

Enriching Environment

37TH
ANNUAL REPORT
2018-2019

ENVAIR ELECTRODYNE LIMITED

CORPORATE INFORMATION**BOARD OF DIRECTORS**

NAME	DESIGNATION
Mr. Anil Nagpal	Managing Director
Mr Harish Agarwal	Non-Exe Director
Mr. Archit Aggarwal	Non-Exe.Director
Mr. Jayesh Parmar	Independent Director
Dr. Avinash Kulkarni	Independent Director
Mr. Sanjiv Narain	Independent Director
Mrs. Prachi Narula	Women Independent Director

OTHER KEY MANAGERIAL PERSONNEL

NAME	DESIGNATION
CS Ankita Trivedi	Company Secretary & Compliance Officer
Mr. Prince Vohra	Chief Financial Officer

<p><u>Statutory Auditor:</u></p> <p>M/s C.V. Chitale & Co. Chartered Accountants 3, Gurukrupa, 1317, Shukrawar Peth Off Bajirao Road PUNE 411 002</p> <p><u>Internal Auditor</u></p> <p>Devesh Shah & CO. Mumbai</p>	<p><u>Secretarial Auditor</u></p> <p>Mr. I.U. Thakur Company Secretary in Practice, MSR Capital, Morwadi Pune</p> <p><u>Banker</u></p> <p>Bank of India, Pimpri, Pune 411 018 IDBI Bank, Nigdi, Pune 411 044</p>
<p><u>Name of the stock exchange</u></p> <p>BSE Ltd.</p>	<p><u>Registered office & Works</u></p> <p>117, 'S'Block MIDC Bhosari Pune 411026 E-mail id- info@envair.in Website: www.envair.in</p>

Name of Registrar & Transfer Agent : Universal Capital Securities Pvt. Ltd.

21, Shakil Niwas, Mahakali Caves Road, Andheri (East) Mumbai 400093

ENVAIR ELECTRODYNE LIMITED

NOTICE

Notice is hereby given that the 37th Annual General Meeting of Envaire Electrodyne Ltd. will be held on Monday, 30th September 2019 at 12.30 p.m. at Company's Registered office at 117 'S' Block, MIDC, Bhosari, Pune-411026 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019 together with the Board's Report & Auditor's Report thereon.
2. To appoint a Director in place of Mr. Harish Agarwal (Din: 02185002) who retires by rotation and being eligible, offers himself for reappointment
3. To appoint a Director in place of Mr. Archit Agarwal (Din: 08127356) who retires by rotation and being eligible, offers himself for reappointment

SPECIAL BUSINESS:

4. **APPOINTMENT OF MR. SANJIV KUMAR NARAIN (DIN- 07349240) AS INDEPENDENT DIRECTOR OF THE COMPANY:**

To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149,152 read with Schedule IV and other applicable provisions if any of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sanjiv Kumar Narain (DIN-07349240) who was appointed as an Additional Director by the Board of the Directors of the Company with effect from 7th June 2019 and who holds office of Director up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 read with Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as (Independent) Director of the Company who shall not be liable to retire by rotation to hold office of a Director for five consecutive years on the Board of the company."

5. **APPOINTMENT OF MRS. PRACHI NARULA (DIN- 08502922) AS WOMEN INDEPENDENT DIRECTOR OF THE COMPANY:**

To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 161 and other applicable provisions if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Prachi Narula (DIN- 08502922) who was appointed as an Additional Director by the Board of the Directors of the Company with effect from 7th June 2019 and who holds office of Director up to the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 read with Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as (Independent) Director of the Company who shall not be liable to retire by rotation to hold office of a Director for five consecutive years on the Board of the company."

6. **RE-APPOINTMENT OF DR. AVINASH KULKARNI (0016046) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

To consider and if thought fit to pass the following resolution as special resolution"

RESOLVED THAT pursuant to the provisions of sections 149, 152 read with schedule 4 and other applicable provisions, if any of the Companies Act 2013 and the Rules frame their under and the applicable provisions of the securities and exchange board of India (Listing Obligations and Disclosures requirements) 2015, the approval of the members of the Company be and is hereby accorded for re-appointment of Dr. Avinash Kulkarni (DIN : 0016046) who holds office as an independent director and being eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director under section 160 of the Act, as an independent director of the Company, not liable to retire by rotation, to hold a office offer director for five consecutive years on the board of the Company for a term with effect from 1st April 2019 upto 31st March 2024".

NOTES:

1. A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE SAID MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE INSTRUMENT APPOINTING THE PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Documents relating to any of the items mentioned in the notice are open for inspection at the Registered office of the Company on any working day during business hours upto the date of meeting.
4. The Register of Members and share transfer books of the Company will remain closed from 24.9.2019 to 30.9.2019 (both days inclusive).
5. E-voting facility to all the Members has been provided through the E-voting platform of CDSL and the company has appointed Mr. I.U. Thakur, Practicing Company Secretary as Scrutinizer for the E-voting process. Instructions & manner of the process have been detailed in the enclosures forwarded to all members. The Scrutinizer will make a report to the Chairman of the Company, of the votes cast in favour & against and the results on the resolutions along with Scrutinizer's report will be available on the Website of the company within two working days of the same being passed.
6. Members are requested to immediately notify the Company/ Registrar & Transfer Agent, Universal Capital Securities Pvt. Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai 400 093, of any change in their address and Members whose Shares are held in Demat Form are requested to notify the Depository participant of any change in their address.
7. Members whose Shares are held in Demat Form are requested to notify the Depository participant of any change in their address.
8. Members are requested to bring their attendance slip & copy of the Annual Report at the Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agent.
10. 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.evotingindia.com to reset the password.
11. Members of the Company are requested to note that the dividend remaining unclaimed / unpaid for a period of seven years from the date of its transfer to Unclaimed Dividend Account shall be credited to the Investor Education and Protection Fund ('the Fund') set up by the Central Government. The members who have so far not claimed the dividends declared for the Financial Years 2010- 11, 2011-12 and 2012-13 are requested to make their claim with the Company immediately. The Company has uploaded the details of such shareholders on the website of the Company at www.envair.in. Further, the members who have not encashed dividend in previous consecutive seven years are requested to approach the Company/Registrar and Transfer Agent for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF demat account.
12. The Annual Report 2018-19 of the Company, circulated to the members of the Company, is available on the Company's website at www.envair.in and also on the website of BSE Limited at www.bseindia.com.
13. The route map of the venue of the Meeting is given at the end of the Notice.

By order of the Board of Directors
For **ENVAIR ELECTRODYNE LIMITED**

ANKITA TRIVEDI
COMPANY SECRETARY

Place: Pune
Date : 3rd September 2019

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013:

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (the Act) sets out all material facts relating to the business mentioned above of the accompanying notice.

ITEM NO.4 OF THE NOTICE

Pursuant to the provisions of Section 161(1) of the Act read with the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Sanjiv Kumar Narain as an Additional Director (Independent director) of the Company with effect from 7th June, 2019.

In terms of the provisions of Section 161(1) of the Act, Mr. Sanjiv Kumar Narain would hold office upto the date of this Annual General Meeting.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Narain for the office of Director of the company.

The Company has also received Declaration from Mr. Sanjiv Kumar Narain that he meets with the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013.

Mr. Narain holds a Btech in Mechanical Engineering from Indian Institute of Technology, Kanpur and MBA in Financial Management from IIM Kolkata. He is a certified Six Sigma and LEAN Black Belt professional from the J&J Process Excellence foundation. He is Keenly associated with the skilling initiative of the National Skills Development Council of India as a training partner being a founding Director of Jobs Train Enterprises Pvt. Ltd.

In the opinion of the Board Mr. Narain needs with the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013.

The matter regarding appointment of Mr. Narain, as Additional Director was placed before the Nomination & Remuneration Committee for it's recommendation and the same has been recommended by the Nomination & Remuneration Committee

None of the Directors except Mr. Narain is interested in the business.

The Board recommends resolution set out in Item no. 4 of the notice for approval of members.

ITEM NO. 5 OF THE NOTICE

Pursuant to the provisions of Section 161(1) of the Act read with the Articles of Association of the Company, the Board of Directors of the Company appointed Mrs. Prachi Narula as an Additional Director (Women Independent director) of the Company with effect from 7th June, 2019.

In terms of the provisions of Section 161(1) of the Act, Mrs. Prachi Narula would hold office upto the date of this Annual General Meeting.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing the candidature of Mrs. Narula for the office of Director of the Company.

The Company has also received Declaration from Mrs. Narula that she meets with the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013.

Mrs. Narula did BSC (Chemistry) from Mumbai university and completed 4 years masters diploma in software engineering from Aptech Mumbai. She possesses projects, engineering, and operating experience both in India and outside.

In the opinion of the Board Mrs. Narula needs with the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013.

The matter regarding appointment of Mrs. Narula, as Additional Director was placed before the Nomination & Remuneration Committee for it's recommendation and the same has been recommended by the Nomination & Remuneration Committee.

None of the Directors except Mrs. Narula is interested in the business

Item No. 6

As per the Provisions of Section 149 of the Companies Act 2013, the independent director becomes eligible for reappointment on passing of special resolution by the members of the Companies.

Dr. Avinash Kulkarni is eligible to be re-appointed as an independent director for a term of 5 consecutive years with effect from April 1, 2019 to march 31, 2024.

He received a B.tech (Hons) from IIT Bombay, PHD from Univ of Pennsylvania, Philadelphia and MBA

The Nomination and remuneration committee and the Board of directors evaluated performance of Dr. Avinash Kulkarni and rated his performance satisfactory on all the parameters and recommended his appointment as an independent directors of the company, since his possess the requisite qualifications and attributes for re-appointment.

Further, As per the Provisions of Regulation 17 of the Listing Regulations, special resolutions is also required to be passed by the members for appointment or continuation of any person as non executive director who has attained the of 75 years.

Dr. Kulkarni is presently 77 years of age and his contribution in the growth of the Company has help the Company in many ways and will be useful in future the Board feels.

The member are therefore requested to consider the proposal and grant their approval by way of special resolution for re-appointment of Dr. Kulkarni as an Independent director to hold office for a further term of 5 years from April 1 2019 to March 31, 2024, not liable to retire by rotation.

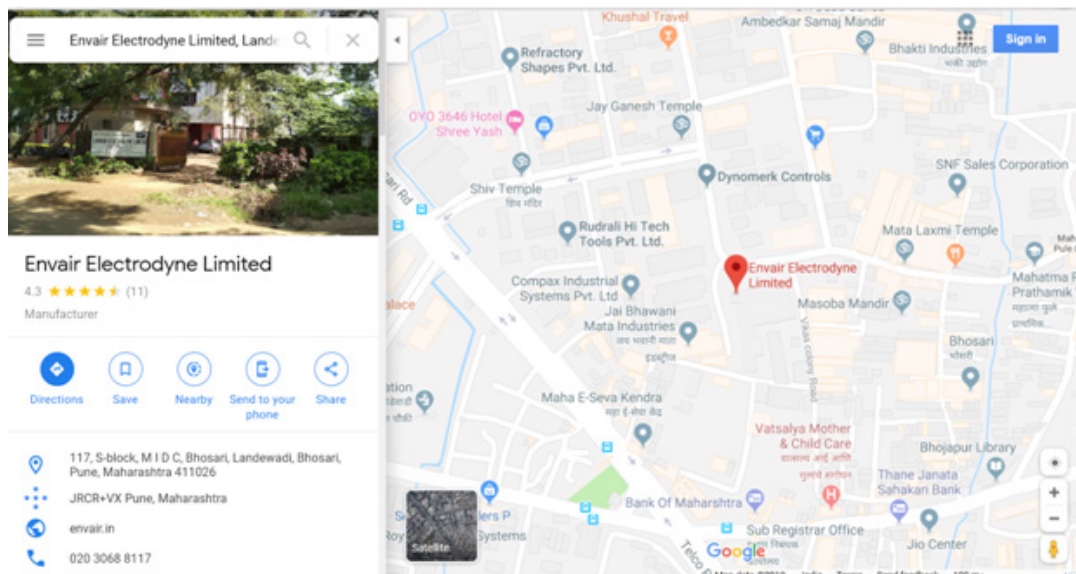
None of the directors/KMP of the Company and their relatives except Dr. Kulkarni is interested or concern, financial or otherwise in the aforesaid resolution.

The Board recommends resolution set out in Item no. 6 of the notice for approval of members.

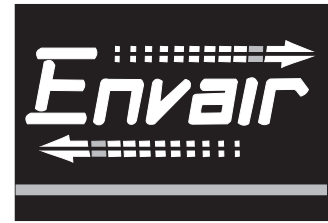
By order of the Board of Directors
For **ENVAIR ELECTRODYNE LIMITED**

Place: Pune
Date : 3rd September 2019

ANKITA TRIVEDI
COMPANY SECRETARY



ENVAIR ELECTRODYNE LTD.



