding is set out below : | | | | | | |
| Equity Shares | As at 31st March, 2018 | | As at 31st March, 2017 | | As at 01st April, 2016 | |
| | No. of Shares | Rs.in Lakhs | No. of Shares | Rs.in Lakhs | No. of Shares | Rs.in Lakhs |
| At the beginning of the year | 4927000 | 492.70 | 4927000 | 492.70 | 4927000 | 492.70 |
| Outstanding at the end of the year | 4927000 | 492.70 | 4927000 | 492.70 | 4927000 | 492.70 |
| 17 (iv) The Company has issued and subscribed equity shares having par value of Rs.10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend, if any. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding. | | | | | | |



| Rs. In Lakhs | | | |
|--|-----------------------|-----------------------|-----------------------|
| PARTICULARS | As At 31.03.2018 | As At 31.03.2017 | As At 01.04.2016 |
| 18 OTHER EQUITY | | | |
| 18 (i) Capital Reserve | | | |
| Balance as per last Balance Sheet | 10.25 | 10.25 | 10.25 |
| 18 (ii) Capital Redemption Reserve | | | |
| Balance as per last Balance Sheet | 30.90 | 30.90 | 30.90 |
| 18 (iii) General Reserve | | | |
| Opening Balance | 487.89 | 387.89 | 287.65 |
| Add: Transferred from Surplus | 100.00 | 100.00 | 100.00 |
| Less: (I) Carrying value of assets whose useful life is exhausted | 0.00 | 0.00 | 0.24 |
| | <u>587.89</u> | <u>487.89</u> | <u>387.89</u> |
| 18 (vi) Profit and Loss Account | | | |
| As per last Balance Sheet | 1948.07 | 1921.57 | 1624.48 |
| Add: Profit for the year | 232.68 | 274.75 | 397.09 |
| | <u>2180.75</u> | <u>2196.32</u> | <u>2021.57</u> |
| Less: Dividend paid | 86.22 | 123.17 | 0.00 |
| less: Tax on Dividend paid | 17.56 | 25.08 | 0.00 |
| | <u>2076.97</u> | <u>2048.07</u> | <u>2021.57</u> |
| Less: Appropriations | | | |
| Tranferred to General Reserve | 100.00 | 100.00 | 100.00 |
| | <u>100.00</u> | <u>100.00</u> | <u>100.00</u> |
| | <u>1976.97</u> | <u>1948.07</u> | <u>1921.57</u> |
| Total | <u>2606.01</u> | <u>2477.11</u> | <u>2350.61</u> |
| 18 (v) Capital Reserve (18(i)) includes Capital Subsidy 8.44 lakhs (Previous year 8.44) and Share Forefeiture amount 1.81 lakhs (Previous year 1.81). Capital Redumption Reserve (18(ii)) is related to redumption of 10% Redeemable Preference Shares. # Dividend distributed to Equity Shareholders is Rs. 1.75(Previous year Rs. 2.50) per Equity Share. | | | |
| NON-CURRENT LIABILITIES | | | |
| 19 PROVISIONS | | | |
| Provision for Leave Encashment | 80.81 | 71.60 | 62.14 |
| Total | <u>80.81</u> | <u>71.60</u> | <u>62.14</u> |
| 20 DEFERRED TAX LIABILITY (Net) | | | |
| Deferred Tax Liability | | | |
| Related to Property, Plant and Equipment | 56.43 | 69.77 | 71.01 |
| Deferred Tax Assets | | | |
| On Disallowable under the Income Tax Act, 1961# | 30.02 | 30.74 | 25.47 |
| Total | <u>26.41</u> | <u>39.03</u> | <u>45.54</u> |
| # Aggregate unpaid expenses u/s 43-B of Income Tax Act. | | | |
| CURRENT LIABILITIES | | | |
| FINANCIAL LIABILITIES | | | |
| 21 Borrowings (working capital loan from bank) | 2.95 | 40.75 | 0.00 |
| 22 Trade Payables | 231.32 | 200.65 | 196.32 |
| 23 Other Financial Liabilities | 32.62 | 28.56 | 22.95 |
| Total | <u>266.89</u> | <u>269.96</u> | <u>219.27</u> |
| i Working capital loans are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts and further secured by first charge on the immovable assets including other movable assets of the company. | | | |
| ii Working Capital loan are secured by personal guarantee of Mr. Ashok Jain, Chairman and Managing Director of the company and Smt. Pramila Jain. | | | |



