

Enriching Environment

**32<sup>ND</sup>**  
**ANNUAL REPORT**  
**2013-2014**

**ENVAIR ELECTRODYNE LIMITED**



**DIRECTORS**

Shripad Mirashi	Chairman & Managing Director
Dr. Avinash Kulkarni	Director
Deepanjali Mirashi	Executive Director
Dr. P. S. Karmarkar	Director
Prakash Karnik	Director
Meena Joglekar	Director & Company Secretary

**AUDITORS**

M/s. P. G. Bhagwat  
Chartered Accountants  
Suit no. 101-102, 'Orchard'  
Dr. Pai Marg, Baner Road  
Pune : 411 045

**BANKERS**

Bank of India, Pimpri, Pune 411 018.  
IDBI Bank, Nigdi, Pune 411 044.

**REGISTERED OFFICE & WORKS**

117, 'S' Block,  
MIDC Bhosari,  
Pune 411 026.  
CIN - L29307MH1981PLC023810  
Phone : 27120121/30688117/18  
Fax : 30688130  
Email : [contact@envairelectrodyne.com](mailto:contact@envairelectrodyne.com)  
Website : [www.envairelectrodyne.com](http://www.envairelectrodyne.com)

# ENVAIR ELECTRODYNE LIMITED

## NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of Envair Electrodyne Limited, will be held on Monday, 29th September, 2014 at 10.30 a.m. at Envair Electrodyne Ltd., 117 'S' Block, MIDC, Bhosari, Pune 411 026

### ORDINARY BUSINESS :

#### ITEM NO.1.

To receive, consider and adopt the Balance Sheet as at 31st March, 2014 and Profit & Loss Account for the year ended on that date, Auditors' Report and Report of Directors thereon.

#### ITEM NO. 2

To appoint Auditors of the Company and fix their remuneration.

To consider and, if thought fit, to pass with or without modifications the following Resolution :

RESOLVED THAT consent of the company be and is hereby accorded to re-appoint M/s P.G.Bhagwat, Chartered Accountants ( FRN No 101118W ) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting.

RESOLVED FURTHER THAT they may be paid a remuneration which may be decided by the Board of Directors of the company or committee thereof.

#### ITEM NO.3

To appoint Director in place of Dr P. S. Karmarkar (DIN 01312795), who retires by rotation and being eligible offers himself for reappointment.

#### ITEM NO.4

To appoint Director in place of Ms Meena Joglekar(DIN 00480882) , who retires by rotation and being eligible offers herself for reappointment.

### SPECIAL BUSINESS :

#### ITEM NO.5.

To consider and, if thought fit, to pass with or without modifications the following Resolution as a Special Resolution :

RESOLVED THAT pursuant to Provisions of Sections 196, 197 & 203 and other applicable provisions, if any, of the Companies Act, 2013, and as per the Provisions of Schedule V to the said Act, and subject to such other approvals as may be required, the approval of the members be and is hereby accorded to the reappointment of Mr. Shripad Mirashi (DIN No. 00480854), as the Managing Director of the Company for the period of 5 years with effect from 1st April, 2014, upon the terms and conditions as are set out in the statement annexed to the Notice.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the currency of his tenure as a Managing Director, the Remuneration shall be paid Subject to the ceilings & conditions stipulated in Part II of Schedule V of the Companies Act, 2013 as Minimum Remuneration.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to revise from time to time during the tenure of the present appointment of Mr Shripad Mirashi, the Remuneration payable to him as Managing Director, subject to ceilings laid down in Sections 197 of the Companies Act, 2013, without further approval of the members of the Company but with such other approvals, sanctions or permissions, if any required for such revision in the remuneration.

#### ITEM NO.6

To consider and, if thought fit, to pass with or without modifications the following Resolution as an Ordinary Resolution :

Resolved That pursuant to provisions of Section 152, 161 and any other applicable provisions of the Companies Act, 2013 and any rules made there under read with Schedule IV to the Act, Mr Prakash Karnik (DIN 00019193) who was appointed by the Board as an Additional Director of the Company with effect from 29th January, 2014 and who holds Office of Director up to the date of this Annual General Meeting and in respect of whom the company has received a Notice in writing from a member proposing the candidature of Mr Prakash Karnik to the office of Director of the Company, be and is hereby elected and appointed as an independent Non Executive Director whose period of office shall be liable to determination by retirement of Directors by rotation.