Enriching Environment

ENVAIR/JM/E-VOTING

Dear Shareholder(s),

DP ID – Client ID/ Folio No.	No. of Shares

Pursuant to the Provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014. The Company is offering E-voting facility to its members in respect of the businesses to be transacted at the 37th Annual General Meeting scheduled to be held on Monday, 30th September, 2019 at 12.30 p.m. For this purpose, the company has signed an Agreement with Central Depository Services (India) Ltd. (CDSL) for facilitating E-voting.

E-voting particulars are set out as below:

EVSN (Electronic voting sequence No.)	User ID

The E-voting facility will be available during the following period.

Commencement of E-voting	End of E-voting
27th September, 2019 at 9 a.m.(IST)	29th September, 2019 at 5 p.m.(IST)

The cut off date (i.e. Record date) for the purpose of E-voting 23rd September, 2019. The Board of Directors has appointed Mr. I. U. Thakur, a Practicing Company Secretary as a Scrutinizer for the E-voting process. He will within a period not exceeding 3 working days from the conclusion of the E-voting period unblock the votes in the presence of at least two witnesses not in the employment of the company and will make a Scrutinizer's Report of the votes cast in favor or against to the Chairman of the Company. The results on the resolutions shall be declared on or after the AGM of the company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favor of the resolutions. The results declared alongwith the Scrutinizer's report will be available on the website of the company (www.envair.in) within two days of the passing of the resolutions and communication of the same to the BSE Ltd.

Please read the instructions given overleaf before exercising the vote. The instructions for members for voting electronically are as under:- In case of members receiving e-mail:

- (i) The voting period begins on 27th September, 2019 at 9.00 A.M. (IST) and ends on 29th September, 2019 at 5.00 P.M. (IST). During this period shareholders of the company holding shares in physical form or in dematerialised form, as on the cut off date (Record date) of <Record date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on shareholders
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the Sequence number which is mentioned in address Label affixed on Annual Report, in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend	Enter the Dividend Bank Details or Date of Birth (DD/MM/YYYY format)
Bank Details of Date of Birth (DOB)	As recorded in your Demat Account or in the Company records in order to login <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non-Individual Shareholders & Custodians
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc) & Custodians are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp & sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details the Compliance User should be created using the admin login & password. The Compliance User would be able to link the account (s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com on an approval of the accounts they would be able to cast their votes.
 - A scanned copy of the Board Resolution & Power of Attorney (POA) which they have issued in favour of Custodian, if any should be uploaded in PDF format in the system for the Scrutinizer to verify the same.\
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

By order of the Board of Directors
For **ENVAIR ELECTRODYNE LIMITED**

Place: Pune
Date : 3rd September 2019

ANKITA TRIVEDI
COMPANY SECRETARY

ENVAIR ELECTRODYNE LIMITED

The Statement of Disclosures pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) 2015 and Secretarial Standard -2 on General Meetings is as under:

NAME OF THE DIRECTOR	MR. SANJIV KUMAR NARAIN	MRS. PRACHI NARULA	MR. AVINASH KULKARNI
DIN	07349240	08502922	0016046
DESIGNATION	NON-EXECUTIVE INDEPENDENT DIRECTOR	NON-EXECUTIVE WOMEN INDEPENDENT DIRECTOR	NON EXECUTIVE INDEPENDENT DIRECTOR
DATE OF APPOINTMENT	07.06.2019	07.06.2019	29/03/2003
DATE OF BIRTH	13/01/1962	29/12/1975	26/01/1942
QUALIFICATION	Mechanical Engineering from Indian Institute of Technology, Kanpur and MBA in Financial Management from IIM Kolkata.	BSC (Chemistry) from Mumbai university and completed 4 years masters diploma in software engineering from Aptech Mumbai.	B.TECH (HONS) FROM IIT BOMBAY PHD FROM UNIVERSITY OF PENNSYLVANIA, PHILADELPHIA AND MBA
BRIEF RESUME & EXPERTISE IN SPECIFIC FUNCTIONAL AREA OF THE DIRECTOR	MR. SANJIV HAS EXPERTISE IN METALLURGICAL AND MECHENICAL PRODUCTION PROCESS, RISK ASSESSMENT AND MITIGATION	EXPERT IN DEVELOP SOFTWARE FOR THE COMPANY	DR. AVINASH KULKARNI EXPERT IN UV AIR PURIFIER
DIRECTORSHIP HELD IN OTHER COMPANY	JOBS TRAIN ENTERPRISES PRIVATE LIMITED	-	1. Elkay Chemicals private ltd 2. Aeropure UV Systems Pvt. Ltd 3. Litex Electricals Private Ltd. 4. Arklite Speciality Lamps Pvt. Ltd. 5. Kulkarni Techno Process Private Ltd.
MEMBERSHIP OF COMMITTEE	AUDIT COMMITTEE	AUDIT COMMITTEE	Audit committee, NRC committee, Stakeholder Committee,
NO. OF EQUITY SHARES	-	-	2780
RELATIONSHIP BETWEEN DIRECTORS	NONE	NONE	NONE
NO. OF BOARD MEETINGS ATTENDED DURING THE F.Y 2018-19.	NOT APPLICABLE	NOT APPLICABLE	8

BOARD'S REPORT

To,
The Members

Envair Electrodyne Ltd.

Your Directors are pleased to present your Company's 37th Board's Report, together with the Audited Financial Statement for the Financial Year ended on 31st March 2019:

1. FINANCIAL RESULTS

Particulars	Current Year 2018-19	Previous Year 2017-18
Income Earned During the year	35,195,018	85,539,403
Profit before Taxes & Other adjustments	(27,921,792)	34,669,816
Add prior period income	162020	-
Profit before Taxes	(27,759,772)	34,669,816
Less Provisions for Taxes	47,36,655	-
Less Current Tax		21,33,798
Add/ (Less) Deferred Tax	-	-
Profit for the period	(32,496,427)	32,536,018
Add: Item not classified to profit & loss	2,86,874	-
Total Comprehensive Income	(32,209,553)	32,536,018
Profits carried forward from previous year	28,58,166	(29,677,852)
Less proposed Dividend	-	-
Less Dividend Distribution Tax	-	-
Profits c/f to Balance Sheet	(29,351,388)	32,536,018

2. CHANGE IN NATURE OF BUSINESS IF ANY

During the year under review, there is no change in the nature of business.

3. EXTRACT OF ANNUAL RETURN & WEB LINK OF ANNUAL RETURN

The extract of Annual Return as on 31st March 2019, pursuant to the provisions of Section 92 of the Companies Act, 2013 and Rules framed there under, in the prescribed Form MGT-9 is annexed to this report as "Annexure 2"

The copy of annual return is available on the companies website www.envair.in

4. NUMBER OF BOARD MEETINGS

The Board of Directors duly met 8 times during the financial year 2018-19. During the year, the meetings of the Board of Directors of the Company were held on 11.5.2018, 24.5.2018, 7.7.2018, 9.08.2018, 24.09.2018, 14.11.2018, 31.01.2019 & 11.02.2019, respectively.

5. AUDIT COMMITTEE MEETING

The Company has duly constituted Audit Committee. The Audit Committee was reconstituted by the Board

and consist 5 members. They have vast experience and knowledge of Corporate affairs and Financial management and possess strong accounting and financial Management expertise. All the recommendation made by the Audit committee were accepted by the Board.

6. MANAGEMENT DISCUSSION & ANALYSIS

Sales decreased by 18.50% compared to previous year. The Company has shored up its networth and it now stand at Rs.2,76,07,057/-. This would provide a spring board for future growth of the company.

Prestigious assignments for ESD(Electro static discharge) Furniture and fume extraction system were done for Sloyd Ventures, Hyderabad.

Prestigious assignment for Technical furniture were done for Apollo Micro Systems Ltd.

Prestigious assignment for clean room were done for Nuclear Power Corporation Ltd..

7. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Act, the Board hereby submits its Responsibility Statement:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTOR

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Act and Clause 49 of the Listing Agreement so as to qualify themselves to be continued as Independent Directors under the provisions of the Act and the relevant Rules.

9. SHARE CAPITAL

The Paid up equity share capital as on 31st March 2019 was Rs. 30,400,000. Their was preferential issue of 16,00,000 convertible warrants to promoter and non promoter group. The warrants to be converted into equity shares.

16,00,000 warrants allotted on 24th September 2018 in board meeting to promoter and non promoter group and members approval of preferential issue had been taken in previous Annual General Meeting held on 10th August 2018.

The price of warrants to be issued is fixed at Rs. 30 Per warrants convertible into equal number of equity share of Rs. 10/- each at premium of Rs. 20/- per share in accordance with the price determined in terms of Regulation 76A of the ICDR Regulations. The warrants shall be exercised within a period of 18 months from the date of allotment, in one or more tranches

10. NOMINATION AND REMUNERATION COMMITTEE

The company has duly established Nomination & Remuneration Committee. The Committee has presented to the Board the policy with respect to remuneration to the Directors, Key Managerial Personnel and other employees

11. DIRECTOR'S APPOINTMENT AND REMUNERATION

As per Clause 128 of the Article of Association of the Company, one third strength of the Board is required to retire by rotation at the ensuing Annual General Meeting. Mr. Harish Agarwal and Mr. Archit Aggarwal, Director will retire by rotation.

Mr. Vikas Khanvelkar resigned from the post of Independent Director on 23rd October 2018.

Mr. Sanjiv Kumar Narain is appointed as Independent director with effect from 7th June 2019.

Mrs. Prachi Narula is appointed as Women Independent Director with effect from 7th June 2019.

12. AUDITORS:

a) Statutory Auditors:

The Shareholders at the 35th Annual General Meeting, appointed M/s C.V. Chitale, Chartered Accountants (Firm Registration no. 126338W) Pune as statutory Auditor's of the Company for a period of five years.

In response to the qualification specified by the statutory auditor, the management views are as under:

Trade receivable, Trade payable and advances are receivable/ payable in due course of time except as provided in financial statement. As per management no further provision is required for said balance.

b) Secretarial Auditors:

Mr. I.U. Thakur Company Secretary in Practice having Membership no. FCS 2298 was appointed to conduct the Secretarial Audit of the Company for the F.Y. 2018-

19 as required under section 204 of the Act and Rule made there Rule under. The Secretarial Audit report, in form MR-3 for the F.Y. 2018-19 is annexed to this report.

c) Internal Auditor

Devesh shah & Co., Chartered Accountants are the Internal Auditor of the Company.

13. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

During the Financial Year, your Company has not given any loan, guarantees & investments covered under Section 186 of the Companies Act, 2013.

14. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year 2018-19 were on an arm's length basis and were in the ordinary course of business. All related party transactions are placed before the Audit Committee as also the Board for approval.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company except remuneration paid to the Executive Director as per the Companies Act, 2013.

The particulars of Transactions with related parties in prescribed form under Section 134 of the Companies Act, 2013 has been mentioned in Note No. 14 of the Financial Statements..

15. RESERVES

The company proposes to carry Rs. (29,35,188)/- to Reserves after adjusting previous profit of Rs. 28,58,166/- from current year loss of Rs.32,209,553/-. This makes Equity plus other Equity as Rs 15,607,057/-.

16. DIVIDEND

Since there was no operational profit, the Board has not recommended any dividend during the Financial Year 2018-19.

17. MATERIAL CHANGES & COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET & THE DATE OF REPORT

There are no material changes between the date of Balance Sheet & the date of this report that would affect the financial position of the Company.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE & OUTGO

Information required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014 is given in "Annexure 1" attached to this Report.

19 RISK MANAGEMENT POLICY

Risk of obsolesce of products, manufacturing equipment's & processes are regularly evaluated.

20 CORPORATE SOCIAL RESPONSIBILITY

Since the Company's networth does not exceed Rs. 500

crores or Company's turnover does not exceed Rs. 1000 crores or the Company's net profit does not exceed Rs. 5 crore for any financial year, the provisions of section 135 of the Companies Act, 2013 are not applicable.

21. FORMAL ANNUAL EVALUATION

The Board has formulated a Board Evaluation Policy for evaluation of Individual Directors as well as the entire Board & Committees of the Board. The Evaluation frame work is divided in to parameters based on the various performance criteria to be done annually. The evaluation for the year ended 31st March, 2019 has been completed.

Sr. No.	Particulars	Disclosure
1.	Financial summary/highlights	Already given in Sr.No.1
2.	Change in the nature of business	There is no change in the nature of business.
3.	Details of directors or key managerial personnel who were appointed or have resigned during the year;	Mr. Vikas Khanvelkar resigned from the post of Independent Director on 23rd October 2018. Mr. Rajabhau Ramchandr Joshi resigned from the post of C.F.O on 11 th September 2018 Mr. Prince Vohra, is appointed as Chief Finance officer with effect from 23th April 2019. Mr. Sanjiv Kumar Narain appointed as Independent director with effect from 7th June 2019. Mrs. Prachi Narula appointed as Women Independent Director with effect from 7th June 2019. Mr. Prince Vohra appointed as CFO with effect from 23 rd April 2019
	Names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year along with reasons therefore;	The company does not have any subsidiaries.