| PARTICULARS | Rs. In Lakhs | | |
|--|---|---|---------------------|
| | As At 31.03.2018 | As At 31.03.2017 | As At 01.04.2016 |
| iii The company has no information as to whether any of its vendors constitute a "Supplier" within the meaning of Section 2(n) of the Micro, Small and Medium Enterprises Development Act, 2006 as no declarations were received under the said Act from them. | | | |
| iv Other financial liabilities shows unclaimed/unpaid dividend. | | | |
| 24 OTHER CURRENT LIABILITIES | | | |
| Advance from Customers | 23.07 | 19.79 | 53.97 |
| Other Liabilities | 233.20 | 168.28 | 143.83 |
| Total | 256.27 | 188.07 | 197.80 |
| i Other Liabilities includes statutory dues, liability for expenses & trade deposits. | | | |
| 25 PROVISIONS | | | |
| Provision for Bonus | 59.09 | 54.55 | 47.48 |
| Total | 59.09 | 54.55 | 47.48 |
| 26 CURRENT TAX LIABILITIES | | | |
| Income tax (net of advance tax & tax deducted at source) | 1.48 | 2.33 | 17.60 |
| Total | 1.48 | 2.33 | 17.60 |
| | Year Ended 31.03. 2018 | Year Ended 31.03. 2017 | |
| 27 REVENUE FROM OPERATIONS: | | | |
| Sale of Products (Including spares & components) | 2889.82 | 2858.00 | |
| Income from Services | 8.68 | 9.29 | |
| Scrap Sales | 4.89 | 4.28 | |
| Revenue from Operations (Gross) | 2903.39 | 2871.57 | |
| Less: Service Tax Recovered | 0.28 | 1.20 | |
| Less: Sales Tax & Vat Recovered | 21.39 | 72.50 | |
| Less: GST Output | 476.24 | 0.00 | |
| Total | 2405.48 | 2797.87 | |
| 28 OTHER INCOME: | | | |
| Interest Income on: | | | |
| Bank Deposit | 99.11 | 91.33 | |
| Others | 0.71 | 0.76 | |
| Profit on Sale of Fixed Assets | 1.05 | 0.00 | |
| Other Non-Operating Income | 8.65 | 7.82 | |
| (Includes Foreign Exchange Fluctuation gain of 1.17 lakhs (Previous year 0.70 lakhs)) | | | |
| (Includes loss on fair valuation of Investment 4.91 lakhs (Previous year 0.00 lakhs)) | | | |
| Total | 109.52 | 99.91 | |
| 29 COST OF MATERIALS CONSUMED | | | |
| Inventory at the beginning of the year | 288.60 | 310.42 | |
| Add: Purchase | 808.21 | 953.11 | |
| | 1096.81 | 1263.53 | |
| Less: Inventory at the end of the year | 245.91 | 288.60 | |
| Cost of Material Consumed | 850.90 | 974.93 | |
| 29.1 Imported and Indigenous Raw Material Consumed | | | |
| Raw Material Consumed - Indigenous | 421.11 | 417.13 | 42.79% |
| Component Consumed - Indigenous | 429.63 | 557.80 | 57.21% |
| Component Consumed - Imported | 0.16 | 0.00 | 0.00% |
| Total | 850.90 | 974.93 | 100.00% |