### NOTES :

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.

1. 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.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the meeting.
3. The Register of Members and share transfer books of the Company will remain closed from 24.9.2014 to 29.9.2014 (both days inclusive).
4. 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 alongwith Scrutinizer's report will be available on the Website of the company within two working days of the same being passed.
5. 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.
6. Members are requested to bring their attendance slip & copy of the Annual Report at the Meeting.

By order of the Board of Directors  
For ENVAIR ELECTRODYNE LIMITED

MEENA JOGLEKAR  
DIRECTOR & COMPANY SECRETARY

Place : Pune  
Date : 28th May, 2014

**ANNEXURE TO NOTICE  
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE  
COMPANIES ACT 2013.**

**ITEM NO.5:**

Mr Shripad Mirashi was reappointed as Managing Director of the Company for a period of 5 years from 1.4.2009 to 31.3.2014. An ordinary resolution for his appointment and remuneration was passed by the Members of the Company in their Annual General Meeting held on 2nd September, 2009.

The Board of Directors of your Company has by its resolution passed at its meeting held on 29th March, 2014, reappointed Mr Shripad Mirashi as the Managing Director of your Company for a further period of 5 years with effect from 1st April 2014 on the terms & conditions as set out in the agreement and on the remuneration stated in the Resolution at item no. 6 of this Notice.

Mr Shripad Mirashi aged 73 years is a Promoter & Managing Director of the company having over 35 years of industrial experience. Mr Mirashi is qualified as an Electrical Engineer from Govt. College of Engineering, Pune. He was selected for Hindu Hitachi Scholarship and underwent specialized training in various factories in Hitachi Ltd., Japan.

He has excellent grasp and through knowledge and experience of not only engineering & technology but also of general management. In view of his knowledge of various aspects relating to the company's affairs & long business experience, the Board of Directors is of the opinion that for smooth & efficient running of business, the services of Mr Mirashi should be available to the company for a further period of 5 years with effect from 1st April, 2014.

Following are the details of the Annual salary (payable monthly) proposed to be paid to Mr Shripad Mirashi, Managing Director.

Consolidated salary, perquisites, etc. Rs. 18,19,992/- (Rs. Eighteen lacs nineteen thousand nine hundred ninety two only)

In addition to the aforesaid salary, the Managing Director shall be entitled to the following :

- a) Gratuity as per the rules of the company, but not exceeding half a month's salary for each completed year of service.
- b) Encashment of leave at the end of tenure
- c) Provision of car for use on company's business
- d) Free landline telephone facility at residence along with free mobile telephone facility.
- e) He shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of business of the company.
- f) Personal Accident Insurance :  
The expenditure on payment on premium shall be subject to a ceiling of Rs.4000/- per annum.
- g) Commission as may be decided by the Board of Directors, based on the Net profits of the company each year & subject to limits laid down in Section 197 of the Companies Act, 2013.
- h) In the event of loss or inadequacy of profits in any financial year during the currency of his tenure as a Managing Director, the Remuneration shall be paid Subject to the ceilings & conditions stipulated in Part II of Schedule V of the Companies Act, 2013 as Minimum Remuneration.

Mr Shripad Mirashi and Ms Deepanjali Mirashi being father & daughter are interested in the appointment of Mr Shripad Mirashi as Managing Director. None of the other Directors & key managerial personnel or their relatives is concerned or interested financial or otherwise in the resolution as set out in Item 5 of the Notice.

**ITEM NO.6:**

Pursuant to Article 116 of the Articles of Association of the Company, the Board of Directors co-opted Mr Prakash Karnik as an Additional Director of the Company w.e.f. 29th January, 2014.

Mr Karnik is qualified as Chemical Engineer from the Indian Institute of Technology, Madras. He also has a Diploma in Systems Management and Financial Management from University of Bombay.

He was General Manager in Unit Trust of India, Managing Director (Investments) IDFCPE, Director in Jardine Fleming India Securities Ltd.