22. DISCLOSURES PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER

Sr. No.	Particulars		
(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Name of the Director: Mr. Anil Nagpal Mr. Harish Agarwal Mr. Archit Agarwal	Ratio: 0:0 0:0
(ii)	Percentage increase in remuneration of each director and CEO in the financial year	Mr. Anil Nagpal Mr. Harish Agarwal Mr. Archit Agarwal	0.00% 0.00%
(iii)	Percentage increase in the median remuneration of employees in the financial year		0.00%
(iv)	Number of permanent employees on the rolls of company;		40
(v)	Explanation on the relationship between average increase in remuneration and company performance		Remuneration is revised based on the Company's policy which is based on Annual Operating Plan.

(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Comparison base year is 2017-18. Increase in the remuneration of KMP is 0%	
(vii)	The key parameters for any variable component of remuneration availed by the directors	Key Parameters: There is no variable payment made to the Directors for the year.	
(viii)	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Name: Nil	Ratio: Nil
(ix)	Affirmation	The Board affirms that the remuneration is as per the remuneration policy of the company.	

23. ENVIRONMENT & SAFETY

The Company is aware of the importance of environment clean

24. DETAILS OF FRAUDS REPORTED BY AUDITORS:

There are no fraud against the Company reported by the Auditors for the period under report.

25. VIGILMECHANISM

As per Provisions of Section 177(9)&(10) of the Companies Act, 2013, a Vigil Mechanism for Directors & employees has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.envair.in under Investors/ policy documents/ Vigil Mechanism Policy link.

26. DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. There are no complaints received during the year underreport.

27. SECRETARIAL STANDARD OF THE ICSI

The Company is in Compliance with the secretarial Standards on the meeting of Board of Director (SS-1) and General meeting (SS-2) as issued and amended by the Institute of Company secretaries of India (ICSI)

28. APPRECIATION:

The Director express their gratitude to the Dealers, Suppliers and Bank for their co-operation and express warm appreciation for the sincere co-operation and dedicated work by the employees of the Company.

For and on behalf of the Board of Directors,

ANIL NAGPAL
MANAGING DIRECTOR
DIN:01302308

Place: Pune Date: 3.9.2019

ENVAIR ELECTRODYNE LIMITED

ANNEXURE ' 1 ' TO THE BOARD'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

(A) CONSERVATION OF ENERGY:

ENERGY CONSERVATION MEASURES TAKEN:

No capital investment was done for Energy conservation. The demand side management gave marginal results in Energy conservation inspite of almost same manufacturing tonnage & increased tariff.

S.no.	Particulars	2018-19	2017-18
1	Expenses on power & fuel	Rs 13,37,373	Rs 11,78,541

(B) RESEARCH AND DEVELOPMENT:

1) AREAS IN WHICH R & D IS CARRIED OUT BY THE COMPANY:

The development work was done for Electrostatic Cleaners, Air Showers, Air Tunnels and Technical Furniture.

2) BENEFITS DERIVED AS A RESULT OF R & D

We expect new business opportunities & better productivity to our customers.

3) FUTURE PLANS

Company desires to develop various machines with smart functions.

4) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

Company sold developed products to top class customers. Better designs have reduced product support costs.

(C) FOREIGN EXCHANGE EARNINGS & OUTGO:

Foreign Exchange earned was Rs.3.71 lacs. There was no Foreign exchange out flow during the current Financial year 2018-19.

For and on behalf of the Board of Directors,

ANIL NAGPAL
MANAGING DIRECTOR
DIN:01302308

Place: Pune Date: 3.9.2019

ANNEXURE –2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2019

[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	L29307MH1981PLC023810
ii.	Registration Date	4th February, 1981
iii.	Name of the Company	Envair Electrodyne Ltd.
iv.	Category / Sub-Category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	117, 'S' Block, MIDC, Bhosari, Pune 411 026
vi.	Whether listed company	Yes.
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Universal Capital Securities Pvt.Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (E), Mumbai 400 093

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Clean Air Equipments	282	56%
2.	Workstations	31009	31%
3.	Electrostatic Oil Cleaners	28295	11.8%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	N.A.				

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a. Individual/HUF	1850700	Nil	1850700	60.88	1869490	Nil	1869490	61.50	0.62
b. Central Government(s)	-	-	-	-	-	-	-	-	-
c. State Government (s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Banks / Financial Institutes	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	1850700	Nil	1850700	60.88	1869490	Nil	1869490	61.50	0.62
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b. Other – Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	-	-	-	-	-	-	-	-	-
d. Banks / Financial Institutes	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	1850700	Nil	1850700	60.88	1869490	Nil	1869490	61.50	0.62

ENVAIR ELECTRODYNE LIMITED

B. Public Shareholding									
1. Institutions									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks / Financial Institutes	-	-	-	-	-	-	-	-	-
c. Central Government(s)	-	-	-	-	-	-	-	-	-
d. State Government (s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a. Bodies Corporate:									
i. Indian	30531	2800	33331	1.10	28916	2800	31716	1.043	0.057
ii. Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	564392	310191	874583	28.77	516972	285591	802563	26.40	2.37
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	188659	12440	201099	6.61	237856	12440	250296	8.233	1.623
iii. Others (specify)									
a) Clearing Members	6331	0	6331	0.21	8483	0	8483	0.28	0.07
b) NRI/OCB's	30977	0	30977	1.02	32076	0	32076	1.06	0.04
c) HUF	42979	0	42979	1.41	41414	0	41414	1.36	0.05
d)LLP	-	-	-	-	3962	-	3962	.130	.130
Sub-total (B)(2):-	863869	325431	1189300	39.12	865717	300831	1170510	38.50	0.62
Total Public Shareholding B)=(B)(1)+ (B)(2)	863869	325431	1189300	39.12	863869	300831	1170510	38.50	.62
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2714569	325431	3040000	100	2733359	300831	3040000	100	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Shripad Mirashi	1850600	60.88	0.00	0	0	0.00	0
2.	Deepanjali Mirashi	100	0.003	0.00	0	0	0.00	0.00
3	Anil Nagpal	0	0	0	617000	20.3	0	20.3
4	Gian Parkash	0	0	0	635790	20.29	0	20.29
5	Harish Agarwal	0	0	0	616700	20.29	0	20.29
	TOTAL	1850700	60.88	0.00	1869490	61.5	0.00	0.62

(iii) Change in Promoters' Shareholding (please specify, if there is no change) :

Sr. No.		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
	At the beginning of the year	1850700	60.88	1869490	61.5
	Date wise increase/ Decrease in promoters share holding during the year specifying the reasons for increase/ Decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) (The share were transferred on 7th May 2018).				
	At the End of the year	1850700	60.88	1869490	61.5

Note : The 1850700 number of shares during the year were transferred to new promoter and 18790 shares acquired through open offer.

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

Sr. No.	For Each of the Top 10 Shareholders	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
	At the beginning of the year				
1	Mahendra Girdharilal	48430	1.59	48430	1.59
2	Hitesh Ramji Javeri	34591	1.14	34591	1.14
3	Anil Gurmukh Bhagwani	29582	0.97	29582	0.97
4	Kalpana Prakash Pandey	29138	0.96	29138	0.96
5	Urmila Katkam	25880	0.85	25880	0.85
6	Sarabjeet singh Ghai	00	00	22582	0.74
7	Manoj Madhukar Vaidya	21942	0.72	21942	0.72
8	Sumita Chug	00	00	15080	0.50
9	Satya Aggarwal	00	00	14583	0.48
10	Alpana Trading Pvt.Ltd.	14404	0.47	14401	0.47
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year	-	-	-	-
	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

Note : Since there was no significant change in the purchase / sale of shares of the above Top 10 Shareholders, The date wise increase/ decrease has not been given.

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Datewise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	At the End of the year
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
1.	Mr. Anil Nagpal	0	0.00	617000	20.3	change	617000
2.	Mr. Harish Agarwal	0	0	616700	20.3	Change	616700
3	Dr. Avinash Kulkarni	2780	0.09	2780	0.09	No change	2780

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	66,98,150	-	13,00,000	7998150
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition		-	-	-
• Reduction	5,89,739	-	1300000	18,89,739
Net Change				
Indebtedness at the end of the financial year				
i. Principal Amount	61,08,411	-	-	61,08,411
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	61,08,411	-	0	61,08,411

ENVAIR ELECTRODYNE LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Mr. Anil Nagpal, Managing Director		Total Amount
1.	Gross salary (Rs.)			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil		Nil
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil		Nil
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil		Nil
2.	Stock Option	Nil Nil Nil		Nil
3.	Sweat Equity	Nil		Nil
4.	Commission - as % of profit - others, specify	Nil		Nil
5.	Others, please specify	Nil		Nil
	Total (A)	Nil		Nil
	Ceiling as per the Act			Nil

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
	Independent Directors	Dr Avinash Kulkarni	Mr Jayesh Parmar	Mr. Vikas Khanvalkar	
	• Fee for attending board / committee meetings	32000/-	15500/-	9500/-	57000/-
	• Commission	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	32000/-	15500/-	9500/-	57000/-
	Other Non-Executive Directors				
	• Fee for attending board / committee meetings	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil
	• Others –Conveyance Exp.	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	32000/-	15500/-	9500/-	57,000/-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD :

Sr. No.	Particulars of Remuneration	CEO & Whole Time Director	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	220,291	-	-
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961				
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil	Nil
	- as % of profit				
	- others, specify				
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	-	220,291	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	47200*	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

*Penalty of Rs. 47200 was imposed by BSE for late submission of financial statements as per Regulation 33 of SEBI (Listing and Disclosure Obligations) 2015

For and on behalf of the Board of Directors,

ANIL NAGPAL
MANAGING DIRECTOR

Place: Pune
Date: 3.9.2019

ENVAIR ELECTRODYNE LIMITED

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

ENVAIR ELECTRODYNE LIMITED

Pune

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by ENVAIR ELECTRODYNE LIMITED (CIN: L29307MH1981PLC023810) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the ENVAIR ELECTRODYNE LIMITED'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2019 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – Not applicable to the Company during the Audit Period
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable to the Company during the Audit Period
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable to the Company during the Audit Period
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not applicable to the Company during the Audit Period

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. except to the extent as mentioned below:

1. Where as in terms of the provisions of Section 149(1) of the Companies Act, 2013 read with rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company was required to appoint at least one Woman Director on the Board of the Company , the Company could not comply with the same.
2. Where in term of Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 regarding Outcome of Board meeting, the Company should disclose to Stock Exchange outcome of Board Meeting within 30 minutes of Board Meeting. The Company could not comply with the same for one of the Board Meeting.

On the basis of the information provided by the Company, following laws are also complied with:

A) ENVIRONMENTAL LAWS:

1. The Water (Prevention and Control of Pollution) Act, 1974 & The Water (Prevention and Control of Pollution) Rules 1975
2. The Hazardous Wastes (Management, Handling and Tran boundary Movement) Rules, 2008

B) LABOUR LAWS:

1. The Factories Act, 1948 and The Maharashtra Factories Rules 1963.
2. The Employees Provident Fund and Miscellaneous Provisions Act, 1956 and the schemes made thereunder.
3. The Payment of Bonus Act, 1965.
4. The Payment of Gratuity Act, 1972.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I 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. There were no changes in the composition of the Board of Directors during the period.

The Company has properly constituted "Stakeholders Relationship Committee", as per the provisions u/s 178 of the Act.

The Company had constituted "Nomination and Remuneration Committee", as per the provisions u/s 178 of the Act.

The Company had constituted "Audit Committee" as per the provisions u/s 177 of the Act.

The Company has constituted "Independent Directors Committee Section 149 read with Schedule IV of the Companies Act, 2013".

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on 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.

Majority decisions are carried through, while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period no event has occurred during the year which has a major bearing on the Company's affairs.

Signature:

Name of Company Secretary in practice:

I. U. Thakur

FCS:2298

C.P. No.: 1402

Place: PUNE

Date: 17.5.2019

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,

The Members

ENVAIR ELECTRODYNE LIMITED

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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, standards is the responsibility of management. My 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 efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 17.5.2019

Place: PUNE

I. U. THAKUR

Practicing Company Secretary

FCS – 2298 C.P No. – 1402

ENVAIR ELECTRODYNE LIMITED

ANNEXURE 4

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V para C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

To,

ENVAIR ELECTRODYNE LIMITED
Regd. Office: 117 GENERAL BLOCK, M I D C BHOSARI
PUNE MH 411026 IN

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ENVAIR ELECTRODYNE LIMITED having CIN: L29307MH1981PLC023810 and having registered office at 117 GENERAL BLOCK, M I D CBHOSARI PUNE Pune MH 411026 IN (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34 (3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation,2015.