| PARTICULARS | Rs. In Lakhs | |
|--|--------------------------|--------------------------|
| | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
| 29.2 Details of Raw Material Consumed | | |
| Raw Material Aluminium | 116.45 | 124.25 |
| Raw Material Cast Iron & Steel | 304.66 | 292.88 |
| Raw Material Boughtout Components | 429.79 | 557.80 |
| Total | 850.90 | 974.93 |
| 29.3 Details of Raw Material at the end of the year | | |
| Raw Material Aluminium | 10.75 | 7.62 |
| Raw Material Cast Iron & Steel | 110.30 | 132.34 |
| Raw Material Boughtout Components | 124.86 | 148.64 |
| Total | 245.91 | 288.60 |
| 30 CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS | | |
| Inventory at the end of the year | | |
| Finished goods | 86.89 | 137.99 |
| Stock in Process | 106.16 | 122.14 |
| Scrap | 0.65 | 0.78 |
| Total | 193.70 | 260.91 |
| Inventory at the beginning of the year | | |
| Finished goods | 137.99 | 158.55 |
| Stock in Process | 122.14 | 97.52 |
| Scrap | 0.78 | 1.37 |
| Total | 260.91 | 257.44 |
| (Increase)/Decrease in stock | -67.21 | 3.47 |
| 30.1 Details of Stock in Process | | |
| Cast Iron & Steel Components | 59.07 | 83.36 |
| Aluminium Components | 47.09 | 38.78 |
| Total | 106.16 | 122.14 |
| 31. EMPLOYEE BENEFITS EXPENSES | | |
| Salaries and Wages | 672.47 | 652.11 |
| Contribution to Provident & Other Funds | 88.01 | 75.84 |
| Staff Welfare Expenses | 5.53 | 5.38 |
| Total | 766.01 | 733.33 |
| 32 FINANCE COST | | |
| Interest to Bank & Other | 0.09 | 0.00 |
| Total | 0.09 | 0.00 |
| 33 OTHER EXPENSES: | | |
| Manufacturing Expenses | | |
| Consumption of Stores and Spares | 83.96 | 111.44 |
| Power and Fuel | 80.97 | 82.11 |
| Machining and Other Job Work Charges | 29.29 | 41.74 |
| Repairs to Plant and Machinery | 17.09 | 14.15 |
| Repairs to Building | 1.33 | 2.43 |
| Lease Rent (Includes Amortisation Expenses 0.21 lakh (P. Y. 0.21)) | 0.27 | 0.27 |
| Selling and Distribution Expenses | | |
| Distribution Expenses | 21.28 | 24.71 |
| Commission, Discounts & Rebates | 45.59 | 59.71 |
| Sales Promotion | 1.27 | 1.66 |
| Bad Debts/Liquidated Damages | 2.17 | 5.26 |



| PARTICULARS | Rs. In Lakhs | |
|---|--------------------------|--------------------------|
| | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
| Other Establishment Expenses | | |
| Legal & Professional Fees | 14.60 | 10.86 |
| Rent | 6.16 | 6.08 |
| Rates and Taxes | 4.33 | 3.29 |
| Insurance | 3.92 | 3.75 |
| Bank Charges | 6.93 | 9.76 |
| Communication Cost | 8.19 | 8.52 |
| Other Repairs | 5.49 | 3.52 |
| Travelling and Conveyance | 43.12 | 41.74 |
| Directors Sitting Fees | 0.42 | 0.45 |
| Vehicle Running and Maintenance Expenses | 6.85 | 6.97 |
| <u>Payment to Auditors :</u> | | |
| Audit Fees | 1.45 | 1.45 |
| Taxation matters | 0.35 | 0.50 |
| Reimbursement of Expenses | 0.15 | 0.12 |
| Loss on Sale/Discard of Fixed Assets | 0.00 | 0.74 |
| Charity and Donation | 0.09 | 0.06 |
| Subscription & Membership Fee | 4.58 | 4.18 |
| Advertisement & Publicity | 0.40 | 0.32 |
| Printing & Stationery Expenses | 3.30 | 3.22 |
| Miscellaneous Expenses | 6.02 | 5.74 |
| Total | 399.57 | 454.75 |
| 33.1 Imported and Indigenous Stores and Spares Consumed | | |
| Stores and Spares Consumed - Indigenous (100%) | 83.96 | 111.44 |
| Total | 83.96 | 111.44 |
| 33.2 Prior Period Item (Included in Miscellaneous Expenses) | | |
| Debit relating to earlier year | 0.00 | 0.02 |
| Credit relating to earlier year | 0.01 | 2.02 |
| Total | (0.01) | (2.00) |
| 34 Earning Per Equity Share (EPS) | | |
| (i) Net Profit after tax as per statement of Profit & Loss Account | 232.68 | 274.75 |
| (ii) Weighted Average number of equity shares | 4927000 | 4927000 |
| (iii) Basic and Diluted Earnings per share (in Rs.) | 4.72 | 5.58 |
| 35 Contingent Liabilities and Commitments (To the extend not provided for) (As certified by the Management) | | |
| 35.1 Estimated amount of contracts remaining to be executed on capital account | 0.00 | 0.00 |
| 35.2 Contingent Liabilities | | |
| (i) Counter Guarantees given to the Bank in respect of Guarantees given by them on behalf of the company. | 302.65 | 338.46 |
| (ii) Demands against the Company being disputed not acknowledged as debt and not provided for in respect of : | | |
| (a) Sales Tax | 51.57 | 51.57 |
| (b) Labour payment | 3.04 | 3.04 |
| (iii) Liability of Bonus due to retrospective effect of Notification for the F.Y. 2014-15 being stayed by the M.P. High Court | 21.48 | 21.48 |
| 36 Value of Imports on C.I.F. basis | | |
| Raw material Components | 0.00 | 0.00 |
| 37 Expenditure in Foreign Currency | | |
| Travelling Expenses | 1.70 | 3.70 |
| Warranty Expenses | 2.56 | 0.00 |