Mr Karnik is a Founder Director of a Boutique Investment Advisory Firm - Orion Equity Advisors Pvt.Ltd. in Mumbai. Orion is engaged in advising Small & Medium Enterprises for equity capital raised for growth from P.E. Funds in India. He has been appointed as Independent Director on the Board of Union KBC Asset Management Company Pvt.Ltd.

He is also nominated as a Member on the Listing "Advisory Committee" of the National Stock Exchange of India (NSE).

The Board of Directors considers that his continued association would be of immense benefit to the company & therefore it is desirable to avail the services of Mr Karnik as an Independent Director.

Accordingly, the Board recommends the passing of the ordinary resolution as set out in Item No.6 of the Notice.

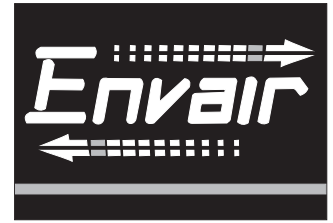
Except Mr Prakash Karnik being an appointee, none of the other Directors & key managerial personnel or their relatives is concerned or interested financial or otherwise in the resolution as set out in Item 6 of the Notice.

Place: Pune  
Date : 28th May,2014

By order of the Board of Directors  
For ENVAIR ELECTRODYNE LIMITED

MEENA JOGLEKAR  
DIRECTOR & COMPANY SECRETARY

# ENVAIR ELECTRODYNE LTD.



Enriching Environment

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 32nd Annual General Meeting scheduled to be held on Monday, September 29th, 2014 at 10.30 a.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
23rd September, 2014 at 10 a.m.(IST)	25th September, 2014 at 6 p.m.(IST)

The cut off date (i.e. Record date) for the purpose of E-voting is 15th August, 2014. The Board of Directors have appointed Mr Ishwar 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 atleast two witnesses not in the employment of the company and will make a Scrutinizer's Report of the votes cast in favour 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 favour of the resolutions. The results declared alongwith the Scrutinizer's report will be available on the website of the company ([www.envairelectrodyne.com](http://www.envairelectrodyne.com)) 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. This communication forms an integrant part of the Notice dated 28.5.2014.

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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.</li> </ul> <p>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.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 23rd September, 2014 at 10 a.m. and ends on 25th September, 2014, at 6 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

# ENVAIR ELECTRODYNE LIMITED

## DIRECTORS' REPORT.

Your Directors present the Company's Annual Report and Accounts for the year ended on 31.3.2014:

FINANCIAL RESULTS :	Current Year Rupees	Previous year Rupees
Sales & Other Income	5,86,44,502	9,45,90,495
Profit/(Loss) after depreciation but before Income Tax and Appropriations.	4,19,934	82,56,302
Amount available for appropriation	<u>4,19,934</u>	<u>82,56,302</u>
Less: Appropriations :	-	-
1. Provision for taxation	(6,61,552)	8,66,653
2. Proposed Dividend	-	21,28,000
3. Provision for tax on proposed Dividend	-	3,61,760
Balance transferred to Balance Sheet	<u>10,81,486</u>	<u>48,99,889</u>

### DIVIDEND :

Due to inadequacy of profits, the Board has not recommended any dividend during the current year.

### MANAGEMENT DISCUSSION AND ANALYSIS: COMPANY PERFORMANCE

Workstation sale registered 16.7% increase compared to previous year, Clean Air Equipments sale registered 14.6% increase and Oil Cleaner sale 38.3% decline compared to previous year. Total sale decline was due to discontinuation of deemed export business of Heat Exchangers, which was not profitable & not part of core business for the company.

Referring to the qualifications by Auditors at Point nos (a) & (b), the management views are as under:

1. We are making every effort to recover bad debts which are symbolic of recessionary trend in the manufacturing sector. Every year, we are recovering some of them and making provisions for the debts which could not be recovered.
2. The compensation asked by Actuary every year is felt as unreasonable. The amount of deviation from our calculation and coming from the Actuaries could be insignificant to affect the profit & loss statement.

### DIRECTORS' RESPONSIBILITY STATEMENT

The Company has followed the applicable accounting standards along with proper explanation relating to material departures in the preparation of annual accounts.

The Company has 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 or 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.

Annual Accounts of the Company have been prepared on a going concern basis.