In my opinion and to the best of my information and according to the verification (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or Continuing as Director of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN COMPANY
1	AVINASH DATTATRAYA KULKARNI	00016046	29/03/2003
2	JAYESH MADHAVJI PARMAR	00802843	07/07/2018
3	ANIL NAGPAL	01302308	11/05/2018
4	HARISH KUMAR AGARWAL	02185002	11/05/2018
5	ARCHIT AGGARWAL	08127356	11/05/2018

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Pune
Date: 23/05/2019

Signature
Name: I U THAKUR
Membership No: 2298
CP No: 1402

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ENVAIR ELECTRODYNE LIMITED
Report on the Indian Accounting Standards (Ind AS)
Financial Statements**

Qualified Opinion

1. We have audited the accompanying financial statements of ENVAIR ELECTRODYNE LIMITED (The Company), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us the aforesaid Financial Statements give the information required by the Act, in the manner so required and except for the effects of the matters described in the basis for qualified opinion paragraph, give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2019, its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis for Qualified Opinion

**Management's Responsibility for the Ind AS
Financial Statements**

4. We invite attention to the Note 29.17 in financial statements stating that the balances of parties and accounts under head trade receivable, trade payable, advances and deposits are subject to confirmation and reconciliation. Financial impact of the same has not been ascertained. In view of this, we were unable to determine whether any adjustments are necessary in respect of such balances.

Empasis of Matter

5. We invite attention to Note 29.3 in the financial statements explaining the basis for preparation of financial statements on going concern assertions. This report is not qualified in this matter.
6. We invite attention to Note 29.25 in financial statements stating that aggregate sales tax liability for past years at the yearend is Rs. 80.05 lakhs following orders of sales tax authorities for these years. The Company desires to seek benefit under amnesty scheme announced by the State Government in respect of outstanding sales tax liability. The Company has prepared application opting for the amnesty scheme and same shall be submitted to sales tax authority in couple of days. The management assures compliance with the conditions and mandate under amnesty scheme. After considering relief available under the amnesty scheme, as measured by the Company, when its application is accepted, sales tax liability can be Rs. 25.50 lakhs as against aggregate demand of Rs. 80.05 lakhs. In case the Company fails to get qualified for the benefits of the amnesty scheme, it is liable to pay differential tax of Rs. 48.55 lakhs with interest. In view of the management representation that application under amnesty scheme shall be filed in a couple of days and the confirmation regarding compliance with mandate of such amnesty scheme, it has been decided not to make provision for differential sales tax liability of Rs. 48.55 Lakhs. This report is not qualified in this matter.
7. We invite attention to the Note 29.28 in financial statements stating that the impact of non-compliance with some of the Indian Accounting Standards (Ind AS) is insignificant. The impact of same is not ascertained. This report is not qualified in this matter.
8. As stated in Note 29.22 in the financial statements, there is a change in method of accounting during the year in respect of provision of gratuity and leave encashment. Hitherto, the said liability was provided on accrued basis, now the liability is provided on the basis of actuarial valuation carried out at the year end. This constitutes a change in method of accounting in respect of gratuity and leave encashment liability. On account of aforesaid change, the loss for the year and accumulated losses at the year end are higher by Rs. 0.53 lakhs and provision is overstated by Rs. 0.53 lakhs. This report is not qualified in this matter. 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.

Key Audit Matters

17. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

ENVAIR ELECTRODYNE LIMITED

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Issue of Share Warrants during the year The Company has issued Share Warrants during the year. The issue of Warrants has impact on ownership composition of the Company. Details have been stated in Note 11 in the Financial Statements.</p>	<p><u>Principal Audit Procedures</u> We have examined secretarial data and communication with the Stock Exchange and other authorities to confirm following of appropriate procedure for issue of Share Warrants. Financial record, bank statements and books of account and application forms have been verified for ascertaining actual realization of amounts for issue of Share Warrants and the terms and conditions attached to issue of share warrants.</p>
2.	<p>Change in Management and Ownership of the Company There is change in ownership and controlling interest in the Company. The earlier ownership group has transferred equity shares in the Company to the new owners and persons controlling the Company.</p>	<p><u>Principal Audit Procedures</u> We have examined secretarial data and communication with the Stock Exchange and other authorities to confirm following of appropriate procedure for transfer of Equity Share to ascertain the observance of due process of law for the purpose.</p>
3.	<p>Verification of Employee Cost There is increase in employee cost, as compared with the previous accounting period.</p>	<p><u>Principal Audit Procedures</u> Our audit approach was a combination of test of internal controls and substantive procedures which included the following: We have examined human resource records and accounts record to ascertain proper recognition of employee cost. We have noted composition of the cost and checked underlying record to confirm appropriateness of the cost.</p>
4.	<p>Cost of material consumption There is increase in employee cost, as compared with the previous accounting period.</p>	<p><u>Principal Audit Procedures</u> Our audit approach was a combination of test of internal controls and substantive procedures which included the following: We have examined purchase and accounts record to ascertain proper recognition of materials cost. We have noted composition of the cost and checked underlying record to confirm appropriateness of the cost.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

10. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

11 Management's Responsibility for the 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 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified in the Companies (Indian Accounting Standards) Rules 2015 under Section 133 of the Act.

12 This responsibility also includes the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- 13 In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

- 27 Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

- 28 As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - vi. The Company does not have any pending litigations, having impact on its financial position in its Ind AS financial statements except in Notes 25.2 of financial statements.
 - vii. The Company did not have any long-term contract including derivative contract having any material foreseeable losses for which provision was required to be made under the applicable law or accounting standard.
 - viii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
16. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
17. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
18. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
19. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the

key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

20. 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", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

21. As required by section 143 (3) of the Act, based on our audit 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 purposes of our audit except as stated in Note 29.17 in the financial statements, the balances of accounts and parties under head, trade receivable, payable, deposits and loans & advances are subject to confirmation and reconciliation.
- b. In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, 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, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account except net loss as per books is not matching with loss as per financial statement showing discrepancies of Rs.1.78 lakhs.
- d. In our opinion, except for the matters described in the basis for qualified opinion paragraph, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and amendments thereof.
- e. On the basis of the written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f. The going concern matter described under the Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

g. 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".

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i. The qualifications relating to maintenance of accounts and other matters connected therewith are as stated in the basis for Qualified Opinion paragraph above.

j. 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 on its financial position in its financial statements.

ii. The Company did not have any long-term contract including derivative contract having any material foreseeable losses for which provision was required to be made under the applicable law or accounting standard.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For C V Chitale & Co
Chartered Accountants
FRN:126338W

CA Abhay Avchat
Partner
ICAI M No. 112265

Place: Pune
Date: June 7, 2019.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

With reference to the Annexure referred to in paragraph 10 (Report on Other Legal and Regulatory Requirements) of the Companies' Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2019 we report that:

- i. In respect of its fixed assets:
 - a) The Company is in process of updating its fixed asset register showing full particulars, including quantitative details and situation of fixed asset.
 - b) The fixed assets have not been physically verified during the year.
 - c) According to the information and explanation given to us, the records examined by us and based on the examination of the conveyance deeds and lease deeds provided to us, we report that, in respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- ii. In respect of its inventories:
 - a) The Management has conducted physical verification of inventory at reasonable intervals. In our opinion, the frequency of verification is reasonable.
 - b) According to information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size and the nature of its business.
 - c) The Company is maintaining reasonably proper records showing quantitative details of inventory. As informed to us, the discrepancies noticed on verification between physical stock and book records have been properly dealt with accounts.

- iii. As per the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. As informed to us the Company has not entered into any transaction which attracts the provisions of the Section 185 and 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted deposit from the public hence the directives issued by the Reserve Bank of India and provisions of the sections 73 to 76 of Companies Act and rules framed thereunder, are not applicable to it. According to information and explanation given to us, no order has been passed against the Company by Company Law Board or National Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. To the best of our information and as per the explanation given to us, a requirement relating to maintenance of cost records is not applicable to the Company, since its turnover is below the threshold limit prescribed by the Central Government under section 148(1) of the Act.
- vii. In respect of statutory dues:
 - a) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess, were outstanding, as at March 31, 2019 for a period of more than six months from the date of becoming payable except amount payable with respect to VAT of Rs 53,233/-
 - b) According to the information and explanation given to us, there are no dues of income-tax, wealth-tax, sales tax, service tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except the following:-

Nature of the Statute	Nature of Dues	Amount due (In Rs)	Period to which amount relates	Forum at which dispute is pending
Maharashtra Value Added Tax Act 2002 & Central Sales Tax	CST Liability	53,04,454/-	FY 2010-11	Asst. Commissioner of Sales Tax, Pune
Maharashtra Value Added Tax Act 2002	VAT Liability	24,93,801/-	FY 2010-11	Dy. Commissioner of Sales Tax, Pune
Maharashtra Value Added Tax Act 2002 & Central Sales Tax	CST Liability	3,76,793/-	FY 2011-12	Asst. Commissioner of Sales Tax, Pune
Income Tax Act, 1961	Income Tax Penalty	6,48,900/-	FY 2012-13	Commissioner of Income Tax (A), Pune
Income Tax Act, 1961	Late filing fee of TDS	2,27,596/-	FY 2008-09 to 2014-15	Commissioner of Income Tax (A), Pune

viii. ur opinion and according to the information and explanation given to us, the Company has generally not defaulted in repayment of loan or borrowings to banks, financial institutions and Government. The Company has not borrowed any sum through debentures.

- ix. According to the information and explanation given to us, The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by provisions of section 197 read with schedule V to the Act.
- xii. As per the information and explanation given to us, the company is not a Nidhi company. Accordingly, Clause xii of the Order is not applicable.
- xiii. According to the information and explanations given to us, transactions with related parties are in compliance with provisions of section 177 and 178 of the Act and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standards. However while reporting under this sub-clause we have relied on the list of related parties and transaction with them, as provided to us by the management.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause xiv of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Com- pany, the Company has not entered into non-cash transactions with directors or persons connected with them as per section 192 of Companies Act, 2013. Accordingly, clause (xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For C V Chitale & Co
Chartered Accountants
FRN:126338W

CA Abhay Avchat
Partner
ICAI M No. 112265

Place: Pune
Date: June 7, 2019.

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE IND AS FINANCIAL STATEMENTS OF ENVAIR ELECTRODYNE LIMITED FOR THE YEAR ENDED ON MARCH 31, 2019.

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 with reference to Ind AS financial statements of Envair Electrodyne Limited ("the Company") as of March 31, 2019 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that we re-operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of it 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 with reference to Ind AS financial statements 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 elected 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.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on Internal financial controls system over financial reporting of the Company.

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 the Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company ;and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

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.

Disclaimer of Opinion

Framework for Internal Financial Control over Financial Reporting not established but does not Impact the audit opinion on Financial Statements.

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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.

Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company has adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31,2019.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the Ind AS financial statements of the Company.

For C V Chitale & Co
Chartered Accountants
FRN:126338W

CA Abhay Avchat
Partner
ICAI M No. 112265

Place: Pune
Date: June 7, 2019.

ENVAIR ELECTRODYNE LIMITED

Balance Sheet as at 31st March, 2019

(All amounts are in Rupees)

Particulars	Note	As at 31st March 2019	As at 31st March 2018
Assets			
I. Non-Current Assets			
Property, plant and equipment	1	1,04,72,197	79,10,725
Capital work-in-progress	1	7,91,488	7,91,488
Other Intangible Assets	2	3,17,861	1,18,301
Other Non-Current Assets	3	18,72,674	-
Total Non-Current Assets		1,34,54,220	88,20,514
II. Current Assets			
Inventories	4	72,01,862	65,84,903
Financial assets:			
a) Trade receivables	5	89,39,119	1,97,12,231
b) Cash and Cash Equivalents	6	1,87,332	7,63,742
c) Bank balances other than Cash and Cash Equivalents above	7	1,11,57,607	50,66,500
Other Current Assets	8	86,82,434	3,34,69,332
Total current assets		3,61,68,354	6,55,96,708
Total assets		4,96,22,574	7,44,17,222
Equity and Liabilities			
III. Equity			
Equity Share Capital	9	3,04,00,000	3,04,00,000
Other Equity	10	(1,47,92,943)	1,74,16,611
Money received against Share Warrants	11	1,20,00,000	-
Total equity		2,76,07,057	4,78,16,611
IV. Non Current Liabilities			
Provisions	12	2,48,622	31,55,464
		2,48,622	31,55,464
V. Current Liabilities			
Financial Liabilities			
a) Borrowings	13	61,08,411	66,98,150
b) Trade payables	14	63,46,124	65,18,314
c) Other Financial Liabilities	15	5,28,392	14,80,955
Other Current Liabilities	16	79,08,171	66,40,042
Provisions	17	8,75,797	21,07,687
Current Tax Liabilities (Net)	18	-	-
Total current liabilities		2,17,66,895	2,34,45,148
Total Equity and Liabilities		4,96,22,574	7,44,17,223
Notes forming part of the financial statements.	29		

As per our report of even date attached
For **M/s C. V. Chitale & Co.**
Chartered Accountants