| | | |
|--|----------------|---------|
| 38 Earnings in Foreign Currency on FOB basis : | | |
| Export Sales & Services (Including Nepal sales realised in Indian Rupee) | 172.67 | 127.08 |
| 39 Remittance in Foreign Currency on Account of Dividends : | | |
| (a) Year to which the dividend relates | 2016-17 | 2015-16 |
| (b) Number of non resident shareholders to whom remittances were made | 206 | 241 |
| (c) Number of shares on which remittances were made | 154384 | 148442 |
| (d) Amount remitted in (Rs.) | 2.70 | 3.71 |
| 40 Corporate Social Responsibility Expenditure: | | |
| (a) Amount required to be spent as per section 135 of the year. | 28.26 | 26.26 |
| (b) Amount spent during the year on: | | |
| (I) Construction/acquisition of any assets | 0.00 | 0.00 |
| (II) On purposes other than (I) above | 4.00 | 10.01 |

41 Disclosure in respect of Related Parties pursuant to Indian AS 24**41a List of related Parties**

| | | |
|-----------|---|------------------------------|
| 1 | Mr. Ashok Jain | Chairman & Managing Director |
| 2 | Mr. Kunal Jain | Executive Director |
| 3 | Mrs. Radhica Sharma | Dy. Managing Director |
| 4 | Mr. Praful R. Turakhia | Director |
| 5 | Mr. M. K. Shah | Director |
| 6 | Mr. K. C. Jain | Director |
| 7 | Mrs. Pramila Jain | Relative of Director |
| 8 | Mr. Sundeep Sharma | Relative of Director |
| 9 | Mrs. Sunaina Jain | Relative of Director |
| 10 | Mrs. Monica Jain | Chief Financial Officer |
| 11 | Mr. Devendra Kumar Sahu | Company Secretary |
| 12 | M/S Focus Eye Technocraft P.Ltd. (Director Mr. Sundeep Sharma) | Relative of Director |
| 13 | M/S Techwave IT Solutions P.Ltd. (Director Mr. Sundeep Sharma) | Relative of Director |
| 14 | Redwood Packaging P. Ltd. | Director |

41b Transactions during the year with related parties

| S.No. | Name of the person | Relation | Nature of Transactions | 2017-18 | 2016-17 |
|-----------|---|------------------------------|---------------------------|--------------|---------|
| 1 | Mr. Ashok Jain | Chairman & Managing Director | Remuneration | 44.44 | 44.22 |
| 2 | Mr. Kunal Jain | Executive Director | Remuneration | 35.01 | 32.12 |
| | | | Rent of Registered Office | 1.93 | 1.85 |
| 3 | Mrs. Radhica Sharma | Dy. Managing Director | Remuneration | 27.37 | 24.02 |
| 4 | Mr. Praful R. Turakhia | Director | Sitting Fee | 0.15 | 0.15 |
| 5 | Mr. M. K. Shah | Director | Sitting Fee | 0.12 | 0.15 |
| 6 | Mr. K. C. Jain | Director | Sitting Fee | 0.15 | 0.15 |
| 7 | Mrs. Pramila Jain | Relative of Director | Remuneration | 13.80 | 12.74 |
| 8 | Mr. Sundeep Sharma | Relative of Director | Remuneration | 11.27 | 10.33 |
| 9 | Mrs. Sunaina Jain | Relative of Director | Remuneration | 7.85 | 7.02 |
| 10 | Mrs. Monica Jain | Chief Financial Officer | Remuneration | 11.60 | 10.98 |
| 11 | Mr. Devendra Kumar Sahu | Company Secretary | Remuneration | 4.35 | 3.58 |
| 12 | M/S Focus Eye Technocraft P.Ltd. (Director Mr. Sundeep Sharma) | Relative of Director | Computer & its material | 0.93 | 1.58 |
| 13 | M/S Techwave IT Solutions P.Ltd. (Director Mr. Sundeep Sharma) | Relative of Director | Software maintenance | 1.53 | 4.17 |

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

**43. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:**

The Company's principal financial liabilities comprise of trade payables. The Company has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the Company's Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

A. MARKET RISK

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

B. CREDIT RISK

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables.

None of the financial instruments of the Company result in material concentrations of credit risks. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was 1118.60 lakhs as at 31st March 2018 and 875.27 lakhs as at 31st March 2017, being the total of the carrying amount of trade receivables and current investments.