### CORPORATE GOVERNANCE:

Your Company conforms to the norms of Corporate Governance as envisaged in the Listing Agreement with the Stock Exchange, Mumbai. Necessary measures were taken during the year under Report to implement the Code of Corporate Governance. A Report on the Corporate Governance along with the Certificate of Compliance from the Auditors forms part of this Report.

### EXPORTS:

During the year the Company has exported Rs. 20,15,081/- worth of Electrostatic Hydraulic Oil Cleaners, HV Power Pack, Filter Paper set to UAE & Bangladesh.

### DEPOSITS:

No deposit remained unclaimed after maturity, as on 31st March, 2014.

### ENVIRONMENT, SAFETY AND ENERGY CONSERVATION:

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo are given in the Annexure 'A' to this Report.

### PARTICULARS OF EMPLOYEES :

There is no employee whose remuneration falls within the ambit of section 217 (2-A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

### DIRECTORS :

Mr Prakash Karnik was appointed as an Additional Director, in the Board Meeting, with effect from 29th January, 2014. The above Director will hold office until the ensuing Annual General Meeting of the Company. The company has received a Notice in writing proposing his candidature for the office of Director. The brief resume and other details related to Mr Karnik, Director, are furnished alongwith the Explanatory Statement to the Notice convening the ensuing Annual General Meeting.

### AUDITORS :

Auditors of the Company M/s P. G. Bhagwat (FRN No. 101118W), Chartered Accountants, Pune, will retire at the conclusion of the ensuing Annual General Meeting. They are eligible for re-appointment.

### ACKNOWLEDGMENT :

Your Directors thank Bank of India and Industrial Development Bank of India, for their co-operation. Your Directors also thank the employees, suppliers, shareholders & Govt. departments, for their continuous co-operation and support.



For and on behalf of the Board  
of Directors,

**SHRIPAD MIRASHI**  
**CHAIRMAN &**  
**MANAGING DIRECTOR**

Place : Pune  
Date : 28.05.2014



**ANNEXURE 'A' TO THE DIRECTORS REPORT**

(Additional information given in terms of Notification 1029 of 31.12.1988 issued by the Department of Company Affairs)

**DISCLOSURES****A) CONSERVATION OF ENERGY:****ENERGY CONSERVATION MEASURES TAKEN:**

Overall electrical energy cost decreased by 14.5%. Per Kg electrical cost increased by 7% due to reduced tonnage & due to MSEB rate increase of 6.3%.

Particulars	2013-14	2012-13
Per Kg Unit consumption - Nos	1.90	1.43
Per Kg electricity charges - Rs.	17.80	16.54
Per unit electricity charge - Rs.	9.36	8.56

**B) RESEARCH AND DEVELOPMENT:****1) AREAS IN WHICH R & D IS CARRIED OUT BY THE COMPANY:**

For machine shops, Oil Mist Collectors were developed. Electrostatic Air Cleaners for new applications were developed.

**2) BENEFITS DERIVED AS A RESULT OF R & D**

We expect new business opportunities

**3) FUTURE PLANS:**

Company desires to develop clean air systems for Operating Theatres.

**4) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION**

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

On behalf of the Board of Directors

**SHRIPAD MIRASHI**  
**CHAIRMAN & MANAGING DIRECTOR**

Place : Pune

Date : 28.05.2014

## ANNEXURE TO DIRECTORS REPORT

### REPORT ON CORPORATE GOVERNANCE :

#### 1. Company's Philosophy:

The Company's philosophy of Corporate Governance aims at establishing & practicing a system of good Corporate Governance which will assist the management in managing the Company's business in an efficient and transparent manner, towards fulfilling the corporate objectives and to meet the obligations & interest of the Shareholders.

#### 2. Board of Directors:

##### a) Composition of the Board :

The composition of Board of Directors during the period under review and their attendance at the Board meetings and number of other directorships and Committee Memberships held by them are given below:

##### b) No. of Board Meetings:

During the period under review, i.e. 1st April, 2013 to 31st March, 2014, 06 Board Meetings were held. The meetings were held on: 1. 29.04.2013, 2. 29.05.2013, 3. 30.07.2013, 4. 29.10.2013, 5. 29.01.2014, 6. 29.03.2014

##### c) Directors Attendance Record & Directorship held :

The information on composition of the Board as on 31st March, 2014, category of Directors, attendance at Board Meetings held during the year and at the last Annual General Meeting, directorships in other public Companies and Committees of other public Companies of which the Director is a Member/ Chairman is as under.