For and on behalf of Board of Directors
Anil Nagpal
Chairman and Managing Director

Ankita Trivedi
Company Secretary

Abhay Avchat
Partner
Membership number: 112265
Pune: 7th June 2019

Jayesh Parmar
Director

Prince Vohra
Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2019

(All amounts are in Rupees, except per share data)

Particulars	Note	As at 31st March 2019	As at 31st March 2018
Income			
I. Revenue from Operations	19	3,38,10,515	4,14,88,111
II. Other Income	20	13,84,502	4,40,51,292
III. Total Income (I + II)		3,51,95,018	8,55,39,403
IV. Expenses			
a) Cost of materials consumed	21	1,85,43,294	1,87,66,299
b) Purchase of stock in trade	22	7,32,653	19,72,867
c) Changes in inventories, work-in-progress and stock-in-trade	23	3,51,968	(4,00,548)
d) Excise duty on sale of goods		-	7,88,000
e) Employee benefit expenses	24	1,97,59,641	1,44,99,905
f) Finance costs	25	5,48,266	12,20,740
g) Depreciation and Amortisation expenses	26	7,92,701	11,08,642
h) Other expenses	27	2,23,88,287	1,33,95,190
i) Expenses Capitalised		-	(4,81,508)
Total Expenses (a to i)		6,31,16,810	5,08,69,587
V. Profit before exceptional items and tax (III - IV)		(2,79,21,792)	3,46,69,816
VI. Exceptional item		-	-
Prior Period Income		1,62,020	-
VII. Profit/ (Loss) before tax (V - VI)		(2,77,59,772)	3,46,69,816
VIII. Tax expense:			
i) Current Tax		-	21,33,798
ii) Deferred Tax		-	-
iii) Prior Period Short Tax Expense		66,09,329	-
iv) Prior Period MAT Credit FY 17-18		(18,72,674)	-
Total Tax Expense		47,36,655	21,33,798
IX. Profit/ (Loss) for the period (VII - VIII)		(3,24,96,427)	3,25,36,018
X. Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		2,86,874	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Net other comprehensive income for the year (net of tax)		2,86,874	-
XI. Total Comprehensive Income/ (Loss) for the year (IX + X)		(3,22,09,553)	3,25,36,018
XII. Earnings per equity share:			
Basic		(10.60)	10.70
Diluted		(6.94)	-
Notes forming part of the financial statements.	29		

As per our report of even date attached
For **M/s C. V. Chitale & Co.**
Chartered Accountants

For and on behalf of Board of Directors
Anil Nagpal
Chairman and Managing Director

Ankita Trivedi
Company Secretary

Abhay Avchat
Partner
Membership number: 112265
Pune: 7th June 2019

jayesh Parmar
Director

Prince Vohra
Chief Financial Officer

ENVAIR ELECTRODYNE LIMITED

Statement of Changes in Equity for the year ended 31st March, 2019

(All amounts are in Rupees, unless stated otherwise)

A. Equity Share Capital

Particulars	31 March, 2019	31 March, 2018
Balance at the beginning of the year	3,04,00,000	3,04,00,000
Changes in equity share capital during year	-	-
Balance at the end of reporting period	3,04,00,000	3,04,00,000

B. Other Equity

Particulars	Reserves and Surplus			
	Capital Reserve	Securities premium	Retained earnings	Total other equity
As at 31 March 2017	30,13,000	1,15,45,445	(2,96,77,852)	(1,51,19,407)
Profit/ (Loss) for the year			3,25,36,018	3,25,36,018
As at 31 March 2018	30,13,000	1,15,45,445	28,58,166	1,74,16,611
Profit/ (Loss) for the year	-	-	(3,22,09,553)	(3,22,09,553)
As at 31 March, 2019	30,13,000	1,15,45,445	(2,93,51,388)	(1,47,92,943)

As per our report of even date attached
For **M/s C. V. Chitale & Co.**
Chartered Accountants

For and on behalf of Board of Directors
Anil Nagpal
Chairman and Managing Director

Ankita Trivedi
Company Secretary

Abhay Avchat
Partner
Membership number: 112265
Pune: 7th June 2019

Jayesh Parmar
Director

Prince Vohra
Chief Financial Officer

Cash flow statement for the year ended 31st March, 2019

(All amounts are in Rupees, unless stated otherwise)

Particulars	As at 31st March 2019	As at 31st March 2018
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	(2,77,59,772)	3,46,69,816
Adjustments to reconcile profit before tax to net cash flows		
OCI	2,86,874	
Depreciation and amortisation	7,92,701	11,08,642
Interest and finance charges	5,48,266	11,28,740
Irrecoverable balances and sundry balances written off	-	20,04,246
Bad debts written off	-	-
Profit on sale of assets	-	(4,22,96,776)
Interest income	(13,45,450)	(2,80,983)
Provision no longer required write back		(13,74,145)
Cash from operating activities before working capital changes	(2,74,77,381)	(50,40,460)
Adjustments for:		
Increase / (Decrease) in Long Term Provisions	(29,06,842)	(4,60,526)
Increase / Decrease in Trade Payables	(1,72,190)	(1,22,691)
Increase / Decrease in Other Current Liabilities	12,68,129	17,61,022
Increase / Decrease in Other Financial Liabilities	(9,52,563)	21,64,792
Increase / Decrease in Short term provisions	(12,31,890)	10,60,875
Increase / Decrease in Inventories	(6,16,959)	(8,64,844)
Increase / Decrease in Trade Receivables	1,07,73,109	(55,61,826)
Increase / Decrease in Loans and Advances	-	19,81,480
Increase / Decrease in Other Financial Assets		-
Increase / Decrease in Other Current Assets	2,47,86,898	(2,73,76,309)
Cash Generated from Operations	3,09,47,693	(2,74,18,027)
Adjustment for:		
Less :- Taxes Paid	(66,09,329)	(21,33,798)
Net Cash Flow from Operating Activities	(31,39,017)	(3,45,92,286)
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(35,53,731)	(8,97,238)
Proceeds from sale of assets	-	4,23,58,811
Increase in Bank balances other than Cash and Cash Equivalents	(60,91,107)	(33,09,442)
Interest income	13,45,450	2,80,983
Net Cash Flow From Investing Activities	(82,99,388)	3,84,33,114
c) CASH FLOW FROM FINANCING ACTIVITIES:		
Availment/ (repayment) of Short Term Borrowings	(5,89,739)	(32,43,875)
Interest paid	(5,48,266)	(11,28,740)
Money received against share warrants	1,20,00,000	-
Net Cash Flow From Financing Activities	1,08,61,994	(43,72,615)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C):	(5,76,411)	(5,31,787)
CASH AND CASH EQUIVALENTS:		
AS AT THE BEGINNING		
Cash and cash equivalents	7,63,743	12,95,530
AS AT THE ENDING		
Cash and cash equivalents	1,87,332	7,63,743
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(5,76,411)	(5,31,787)

As per our report of even date attached
For **M/s C. V. Chitale & Co.**
Chartered Accountants

For and on behalf of Board of Directors
Anil Nagpal
Chairman and Managing Director

Ankita Trivedi
Company Secretary

Abhay Avchat
Partner
Membership number: 112265
Pune: 7th June 2019

jayesh Parmar
Director

Prince Vohra
Chief Financial Officer

**Note 1 - Tangible Assets
(All amounts are in Rupees)**

Particulars	Leasehold Land	Buildings	Plant & Machinery	Factory Equipment	Furniture & Fixtures	Office Equipments	Vehicles	Total	Capital Work-In-Progress
Gross Block									
As at 31st March 2017	3,77,898	72,93,375	5,22,05,845	5,67,734	61,21,657	46,74,944	11,25,634	7,23,67,087	12,56,488
Additions	-	3,33,739	10,15,999	-	-	12,500	-	13,62,238	-4,65,000
Inter Transfers	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Disposals	1,36,740	27,21,960	-	-	-	-	6,51,459	35,10,159	-
Gross Block as at 31st March 2018	2,41,158	49,05,154	5,32,21,844	5,67,734	61,21,657	46,87,444	4,74,175	7,02,19,166	7,91,488
Gross Block									
As at 31st March 2018	2,41,158	49,05,154	5,32,21,844	5,67,734	61,21,657	46,87,444	4,74,175	7,02,19,166	7,91,488
Additions	-	24,00,842	89,995	-	26,112	7,66,774	-	32,83,723	-
Inter Transfers	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Gross Block as at 31st March 2019	2,41,158	73,05,996	5,33,11,839	5,67,734	61,47,769	54,54,218	4,74,175	7,35,02,889	7,91,488
Depreciation									
Upto 31st March 2017	2,02,801	64,41,324	4,69,43,226	9,462	54,63,807	45,94,999	10,27,597	6,46,83,217	-
For the year 17-18	3,657	60,940	7,63,918	41,290	1,34,446	38,932	30,165	10,73,348	-
Inter Transfers	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Disposals	74,705	27,21,960	-	-	-	-	6,51,459	34,48,124	-
As at 31st March 2018	1,31,753	37,80,304	4,77,07,144	50,752	55,98,253	46,33,931	4,06,303	6,23,08,441	-
Depreciation									
Upto 31st March 2018	1,31,753	37,80,304	4,77,07,144	50,752	55,98,253	46,33,931	4,06,303	6,23,08,441	-
For the year 18-19	3,657	-3,69,138	7,93,865	37,208	1,21,319	1,05,176	30,164	7,22,251	-
Inter Transfers	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31st March 2019	1,35,410	34,11,166	4,85,01,009	87,960	57,19,572	47,39,107	4,36,467	6,30,30,692	-
Net Block									
As at 31st March 2018	1,09,405	11,24,850	55,14,700	5,16,982	5,23,404	53,513	67,872	79,10,725	7,91,488
As at 31st March 2019	1,05,748	38,94,830	48,10,830	4,79,774	4,28,197	7,15,111	37,708	1,04,72,197	7,91,488

Note : 2 -Intangible Assets
(All amounts are in Rupees)

Particulars	Software	Total
Gross Block		
As At 31 March 2017	48,71,679	48,71,679
Additions	-	-
Deductions		-
As At 31 March 2018	48,71,679	48,71,679
Gross Block		
As At 31 March 2018	48,71,679	48,71,679
Additions	2,70,000	2,70,000
Inter Transfers	-	-
Recoupment / Adjustment	-	-
Deductions	-	-
As At 31 March 2019	51,41,679	51,41,679
Depreciation		
Upto 31 March 2017	47,18,084	47,18,084
For The Year	35,294	35,294
Deductions		-
As At 31 March 2018	47,53,378	47,53,378
Depreciation		
Upto 31 March 2018	47,53,378	47,53,378
For The Year	70,440	70,440
Deductions		
As At 31 March 2019	48,23,818	48,23,818
Net Block		
As At 31 March 2018	1,18,301	1,18,301
As At 31 March 2019	3,17,861	3,17,861

ENVAIR ELECTRODYNE LIMITED

Notes to Balance Sheet as at 31st March, 2019

(All amounts are in Rupees)

Note 3 : Other non-current assets

Particulars	31st March 2019	31st March 2018
MAT Credit FY 2017-18	18,72,674	-
Total	18,72,674	-

Note 4 : Inventories

Particulars	31st March 2019	31st March 2018
As Taken, Valued & Certified by the Management		
Raw Material	37,90,030	28,21,102
Work-in-progress	7,14,755	11,57,105
Finished goods	22,28,983	24,85,939
Stock in Trade	4,68,095	1,20,757
Total	72,01,862	65,84,903

Note 5 : Trade Receivable(Unsecured Consider Good)

Particulars	31st March 2019	31st March 2018
Outstanding for a period exceeding six months from the date they are due for payment	41,94,608	1,79,03,046
Other receivables	49,44,511	20,09,183
Provision for Expected Credit Losses	2,00,000	(2,00,000)
Total	89,39,119	14,150,405

Note 6 : Cash and Cash Equivalents

Particulars	31st March 2019	31st March 2018
Cash in hand	42,682	21,514
Balances with Bank-Current Accounts	1,44,650	7,42,228
Total	1,87,332	7,63,742

Note 7 : Bank balances other than Cash and Cash Equivalents above

Particulars	31st March 2019	31st March 2018
Term Deposits with maturity of more than 12 months	1,11,57,607	50,66,500
Note:- Term Deposit of Rs. 1,00,66,500 (Rs. 25,00,000) has been placed with Bank as security against Overdraft Facility (Loan from NSIC) and Bank Guarantees issued.		
Total	1,11,57,607	50,66,500

**Note 8 :Other Current Assets
(unsecured consider Good)**

Particulars	31st March 2019	31st March 2018
Other Receivables	20,07,351	2,65,77,351
Loan & Advance to Suppliers	37,12,353	9,82,431
Tax Paid in Advance (Net of Provision)	1,40,132	39,55,316
Statutory Balances (GST & VAT Appeal)	20,74,839	12,92,000
Other Loans & Advances	7,47,759	6,62,234
Total	86,82,434	3,34,69,332

Note 9 : Equity Share Capital

Particulars	31st March 2019	31st March 2018
Equity Share Capital		
Authorised		
55,00,000 (55,00,000) Equity shares of Rs. 10/- each	55,000,000	55,000,000
Issued		
30,40,000 (30,40,000) Equity shares of Rs. 10/- each	30,400,000	30,400,000
Subscribed and Paid Up		
30,40,000 (30,40,000) Equity shares of Rs. 10/- each	30,400,000	30,400,000
Total	30,400,000	30,400,000

9.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the Reporting period

Particulars	31st March,2019		31st March,2018	
	No of Shares	Amount	No of Shares	Amount
At the Beginning of the Period	3,040,000	30,400,000	3,040,000	30,400,000
Issued/Reduction during the year	-	-	-	-
Outstanding at the end of Period	3,040,000	30,400,000	3,040,000	30,400,000

9.2 Terms/Rights attached to the equity shares

The Company has equity shares having par value of Rs 10/- each. Equity holder is entitled to one vote per share and have a right to receive dividend as recommended by Board of Directors subject to the necessary approval from the shareholders.