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

Credit risk from balances with banks and investment of surplus funds in mutual funds is managed by the Company's finance department.

C. LIQUIDITY RISK

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks.

D. BORROWING RISK

Borrowing risk is the risk associated with borrowed capital. The Company has policy to borrow fund from banks or other financial institutions to meet its financial obligation time to time. Borrowed money may be in form of secured (charge create on Company's assets) or unsecured.

Mainly risk associated with the borrowed fund is change in interest rate by RBI time to time. The risk is reviewed regularly by the Audit Committee and Risk Management Committee of the Company.

The balance of borrowing fund from bank in the financial year ended 31st March, 2018 was Rs. 2.95 lakhs as compared to previous financial year ended 31st March, 2017 was Rs 40.75 lakhs

44. FIRST-TIME ADOPTION OF IND AS:

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first



Ind AS financial statements which is for the year ended 31st March, 2018 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous Accounting Standard (AS) have been recognized directly in equity (retained earnings or another appropriate category of equity).

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous AS to Ind AS.

A. Optional Exemptions availed

(a) Deemed Cost

The Company has opted paragraph D7 AA and accordingly considered the carrying value of property, plant and equipments and Intangible assets as deemed cost as at the transition date.

B. Applicable Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous AS (after adjustments to reflect any difference in accounting policies).

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous AS to Ind AS as required under Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 (Transition Date)

Reconciliation of Balance sheet as at March 31, 2017

II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

III. Reconciliation of Equity as at April 1, 2016 and as at March 31, 2017

The presentation requirements under Previous AS differs from Ind AS, and hence, Previous AS information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous AS information is derived from the Financial Statements of the Company prepared in accordance with Previous AS.

I. Reconciliation of Balance sheet as at April 1, 2016 (Transition Date)

(Amount in Rupees)

| | Note | As at March 31, 2017 | | | As at April 01, 2016 | | |
|---|----------|----------------------|--------------|------------------|----------------------|--------------|------------------|
| | | Previous AS | Adjust -ment | AS per IND AS | Previous AS | Adjust -ment | AS per IND AS |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| ASSETS | | | | | | | |
| Non-current assets | | | | | | | |
| (a) Property, Plant and Equipment | | 74754779 | - | 74754779 | 76762967 | - | 76762967 |
| (b) Capital Work-in-progress | | 1815215 | - | 1815215 | 2316478 | - | 2316478 |
| (c) Intangible assets | | 627614 | - | 627614 | 355890 | - | 355890 |
| (d) Intangible assets under development | | 925000 | - | 925000 | 997125 | - | 997125 |
| (e) Financial Assets | | | | | | | |
| (i) Other Financial assets | A | 0 | 127172827 | 127172827 | - | 70326915 | 70326915 |
| (e) Other non-current assets | | 3489957 | - | 3489957 | 3216896 | - | 3216896 |
| Total Non -Current Assets | | 81612565 | - | 208785392 | 83649356 | - | 153976271 |



| | | | | | | | |
|--|---|------------------|-----------|------------------|------------------|----------|------------------|
| Current Assets | | | | | | | |
| (a) Inventories | | 56948348 | - | 56948348 | 58493430 | - | 58493430 |
| (b) Financial Assets | | | | | | | |
| (i) Trade receivables | | 87526591 | - | 87526591 | 121299833 | - | 121299833 |
| (ii) Cash & Cash equivalents | A | 130323933 | 127467687 | 294860 | 75257173 | 73961872 | 2634957 |
| (iii) Bank Balances other than (ii) above | | 0 | 2856246 | 2856246 | 0 | 2295301 | 2295301 |
| (c) Other current assets | | 3122838 | - | 3122838 | 4614655 | - | 4614655 |
| Total Current Assets | | 277921710 | - | 150748883 | 259665091 | - | 189338176 |
| Total assets | | 359534275 | - | 359534275 | 343314447 | - | 343314447 |
| EQUITY AND LIABILITIES | | | | | | | |
| Equity | | | | | | | |
| (a) Equity share capital | | 49270000 | - | 49270000 | 49270000 | - | 49270000 |
| (b) Other Equity | B | 237332994 | 10377533 | 247710527 | 220235099 | 14825054 | 235060153 |
| Total Equity | | 286602994 | - | 296980527 | 269505099 | - | 284330153 |
| Liabilities | | | | | | | |
| Non-current Liabilities | | | | | | | |
| (a) Provisions | | 7159549 | - | 7159549 | 6214225 | - | 6214225 |
| (b) Provisions Deferred tax liabilities (net) | | 3902811 | - | 3902811 | 4553949 | - | 4553949 |
| Total Non-current Liabilities | | 11062360 | - | 11062360 | 10768174 | - | 10768174 |
| Current liabilities | | | | | | | |
| (i) Borrowings | | 4075384 | - | 4075384 | 0 | - | 0 |
| (ii) Trade payables | | 20064170 | - | 20064170 | 19632043 | - | 19632043 |
| (iii) Other Financial Liabilities | | | 2856246 | 2856246 | - | 2295301 | 2295301 |
| (a) Other current liabilities | C | 21896572 | 2856246 | 18806975 | 23835692 | 2295301 | 19780181 |
| (b) Provisions | B | 15832795 | 10377533 | 5455262 | 19573439 | 14825054 | 4748385 |
| Current tax liabilities (Net) | C | 0 | 233351 | 233351 | 0 | 1760210 | 1760210 |
| Total Current Liabilities | | 61868921 | - | 51491388 | 63041174 | - | 48216120 |
| Total Equity and Liabilities | | 359534275 | - | 359534275 | 343314447 | - | 343314447 |