Sr. No.	Name of Director	Category of Directorship	Financial year 01.04.13 to 31.03.14 attendance at		No. of Directorships in other Pub Companies	Committee positions held in other Companies
			Board Meetings	Last AGM		
1	Mr. Shripad Mirashi	Chairman ED@	6	Yes	-	-
2	Ms Meena Joglekar	ED	6	Yes	-	-
3	Dr Avinash Kulkarni	I & NED	6	Yes	1	-
4.	Dr P.S.Karmarkar	I & NED	3	No.	1	-
5.	Ms Deepanjali Mirashi	ED @	3	Yes	-	-
6.	Mr Prakash Karnik	I & NED	2	No	-	-

#### Abbreviations:

##### e) Information supplied to the Board :

- Review of Annual Operating Plans of Business, Capital budgets, Updates Quarterly Results of the Company & its operating divisions.
- Minutes of Meetings of Audit Committee & other Committees.
- Materially important show cause, demand, prosecution & Penalty Notice Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material relevant default in financial obligations to & by the Company or substantial non payment for goods sold by the Company.
- Any issue which involves possible public or product liability claims of substantial nature.
- Details of any Joint Venture or Collaboration Agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual rights.
- Significant labour problems & their proposed solutions.
- Significant development in human resources & industrial relation fronts
- Sale of material nature of investments, subsidiaries, assets which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement and
- Non Compliance of any regulatory, statutory provision or listing requirements as well as Shareholders service such as non payment of dividend and delay in share transfer.

**3. Audit Committee:**

**a) Composition:**

The composition or name and Chairman of Audit Committee and their attendance at its meetings during the period under review was as given below:

During the period under review, the Audit Committee Meetings were held on 29.05.2013, 30.07.2013, 29.10.2013, 29.01.2014

Name of Director		No. Of Meetings Attended
Mr. Shripad Mirashi	- Executive Director	4
Ms. Meena Joglekar	- Executive Director	4
Dr. Avinash Kulkarni	- Non-Executive Director	4
Dr P.S.Karmarkar	- Non-Executive Director	3
Mr Prakash Karnik	- Non-Executive Director	1
Ms. Deepanjali Mirashi	- Executive Director	2
Mr S.S.Athavale	- Auditors	2

The Audit Committee meetings are attended by the Executive Directors, Non-Executive Directors and the Auditor. Ms Meena Joglekar, Director & Company Secretary acts as the Secretary of the Committee.

**b) Terms of Reference:**

The role and terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 besides other terms as may be referred by the Board of Directors. These include oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible, reviewing annual and quarterly financial statements with management before submission to the Board, reviewing the adequacy of internal control systems and performance of external and internal auditors with management.

**4. Remuneration Committee:**

The Company has not set up a Remuneration Committee. The Board of Directors decides the Remuneration of the Executive Directors in accordance with the provisions of the Companies Act, 1956, subject to the approval of the Shareholders.

The Board also decides the commission payable to the Executive Directors on determination of the profits for the financial year, within the ceiling prescribed under the Companies Act, 1956.

The Remuneration for the Non-Executive Directors is decided by the Board of Directors based on their attendance & contribution at the meetings.

Details of remuneration paid to the directors during the period under review are given below:

(Rs.in lacs)

Name	Salary Rs.	Perks Rs.	Allowances Rs.	Commission Rs.	Sitting Fees Rs.	Total Rs.
Mr. Shripad Mirashi Chairman & Managing Director	8.04	0.64	3.60	-	-	12.28
Ms Deepanjali Mirashi Whole time Director	3.55	0.76	3.46	-	-	7.77
Ms Meena Joglekar Whole time Director	2.88	0.90	1.97	-	-	5.75
Other Directors	-	-	-	-	0.46	0.46

**NOTES:**

1. Salary means Basic Salary only.
2. Perquisites include Reimbursement of Medical Expenses, Contribution to Provident Fund, Perquisites value as per Income Tax Rules for Furniture at Residence & provision of Car.
5. Shareholders/ Investors Grievance Committee:

The Company has constituted a Board Committee to look into the redressing of shareholders and investors grievances. The Committee has been designated as Investors Grievance Committee.