The Board of Directors have not recommended any dividend for the year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

9.3 Shares held by holding/ultimate holding Company and/or their subsidiaries/associates

NIL

9.4 Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
MR. ANIL NAGPAL	6,17,000.00	20.30	-	-
MR. GIAN PARKASH	6,35,790.00	20.91	-	-
MR. HARISH KUMAR AGARWAL	6,16,700.00	20.29	-	-
MR. SHRIPAD RAJARAM MIRASHI	-	-	18,50,600	60.88

ENVAIR ELECTRODYNE LIMITED

9.5 Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date: Nil.

Aggregate number of share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: Nil.

Note 10 : Other equity

Particulars	31st March 2019	31st March 2018
Capital Reserve		
Opening Balance	3,013,000	3,013,000
Net Addition During the year	-	-
Written Back During the year	-	-
Closing Balance	3,013,000	3,013,000
Securities Premium		
Opening Balance	11,545,445	11,545,445
Add: Set aside this year	-	-
Written Back During the year	-	-
Closing Balance	11,545,445	11,545,445
Retained earnings		
Opening Profit and Loss Foreign exchange loss(Net)	28,58,166	(2,96,77,852)
Profit /(Loss) for the year	(3,22,09,553)	3,25,36,018
Ind AS transitional adjustments	-	-
Provision for Expected Credit Loss (Net of written off and reversal of provision)	-	-
Closing Surplus /(Deficit)	(2,93,51,388)	28,58,166
Total	(1,47,92,943)	1,74,16,611

Note 11 : Money received against Share Warrants

Particulars	No. of Warrants	Category	31st March 2019	31st March 2018
1. Harish Agarwal	2,06,000	Promoter	15,45,000	-
2. Anil Nagpal	2,06,000	Promoter	15,45,000	-
3. Gian Aggarwal	1,88,000	Promoter	14,10,000	-
4. KDA Corporate Advisors LLP	1,00,000	Non-Promotor	7,50,000	-
5. Arati Jayesh Parmar	3,00,000	Non-Promotor	22,50,000	-
6. Rajiv Malik	2,00,000	Non-Promotor	15,00,000	-
7. Ashok Gupta	2,00,000	Non-Promotor	15,00,000	-
8. Rakesh Kr. Aggarwal	2,00,000	Non-Promotor	15,00,000	-
Total	16,00,000		1,20,00,000	-

11.1 Terms of issue of Share Warrants

- 16,00,000 of warrants were allotted on 24th September 2018, 25% of warrants were subscribed at issue price Rs. 30 each (including face value Rs. 10 and premium of Rs. 20 each)
- The warrants may be exercised by the warrant holder at any time before the expiry of 18 months from the date of allotment of Warrants.
- In the event of warrant holder does not exercise the warrants within 18 months from the date of allotment of warrants, the warrants shall lapse and the amount paid on such warrants shall stand forfeited by the Company.
- Upon exercise of warrants by the warrant holder, the company shall issue and allot appropriate number of equity shares

Note 12 : Long Term Provisions
Provision for Employee Benefits

Particulars	31st March 2019	31st March 2018
Gratuity	64,220	25,54,506
Leave Encashment	1,84,402	6,00,958
Total	2,48,622	31,55,464

Note:- Loan from NSIC and bank overdraft are secured by bank guarantee and against lien on bank term deposits.

Note 13 : Current liabilities

Financial liabilities: Borrowings

Particulars	31st March 2019	31st March 2018
Secured		
Loan From NSIC	-	24,27,123
Bank Overdraft	61,08,411	42,71,027
Total	61,08,411	66,98,150

Note 14 : Financial liabilities: Trade payable

Particulars	31st March 2019	31st March 2018
Trade payable		
i) Trade Payable to SSI & SME Enterprises	6,43,180	
ii) Trade Payable other than SSI & SME Enterprises	57,02,944	65,18,314
Total	63,46,124	65,18,314

Note 15 : Other Financial Liabilities

Particulars	31st March 2019	31st March 2018
Employee Benefits Payable	1,76,412	13,86,020
Business Deposits	59,935	94,935
Audit Fees Payable	2,75,000	-
Interest Payable for MSME	17,045	-
Total	5,28,392	14,80,955

Note 16 : Other Current Liabilities

Particulars	31st March 2019	31st March 2018
Other Liabilities and Payables	7,32,039	14,76,545
Non Trade Creditors	10,42,144	
Amount Payable against MVAT and CST Order	32,05,337	-
Gratuity	5,65,950	-
Leave Encashment	94,417	18,32,450
Advance received from Customers	3,54,030	8,21,926
Statutory dues including Provident Fund and Tax Deducted at Source	9,65,104	12,09,121
Business Deposits	-	-
Deposits-Deposits from Director	-	13,00,000
TDS Payable FY 2007-18	2,76,820	-
Income Tax Payable	6,72,330	-
Total	79,08,171	66,40,042

ENVAIR ELECTRODYNE LIMITED

Note 17 : Provisions

Particulars	31st March 2019	31st March 2018
Provision for Staff Travel	2,30,000	-
Provision for Outstanding Expenses	6,45,797	-
Total	8,75,797	-

Note 18 : Current Tax Liabilities (Net)

Particulars	31st March 2019	31st March 2018
Provision For Tax (net)	-	21,07,687
Total	-	21,07,687

Note 19 :Revenue from Operations

Sale of Products:

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
Manufacturing	3,11,96,859	3,55,07,587
Trading	15,58,709	33,94,949
Excise duty collected from customers	-	7,88,000
Sale of service	9,89,878	17,46,047
Other Operating Revenue	65,070	51,528
Total	3,38,10,515	4,14,88,111

Note 20 : Other Income

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
Profit on sale of assets(Net)	-	4,22,96,776
Interest received on bank deposit	13,45,450	2,80,983
Excess provision written back/ Unclaimed credit balance	23,107	13,74,145
Miscellaneous income	15,945	99,388
	13,84,502	4,40,51,292

Note 21 : Cost of Materials Consumed

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
Opening stocks	28,21,102	23,56,806
Add: Purchases	1,95,12,221	1,92,30,595
Less: Stocks at close	37,90,030	28,21,102
Total	1,85,43,294	1,87,66,299

Note 22 : Purchase of Stock in Trade

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
Purchase of Stock in Trade	7,32,653	19,72,867
Total	7,32,653	19,72,867

Note 23 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
(Increase)/ Decrease in stocks		
Stocks at close:		
Finished goods	22,28,983	24,85,939
Work-in-process	7,14,755	11,57,105
Stock in Trade	4,68,095	1,20,757
	34,11,833	37,63,801
Opening stocks		
Finished goods	24,85,939	22,54,518
Work-in-process	11,57,105	10,41,307
Stock in Trade	1,20,757	67,428
	37,63,801	33,63,253
Total	3,51,968	(4,00,548)

Note 24 : Employees Benefit Expenses

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
Salaries, Wages and Bonus	1,80,76,019	1,28,04,367
Contribution to PF & other Funds	13,56,215	13,34,529
Workman and Staff Welfare Expenses	3,27,407	3,61,009
Total	1,97,59,641	1,44,99,905

Note 25 : Finance Cost

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
Interest expense		
Interest expense on loan and LC discounting	3,24,249	11,28,740
Other borrowing cost		
Interest for other reasons	1,04,033	-
Commission & Discounting Charges etc.	1,19,984	92,000
Total	5,48,266	12,20,740

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Note 26 : Depreciation and amortisation expenses

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
Depreciation/ amortisation		
Tangible assets	7,22,261	10,73,348
Amortisation		
Intangible assets	-	35,294
Total	7,92,701	11,08,642

Note 27 : Other Expenses

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
Manufacturing/ Direct Expenses		
Stores, spares and tools consumed	35,77,991	18,96,378
Power and fuel	13,37,373	11,78,541
Repairs to machinery	26,50,476	1,84,775
Service charges	-	3,51,576
	75,65,840	36,11,270
Selling Expenses		
Commission and discount	-	81,551
Selling and distribution	8,27,938	6,56,089
Other selling expenses	1,46,098	30,384
	9,74,036	7,68,024
Administration Expenses		
Advertisement	93,168	43,548
Rates and taxes	5,27,679	6,31,904
Insurance	93,845	1,20,237
Building & Other repairs and maintenance	3,94,272	93,100
Travelling and conveyance	25,07,852	17,97,274
Postage and telephone	4,20,925	2,80,333
Printing and stationery	3,48,537	2,53,791
Gardening and cleaning	7,31,118	10,99,804
Director's sitting fees	57,000	66,000
Security	7,22,351	5,00,315
Auditor's remuneration	1,52,192	1,50,038
Professional and consultancy	14,70,575	6,77,801
Foreign exchange loss(Net)		5,211
Irrecoverable balances and sundry balances written off	10,41,402	20,04,246
Bad-debts written off		
Provision for Expected Credit Loss (Net of written off and reversal of provision)		2,00,000
Miscellaneous expenses	13,07,290	10,92,294
Sales Tax & Other Taxes	39,80,206	-
Expense for the period recognized in OCI		
Interest payable on MSME dues		-
Tax provision of Prior Years		
TDS Payable FY 2007-18		
TDS Payment against order FY 2007-18		
	1,38,48,411	90,15,896
Total	2,23,88,287	1,33,95,190

Note 28 : Tax Expense

Particulars	Figures for the year ended 31st Mar 2019	Figures for the year ended 31st Mar 2018
Income Tax Expenses	-	21,07,687
Tax charge/(credit) for earlier year	66,09,329	26,111
Deferred Tax Expense / (Income)	-	-
Total Tax Expense	66,09,329	21,33,798

Note 29 : Notes to and forming part of the Financial Statements as at and for the year ended 31st March , 2018

2 Contingent Liability not provided for in respect of:

Sr. No.	Particulars	As of 31 March,2019	As of 31 March,2018
i.	On account of Sales Tax	1,09,16,282	1,08,16,282
ii	On account of Income Tax	6,51,732	26,39,340
	Total Tax Expense	1,15,68,014	1,34,55,622

The Sales Tax Appeal of the Company for the 2010-11 is pending with Sales Tax Authorities. During the course of appeal the Company had paid deposit of Rs.1,42,000/- under protest. The Management is confident that the appeal will be decided in the Company's favour and the entire amount so deposited will be refunded to the Company. As such the Management does not expect any impact of this pending litigation on its financial position.

3 Going Concern

The Company is incurring losses in business consistently year after year. The turnover of the company has also receded over a period. At the previous year end, it had sold a part of its undertaking comprising land and building. These instances/events may create doubt as regards entity's performance and operation in the foreseeable future.

However, Considering the factors such as quality of products & services delivered by it, infrastructure and resources at disposal, efforts for business prospects being undertaken, change in the management during the year, strong customer base etc., the management is of the view that it will be able to perform & operate in the foreseeable future and will be able to meet the liabilities and honour its commitments in regular course of business. In view of this, the financial statements are prepared on the assumption that the Company is a going concern.

4 Estimated amount of contracts remaining to be executed on capital account (Net of Advances): NIL

5 The Company is operating in a single segment of "Industrial Machinery".

6 Defered Tax: In the absence of virtual certainty of future taxable profits against which the net deferred tax assets as above can be realised, the company has considered it prudent not to recognise the deferred tax asset in the books of account.