Note: The previous AS figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

A. Other Financial Assets :

Under the previous AS, Fixed deposits with more than maturity period one year were included in cash & cash equivalents and unpaid dividend account balances with bank were also included in cash & cash equivalents .

Under the Ind AS fixed deposits with more than maturity period of one year were separately disclosed in heading under other financial assets and dividend accounts balances were disclosed in other than bank balances as per the requirement of Ind AS.

B. Proposed dividend:

Under the previous AS, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events and accordingly, provision for proposed dividend was recognized as a liability.



Under Ind AS, such dividends are recognized when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend including dividend distribution tax (DDT) of Rs. 1,48,25,054 as at 1st April, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings.

Consequently, the total equity has been increased by an equivalent amount. The same has been recognized in retained earnings during the year ended 31st March 2017 as declared and paid. Proposed dividend including Dividend Distribution tax (DDT) liability as on 31st March 2017 amounting to Rs. 1,03,77,533 is also derecognized on that date with the corresponding increase in the retained earnings.

C. Other Current Liabilities:

Under the previous AS, current liabilities were included the amount of unclaimed dividend and current tax liabilities.

Under the Ind AS, the current liabilities were regrouped and amount of unclaimed dividend was transferred into the sub heading "Other Financial Liabilities" and current tax liabilities was transferred into the separate heading called "Current Tax Liabilities"

II. Reconciliation of Total Comprehensive Income for the year ended March, 31, 2017:

(Amount in Rupees)

| Particulars | Note No. | Previous AS | IND AS Adjustment | IND AS |
|---|----------|------------------|-------------------|------------------|
| 1 | 2 | 3 | 4 | 5 |
| Revenue from Operations (Gross) | D | 255238242 | 24549333 | 279787575 |
| Other Income | | 9991174 | - | 9991174 |
| Total Income | | 265229416 | | 289778749 |
| EXPENSES | | | | |
| Cost of material consumed | | 97492721 | - | 97492721 |
| Purchase of Stock -in-Trade | | 0 | | 0 |
| Change in inventories of finished goods, Stock-in-Trade and work in progress | | -347083 | - | -347083 |
| Taxes on sale of goods | D | 0 | 24549333 | 24549333 |
| Employees benefits expense | | 73333117 | - | 73333117 |
| Finance costs | | 356 | - | 356 |
| Depreciation and amortization | | 6874061 | - | 6874061 |
| Other Expenses | | 45475167 | - | 45475167 |
| CSR Expenses | | 1001000 | - | 1001000 |
| Total Expenses | | 223829339 | - | 248378672 |
| Profit/(loss) before exceptional items and tax | | 41400077 | - | 41400077 |
| Exceptional Items | | 0 | - | 0 |
| Profit/(loss) before tax | | 41400077 | | 41400077 |
| Tax expense: | | | - | |
| (1) Current tax | | 14409635 | - | 14409635 |
| (2) Deferred tax | | -651138 | - | -651138 |
| (3) Tax adjustments related to previous year | | 166152 | - | 166152 |
| Profit (loss) for the period from continuing operations | | 27475428 | - | 27475428 |
| Profit (loss) for the period | | 27475428 | - | 27475428 |
| Other Comprehensive Income | | 0 | - | 0 |
| Total Comprehensive Income | | 27475428 | - | 27475428 |

Note: The previous AS figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



D. Excise Duty:

Under the previous AS, revenue from sale to goods was presented exclusive of excise duty. Under Ind AS revenue from sales of goods is presented inclusive of excise duty. Excise duty paid is presented on face of statement of profit and loss account as a part of expense. This change has resulted in increase in total revenue and total expense for the year ended March 31, 2017. There is no impact on total equity and profit.