7. Payment to Auditors:

Sr. No.	Particulars	As of 31 March,2019	As of 31 March,2018
	Payment to Auditors:		
i.	Statutory Audit	1,00,000	50,000
ii.	Tax Audit	25,000	10,000
iii.	Certification and Other Services	40,000	40,000
iv.	Out of Pocket Expenses	23,208	8,000
	Total	1,88,208	1,08,000

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- 8 Trade payables includes dues to Micro and small enterprises to whom the Company owes amounts outstanding for more than 45 days. The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

The Details are as follows:

Sr. No.	Particulars	2018-19	2017-18
		₹	₹
1	The Principal Amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	6,60,226	-
2	The amount of interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond appointed day during each accounting year	NIL	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year.	17,046	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	NIL	-

9. CIF Value of Imports & Expenditure in Foreign Currencies

Sr. No.	Particulars	2018-19	2017-18
i.	CIF Value of Imports-		
	a)Goods	-	-
	b)Asset	-	-
ii.	Expenditure in Foreign Currencies- On account of Travelling & Conveyance	-	-
iii.	Other Expenses	-	-
	Total	-	-

10. Prior Period Items (Net)

Sr. No.	Particulars	2018-19	2017-18
1	Prior Period Items	1,62,020	-
	Total	1,62,020	-

11. Earning in foreign currency

Sr. No.	Particulars	2018-19	2017-18
1	FOB Value of Exports	1,65,315	3,71,261
	Total	1,65,315	3,71,261

12. Employee Benefits

The disclosure as required by Ind AS 19 on "Employee Benefits" are given below:

Sr. No.	Particulars	2018-19
I.	Defined Contribution Plan	
	Charge to the Statement of Profit and Loss based on contributions:	
	Employers contribution to provident fund	9,23,910
	Employers contribution to employees' state insurance	1,40,533
	Employers contribution to employees' pension scheme 1995	-
	Employers contribution to labour welfare fund and others	2,448
	Included in contribution to provident fund and other funds (Refer Note no.26)	10,66,891

II. Defined Benefit Plan

The present value of gratuity (unfunded) and compensated absences (unfunded) obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

a) Gratuity :

i) Movement in Present Value of Obligation

Particulars	2018-19
Present Value of Obligation as at the beginning	30,87,950
Current Service Cost	1,94,065
Interest Expense or Cost	2,36,228
Re-measurement (or Actuarial) (gain) / loss arising from:	
- change in financial assumptions	-
- experience variance (i.e. actual experience vs assumptions)	(3,18,533)
Past Service Cost	-
Benefits Paid	(20,26,947)
Present Value of Obligation as at the end	11,72,763

ii) Expenses recognised in the income statement and other comprehensive income

Particulars	2018-19
Current service cost	1,94,065
Past service cost	-
Net interest cost on the net defined benefit liability	1,95,420
Expenses recognised in Profit & Loss Account	3,89,485
Other Comprehensive Income	
Actuarial (gains) / losses	(3,18,533)
- Return on plan assets, excluding interest income	31,659
- Experience variance	(3,18,533)
Expenses recognised in OCI	(2,86,874)

ii) Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below

Particulars	March 31, 2019
Discount Rate (per annum)	7.48%
Salary growth rate (per annum)	7.50%
Mortality Rate	IALM 06-08

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iv) Sensitivity Analysis

Sr. No.	Particulars	March 31, 2019	
		Decrease	Increase
	Discount rate (- / + 1%)	64,157	(57,678)
	Salary growth rate (- / + 1%)	(58,181)	63,520
	Attrition rate (- / + 1%)	4,210	(4,093)

v) Maturity profile of Defined Benefit obligation

Expected Cash flow over the next (valued on undiscounted basis)	March 31, 2019
1st Following Year	1,83,538
2nd Following Year	1,48,599
3rd Following Year	92,696
4th Following Year	93,711
5th Following Year	1,60,622
Sum of years 6 to 10	5,29,210
Sum of years 11 and above	6,98,242

b) Leave Encashment:

i) IND AS 19 deals with termination benefits separately from other employee benefits because the event that gives rise to an obligation is the termination of employment rather than employee service. Leave encashment is treated as termination benefit and hence disclose as per IND AS 19 is not considered mandatory.

ii) Movement in Leave Encashment (Long Term & Short Term Compensated Absences)

Year	Opening Balance	Addition/ (Deductions)	Closing Balance
2018-19	6,00,958	(3,22,139)	2,78,819
2017-18	16,76,751	(10,75,793)	6,00,958

13 Details of Related Parties

	Key Managerial Personnel	Designation
1	Mr. Anil Nagpal	Managing Director- Executive (w.e.f. 11th May 2018)
2	Mr. Harish Agarwal	Non Executive Director (w.e.f 11th May 2018)
3	Mr. Archit Aggarwal	Non Executive Director (w.e.f 11th May 2018)
4	Mr. Avinash Dattatraya Kulkarni	Independent Director (w.e.f 29th March 2003)
5	Mr. Jayesh Madhavji Parmar	Independent Director (w.e.f 7th July 2018)
6	Mr. Gian Aggarwal	Relative of Director- (Archit Aggarwal)
7	Ms. Arati Jayesh Parmar	Relative of Director- (Jayesh Parmar)
8	Mr. Shripad R. Mirashi	Chairman & Managing Director (till 6th July 2018)
9	Ms. Deepanjali S. Mirashi	Executive Director & CEO (till 10th May 2018)
10	Mr. Rajabhau R. Joshi	Chief Financial Officer (till 11th September 2018)
11	Ms. Meena S. Joglekar	Company Secretary (till 6th July 2018)
12	Ms. Ankita Trivedi	Company Secretary (w.e.f. 7th July 2018)

14 Related Party Transactions

Nature of Relationship: Key Management Personnel

Sr.No.	Name of Related Party	2018-19		2017-18	
		Transaction Value	Payable Amount	Transaction Value	Payable Amount
1	Mr. Anil Nagpal				
	Issue of Share Warrants	15,45,000	-	-	-
	Total	15,45,000	-	-	-
2	Mr. Harish Agarwal				
	Issue of Share Warrants	15,45,000	-	-	-
	Total	15,45,000	-	-	-
3	Mr. Gian Aggarwal				
	Issue of Share Warrants	14,10,000	-	-	-
	Total	14,10,000	-	-	-
4	Ms. Arati Jayesh Parmar				
	Issue of Share Warrants	22,50,000	-	-	-
	Total	22,50,000	-	-	-
5	Mr. Shripad R. Mirashi				
	Remuneration	17,52,539	30,122	12,35,262	4,00,000
	Interest on Deposit	18,180	-	8,10,582	33,691
	Acceptance of Deposits	-	-	9,00,000	13,00,000
	Repayment of Deposits	-	-	97,00,000	-
	Car Rent	4,23,000	35,070	3,41,000	3,41,000
	Bank Guarantee Commission	75,000	-	62,500	62,500
	Total	22,68,719	65,192	1,30,49,344	21,37,191
6	Ms. Deepanjali S. Mirashi				
	Remuneration	-	-	6,89,704	1,35,304
	Provident Fund	-	-	40,413	4,413
	Total	-	-	7,30,117	1,39,717
7	Mr. Rajabhau R. Joshi				
	Remuneration	2,02,155	2,000	4,68,960	39,168
	Total	2,02,155	2,000	4,68,960	39,168
8	Ms. Meena S. Joglekar				
	Remuneration	5,09,571	-	6,34,272	54,356
	Provident Fund	-	-	36,072	3,006
	Reimbursement of expenses	15,862	-	-	-
	Total	5,25,433	-	6,70,344	57,362
9	Ms. Ankita Trivedi				
	Remuneration	2,20,291	25,145	-	-
	Total	2,20,291	25,145	-	-



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15 Raw Material Consumed

Particulars	2018-19		2017-18	
	Qty (Nos.)	(Amount in Rs.)	Qty (Nos.)	(Amount in Rs.)
Raw Material Consumed :				
1. For Clean Air Equipments	-	-	-	48,70,828
2. For Workstations	-	-	-	52,16,206
3. Aluminium Profile & Components	3,768	3,768	7,487	19,72,364
4. MS/CRCA Sheets	28,901	28,901	49,631	24,96,494
5. SS Sheets	6,731	6,731	8,583	16,12,168
6. Other Raw Material	-	-	-	25,98,239
TOTAL				1,87,66,299

16 Quantitative & Other Details

Particulars	2018-19				
	Sales	WIP	Stock		
	(Amount in Rs.)	Opening	Closing	Opening	Closing
1. Clean Air Equipment	1,74,11,672	28,91,795	14,09,304		
2. Trading items	15,57,709	-	-	1,20,757	26,835
3. Oil Purifiers	36,47,441	2,31,712	5,89,624		
4. Workstations	96,68,818	5,19,537	2,09,174		
TOTAL :	3,22,85,640	36,43,044	22,08,103	1,20,757	26,835

Particulars	2017-18				
	Sales	WIP	Stock		
	(Amount in Rs.)	Opening	Closing	Opening	Closing
1. Clean Air Equipment	1,33,38,148	26,33,361	28,91,795	-	-
2. Trading items	33,94,949	-	-	67,428	1,20,757
3. Oil Purifiers	20,23,753	86,222	2,31,712	-	-
4. Workstations	2,01,45,686	5,76,242	5,19,537	-	-
TOTAL :	3,89,02,536	32,95,825	36,43,044	67,428	1,20,757

17 Confirmation of balances has not been obtained from parties under the head trade receivable, trade payable, advances and deposits. Pending final reconciliations, the balance in respect of trade receivable, trade payable, advances and deposits are as appearing in the books of accounts of the Company. Adjustments having impact of a revenue nature if any, will be made in the year in which the same are confirmed/reconciled.

18 Movement in Provision for Expected Current Losses

Year	Opening Balance	Addition/ (Deductions)	Closing Balance
2018-19	2,00,000	(1,37,788)	62,212
2017-18	-	2,00,000	2,00,000

19 Exchange Difference on account of fluctuation in Foreign Currency Rates

Particulars	2018-19	2017-18
Exchange Difference on account of fluctuation in Foreign Currency Rates	-	(5,211)
On settlement/ revalorisation of Current Assets & Current Liabilities		

ii Foreign Exchange Derivatives not hedged at close of the year

Particulars	Currency	2018-19	2017-18
Exposure not hedged at the close of the year			
a. Receivables	USD	-	-
	Total	-	-
b. Payables	USD	-	-
	Total	-	-

20 Imported Material Consumed

Particulars	2018-19	2017-18
Consumption of Imported Material	-	-

21 Earnings Per Share (EPS):

Particulars	2018-19	2017-18
Basic EPS		
Earnings attributable to the Equity Share Holders	(3,22,09,554)	3,25,36,018
Total weighted average No. of shares	30,40,000	30,40,000
Earnings Per Share	(10.60)	10.70
Diluted EPS		
Earnings attributable to the Equity Share Holders & Warrant Holders	(3,22,09,554)	-
Total weighted average No. of shares	46,40,000	-
Earnings Per Share	(6.94)	-

22 Change in Method of accounting - Gratuity & Leave Encashment

During the year there is a change in method in respect of provision of gratuity and leave encashment. Till 31st March, 2018, the Company, was providing for the said liability on accrual basis. Now the liability is provided on the basis of actuarial valuation carried out at the end of the year. On account of this change in method in respect of gratuity and leave encashment, the loss for the year and accumulated losses at the year end are higher by Rs. 53,229/- and provision is overstated by Rs. 53,229/-

23 Sale of Asset

As at 31st March, 2018, the Company had sold a part of undertaking comprising of land and building at its Pune factory. Though the agreement for sale had been entered into on 31st March, 2018, the same was registered with Government Authority on 6th April, 2018. The Company had accounted for the transaction as sale and recognised gain on such sale in books while preparing financial statements during the financial year 2017-2018. Further the requisite permission from the MIDC for the transaction of sale has been received during the financial year 2018-2019.

24 Provision For Current Tax

The Company had ascertained the Income Tax liability for the financial year 2017-2018 on the assertion that the transaction of sale of undertaking constitutes transfer of capital asset resulting into taxable gain for that year and the liability has been provided as per rule.

Provision for tax for previous years has been provided during the current year on the basis of orders received on settlement of assessments and appeals.

25 The aggregate sales tax liability, as per appellate and assessments orders for the financial years 2001-02, 2002-03, 2003-04 and 2012-13, is Rs. 80,05,138/- as at 31st March 2019. The company intend to take benefit of amnesty scheme of Maharashtra State Government in respect of above mentioned outstanding sales tax liability. As on the signing date of this Financial Statement, the Company has prepared the application under the amnesty scheme which it intend to submit within few days. Based on prospective relief available under amnesty scheme, provision for sales tax liability has been made for Rs. 25,49,624/- as against aggregate demand of Rs.. 80,05,138/-. Vide Circular No. (2019 Trade Circular No. 9T of 2019, dated the 8th March) of Government of Maharashtra (Ref: - Settlement of Arrears of Tax, Interest, Penalty or Late fee under various Acts). Administered by the Maharashtra Goods and Services Tax Department. Ordinance, 2019 (Mah. Ord. No. V of 2019 dated 6th March 2019)

26 Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases retrospectively, with the cumulative effect of initially applying the standard, on the date of initial application. Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date but discounted using lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which underlying asset is of low value.

With effect from April 1, 2019, the Company will recognise new assets and liabilities for its operating lease of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortisation charge for right-to-use asset, and b) interest accrued on lease liability.