III. Reconciliation of Equity as at April 1, 2016 and as at March 31, 2017

(Amount in Rupees)

| Particulars | Notes | As at 31.03.2017 | As at 01.04.2016 |
|--|-------|------------------|------------------|
| 1 | 2 | 3 | 4 |
| Other equity as per previous AS | | 237332994 | 220235099 |
| Add: 1. Reversal of proposed dividend | E | 8622250 | 12317500 |
| 2. Tax on proposed dividend | E | 1755283 | 2507554 |
| Net other equity as per IND AS | | 247710527 | 235060153 |

E. Proposed dividend:

Please refer note no. B of the Reconciliation of Balance sheet for dividend recognition.

For C. P. RAWKA & CO.

For and on behalf of the Board

CHARTERED ACCOUNTANTS,

Firm No. : 000518C

(ASHOK JAIN)

CHAIRMAN & MANAGING DIRECTOR

DIN : 00007813

(RADHICA SHARMA)

DY. MANAGING DIRECTOR

DIN : 06811597

(C. P. RAWKA)

PROPRIETOR

M.No. 070060

(KUNAL JAIN)

EXECUTIVE DIRECTOR

DIN : 01475424

(M.K. SHAH)

DIRECTOR

DIN : 00014556

(K.C. JAIN)

DIRECTOR

DIN : 00007916

(PRAFUL R. TURKHIA)

DIRECTOR

DIN : 00366398

(MONICA JAIN)

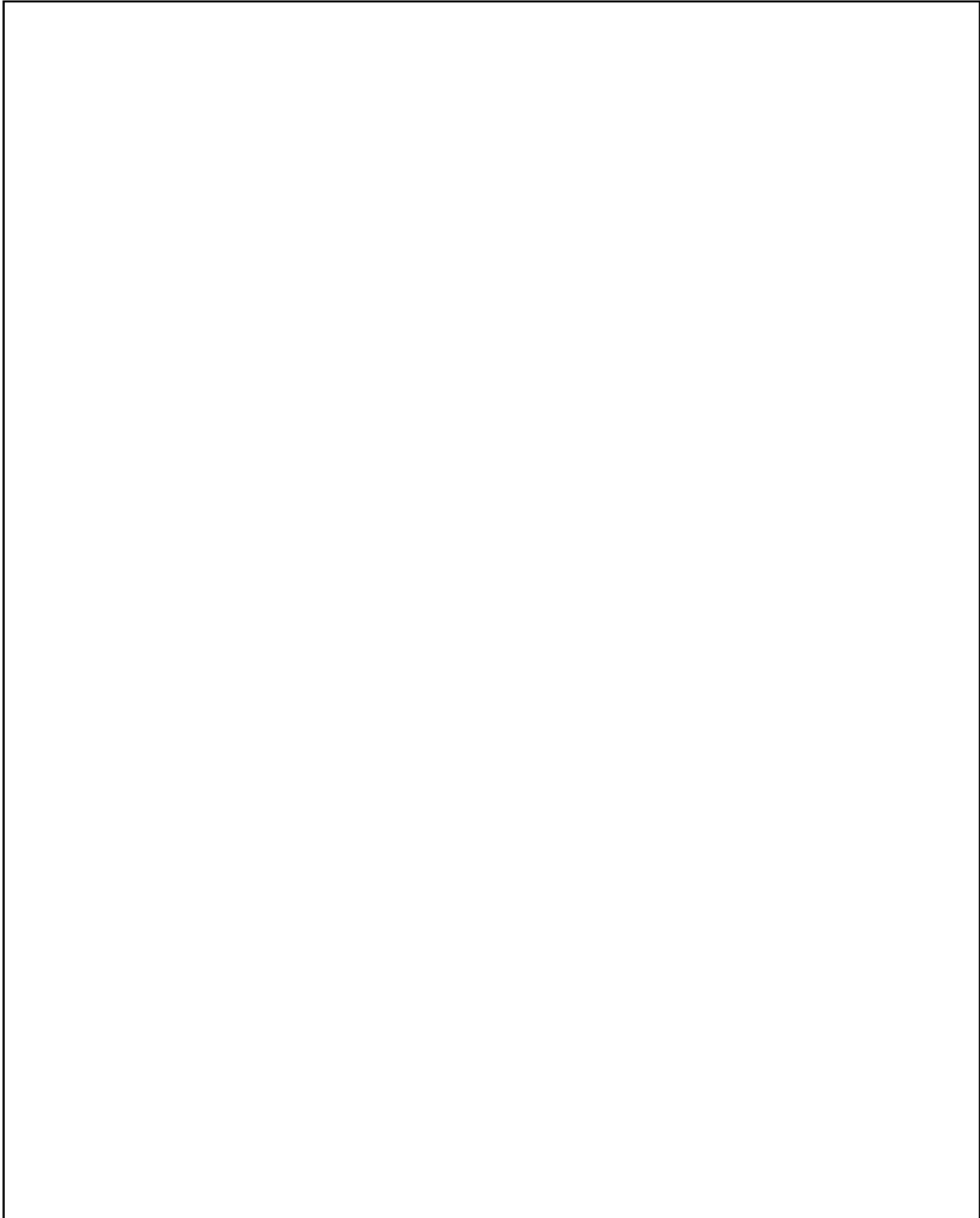
CHIEF FINANCIAL OFFICER

(DEVENDRA KUMAR SAHU)

COMPANY SECRETARY

Place : Indore

Date : This 30th Day of May, 2018





**PROXY FORM
FORM MGT- 11**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name : FLUIDOMAT LIMITED
 CIN : L74210MP1978PLC001452
 Regd office : 117, 1st Floor, Navneet Darshan,16/2, Old Palasia, Indore (M.P.)-452018
 Name of the member (s) :
 Registered address :
 E-mail Id :
 Folio No/ Client Id :
 DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
 Address : E-mai Id:.....
 Signature : or failing him.....
2. Name :
 Address : E-mail Id:.....
 Signature : or failing him.....
3. Name :
 Address : E-mail Id:.....
 Signature : or failing him.....

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 42nd Annual general meeting of the company, to be held on the 26th September, 2018 at the Pritam Lal Dua Auditorium, Government Ahilya Central Library, Near Regal Square, M G Road, Indore-452001 at 2.00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions

| | |
|----|---|
| 1. | Ordinary Resolution for consider and adopt the audited Financial Statements containing the Balance Sheet as at 31 st March, 2018, the Statement of Profit & Loss, Cash Flow Statement and Statement of Other Equity for the financial year ended 31 st March, 2018 and the Reports of the Boards' and Auditors thereon. |
| 2. | Ordinary Resolution for declare dividend on equity shares of the Company for the financial year ended 31 st March, 2018 |
| 3. | Ordinary Resolution to appoint a director in place of Shri Ashok Jain (DIN: 00007813) who liable to retire by rotation and being eligible offers herself for re-appointment. |
| 4. | Special Resolution to re-appoint Shri Ashok Jain (DIN: 00007813) on account of attainment of 70 years of age on 4 th January, 2019 as the Chairman & Managing Director of the Company for a period of five years w.e.f. 1 st July, 2019 and approval of remuneration. |
| 5. | Special Resolution to re-appoint Shri Khushal Chandra Jain (DIN: 00007916) as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, w.e.f. 1 st April, 2019 to 31 st March, 2024." |
| 6. | Special Resolution to re-appoint Shri Mahendra Kumar Shah (DIN: 00014566) as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, w.e.f. 1 st April, 2019 to 31 st March, 2024." |
| 7. | Special Resolution to re-appoint Shri Praful Ratilal Turakhia (DIN: 00366398) as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, w.e.f. 1 st April, 2019 to 31 st March, 2024." |

Signed this..... day of..... 2018



Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**ATTENDANCE SLIP
42nd Annual General Meeting of Fluidomat Limited**

R.F. No. _____

Mr./Mrs./Miss _____

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

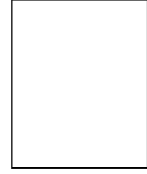
I/We hereby record my/our presence at the 42nd Annual General meeting of the company at the Pritam Lal Dua Auditorium, Government Ahilya Central Library, Near Regal Square, M G Road, Indore-452001 on 26th September, 2018.

(If signed by proxy, his name should be Writen in block letters)

(Shareholders/proxy's Signature)

Note:

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.



BOOK - POST

If undelivered please return to :

FLUIDOMAT LIMITED

117, 1st Floor, Navneet Darshan,
16/2, Old Palasia, Indore (M.P.) - 452018

Tel.: 0731-2564820

Email id : info@fluidomat.com

Website : www.fluidomat.com