27 Effective April 1, 2018, the Company has applied Ind AS 115 which establishes comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to the contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

28 The Company has generally complied with IND AS requirements in all material aspects and that the impact of non-compliance with some Indian Accounting Standards (Ind AS) is insignificant

29 The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

30.1.1 Basis of preparation of Financial Statements**a. Compliance with IND AS:**

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements were authorized for issue by the Company's Board of Directors on 7th June, 2019.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency.

b. Historical cost convention:

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- (a) Defined benefit plans where plan assets are measured at fair value.

c. Current and Non-Current Classification:

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities

30.1.2 Use of Estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

30.1.3 Significant Accounting Policies**A) Property, Plant, Equipment & Intangible Assets:**

- (i) Fixed Assets are stated at their original cost of acquisitions including incidental expenses related to acquisition and installation of the concerned assets (including cost of specific borrowings).
- (ii) Intangible assets are recorded at the consideration paid for acquisition.
- (iii) Depreciation is charged using the straight line method on the basis of useful life of the assets as prescribed under schedule II of the Companies Act, 2013.

S No	Asset Category	Expected Useful life in years
1	Plant and Machinery	15
2	Factory Equipment	15
3	Building	30
4	Electrical fitting	10
5	Furniture & Fixture	10
6	Office Equipment	5
7	Vehicles	8

Software is amortized on Straight Line Method over a period of 6 years.

B) Inventories:

- (i) Stock of raw materials stores and trading goods are valued at the lower of cost (FIFO method) and net realized value. Cost includes direct material cost and appropriate direct over heads.
- (ii) Work in progress is valued at the lower of cost and net realizable value up to the stage of completion. Finished goods are valued at the lower of cost and net realizable value.
- (iii) Cost includes cost of purchase, cost of conversion & cost of bringing down the same to the same location and condition.

C) Employee Benefits:**Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and short term compensated absence, etc. and the expected cost of bonus, is recognized in the period in which the employee renders the related service.

Post-Employment Benefits

Defined Contribution Plans: The provident fund scheme and employee state insurance scheme are defined contribution plans. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plans: The Company has provided gratuity as per actuarial valuation basis. The company has not made any contribution to gratuity fund during the year.

Termination Benefits

The Company has provided for leave encashment liability as per actuarial valuation basis.

Where termination benefits such as compensation under voluntary retirement scheme is payable within a year of the balance sheet date, the actual amount of termination benefits is accounted as expense in year of accrual.

D) Foreign Currency Transactions

a) Initial recognition–

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of transaction.

b) Conversion–

Current Assets and Current Liabilities designated in foreign currencies are revalored at the rate prevailing on the date of Balance Sheet or forward contract rate or other appropriate contracted rate.

c) Exchange Differences:-

Exchange difference arising on the settlement and conversion on foreign currency transactions are recognized as income or as expenses in the year in which they arise.

E) Revenue Recognition:

a. Domestic sales are accounted for when dispatched from the point of sale, consequent to property in goods being transferred.

b. Export sales are accounted on the basis of the dates of Bill of Lading/ Other delivering documents as per terms of contract.

c. Service income is recognized when services are rendered as per terms of contract.

d. Export Incentive – Export Incentives are accounted for Export of Goods if the entitlement can be estimated with reasonable accuracy and conditions precedents to claim are fulfilled.

F) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferral or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated.

G) Cash and cash equivalents

Cash comprises of cash in hand and demand deposits with bank. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value.

H) Borrowing Costs:

Borrowing costs are recognised in the Profit and Loss Account except interest incurred on borrowings, specifically raised for projects, are capitalized to the cost of the qualifying assets until such time that the asset is ready to be put to use for its intended purpose.

I) Taxation:

Current tax is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax is recognized, subject to the consideration of prudence in respect of deferred tax asset, on timing differences, being the difference between tax able incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets on account of brought forward losses and unabsorbed depreciation under tax laws are recognized only if there is virtual certainty of its realization supported by convincing evidence. At each balance sheet date, the carrying amount of deferred tax assets is reviewed to reassess realization.

J) Earnings per share:-

The basic & diluted earnings per share is computed by dividing the net profit or loss attributable to equity shareholder for the period by the weighted average number of equity shares outstanding during the period

K) Impairment of Assets:

The Management assesses for any impairment of assets or cash generating units, if indicators, external or internal, suggest possibilities of reduction in net realisable value of assets or value in use of cash generating units below their carrying costs. Impairments, if any, will be recognised in the Profit and Loss Account.

L) Provisions and Contingent Liability:

Provisions are recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimates. A disclosure of contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of the outflow of resources is remote, no provision or disclosure is made.

M) Provision for expected credit loss (ECL) under IND AS 109

Impairment of financial assets: Trade receivables:

In accordance with IND AS 109, the company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets including trade receivables. ECL is the cash shortfall, i.e. difference between contractual cash flows that are due to the Company and all the cash flows that the entity expects to receive. The company applies 'simplified approach' for recognition of impairment allowance on trade receivables. The application of simplified approach does not require the company to track changes in credit risk. Rather it recognises impairment allowance based on lifetime ECL at each reporting date.

Under previous Indian GAAP, the company has created provision for impairment of receivables only in respect of specific amount for incurred losses. Under IND AS, impairment allowance has been determined on Expected Credit Loss (ECL) model.

As per our report of even date attached

For and on behalf of Board of Directors

For **M/s C. V. Chitale & Co.**
Chartered Accountants

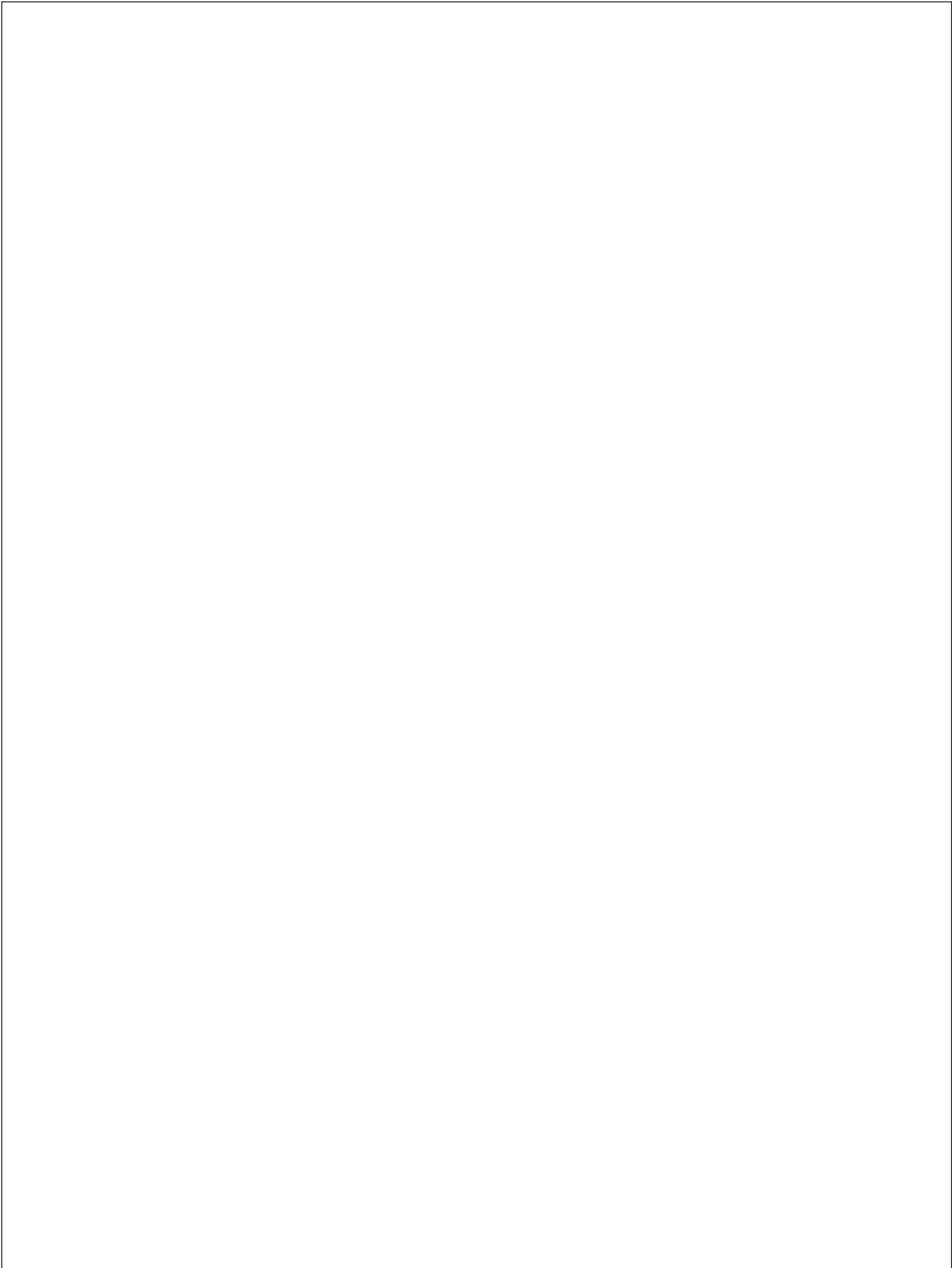
Anil Nagpal
Chairman and Managing Director

Ankita Trivedi
Company Secretary

Abhay Avchat
Partner
Membership number: 112265
Pune: 7th June 2019

jayesh Parmar
Director

Prince Vohra
Chief Financial Officer



ENVAIR ELECTRODYNE LTD.

CIN : L29307MH1981PLC023810
Registered Office : 117, 'S' Block, MIDC, Bhosari, Pune 411 026,
Ph.No. : 020 30688117/8
Email : info@envair.in
Website : www.envair.in

PROXY FORM

Name of the member (s) :
Registered Address :
Email Id :
Folio No./DPID-Client ID:

I/ We being the member(s) of ----- Shares of the above named company hereby appoint

- Name - _____ Address : _____
Email Id _____ Signature _____ or failing him
- Name - _____ Address : _____
Email Id _____ Signature _____ or failing him

As my/our proxy to attend and vote for me/ us and on my/ our behalf at the Annual General Meeting of the company to be held on Monday,30th September,2019 at 12.30 pm at the Registered office of the company,117 'S' Block,MIDC, Bhosari, Pune 411 026 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Description of Resolution	Optional *	
		For	Against
Ordinary Business			
1	To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019 together with the Boards' Report & Auditors Report thereon		
2	To retire Mr. Harish Agarwal (DIN 02185002) by rotation		
3	To retire Mr. Archit Aggarwal (DIN 08127356) by rotation		
Special Business			
4	Appointment of Mr. Sanjiv Kumar Narain (DIN- 07349240) as Independent Director		
5	Appointment of Mrs. Prachi Narula (DIN- 08502922) as Women Independent Director		
6	Re-Appointment of Dr. Avinash Kulkarni (0016046) as an Independent Director of the Company		

Signed this _____ day of _____ 2019

Signature of Shareholder(s) _____

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.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
- * It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' Column Blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- Please complete all details including details of member(s) in above Box before submission.

ENVAIR ELECTRODYNE LIMITED

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Registered Office : 117, 'S' Block, MIDC, Bhosari, Pune 411 026,
Ph.No. :020 30688117/8
Email : info@envair.in
Website :www.envair.in

ATTENDANCE SLIP

Annual general Meeting on 30th September, 2019 at 12.30 p.m.

Ledger Folio No.....

Full Name of the Shareholder :.....

(in block letters)

I certify that I am a member/proxy for the member of the Company.
I here by record my presence at the Annual General Meeting of the Company held at the Regd. Office of the Company on
Monday, 30th September, 2019 at 12.30 p.m.

Shareholder's/Proxy's
Signature

Proxy's full name

(in block letters)

Note : Please fill in this Attendance Slip and hand it over at the entrance of the Hall

.....CUT HERE AND BRING THIS ATTENDANCE SLIP AT THE
MEETING.....

ENVAIR ELECTRODYNE LIMITED

CIN : L29307MH1981PLC023810
Registered Office : 117, 'S' Block, MIDC, Bhosari, Pune 411 026,
Ph.No. :020 30688117/8
Email : info@envair.in
Website :www.envair.in

PROXY FORM

I/We.....
.

ofbeing a member/members of

Envair Electrodyne Limited, Pune 411 026 hereby appoint.....

of

or failing him/her

..... of

as my/our proxy in my/our absence to attend and vote for me/us, and on my/our behalf at the Annual General Meeting of the
Company, to be held on Monday,30th September,2019 at 12.30 P.M. and at any adjournment thereof.

In witness whereof, I/We have set my/our hand/hands/this ---- day of ----- 2019

COURIER



Enriching Environment

If undelivered please return to :

ENVAIR ELECTRODYNE LIMITED

Regd. Office : 117, 'S' Block, MIDC Bhosari, Pune 411 026 (INDIA)