# ENVAIR ELECTRODYNE LIMITED

The composition of the Committee during the period under review was as follows:

Dr. Avinash Kulkarni (Chairman & Non-Executive Director)  
Mr. Shripad Mirashi (Executive Director)  
Ms Meena Joglekar (Executive Director)

Ms Meena Joglekar, Director & Company Secretary is the Compliance Officer. The Compliance Officer can be contacted at:

Envair Electrodyne Ltd.  
117 `S'Block, MIDC Bhosari Pune 411 026  
Tel: 020 30688117/8 , 27120121  
Fax: 020 30688130  
Email: contact@envairelectrodyne.com  
Email for Redressal of Investors Grievance: envairgrievance@yahoo.co.in

The total number of complaints/ queries received & replied to the satisfaction of the Shareholders during the year ended 31st March, 2014 were 39 Nos and there were no complaints outstanding as on 31st March, 2014.

The Company had no Share Transfer requests pending as on 31st March, 2014.

## 6. General Body Meetings:

The details about the last 3 Annual General Meetings are given below:

AGM	YEAR	VENUE	DATE	TIME
29	2010-11	Regd. Office	24.09.11	10.30 a.m.
30	2011-12	-"	26.09.12	10.30 a.m.
31	2012-13	-"	28.08.13	10.30 a.m.

## Special Resolutions - Nil

## 7. Disclosures:

During the last three years there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to capital markets.

## 8. Means of Communications:

1. The Quarterly/ Half Yearly Results are published in widely circulating national & local dailies such as Free Press Journal (in English) & Navshakti (in Marathi) on 1.8.2013, 31.10.2013, 31.01.2014 & 30.5.2014 as per the Listing requirements.
2. Management discussions and Analysis Report forms part of this Annual Report.

## 9. General Shareholders Information

Annual General Meeting:

Date and Time : 29th September, 2014 at 10.30 a.m.  
Venue : Regd. Office of the Company  
117 `S' Block, MIDC, Bhosari, Pune 411 026

Financial Calendar: Financial year 1st April, 2013 to 31st March, 2014

**During the year the results were announced as under:**

Quarter	Date
First Quarter	29.05.2013
Second Quarter	30.07.2013
Third Quarter	29.10.2013
Fourth Quarter	29.01.2014

Record Date : 24.9.2014 to 29.9.2014

Listing on Stock : The Company's Shares are listed on:

Exchanges The Stock Exchange, Mumbai

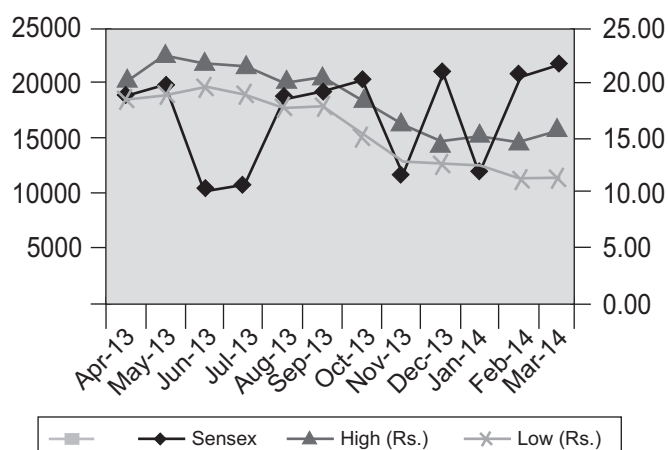
Security Code 17389

**10. Market Price Data:**

Monthly high/low during the period 1.4.2013 to 31.3.2014 on the BSE.

MONTH	THE STOCK EXCHANGE, MUMBAI	
	High (Rs.)	Low (Rs.)
April, 2013	20.30	18.55
May, 2013	22.75	19.00
June, 2013	21.75	19.75
July, 2013	21.50	19.05
August,2013	20.00	17.95
September,2013	20.55	17.90
October, 2013	18.60	15.20
November, 2013	16.45	12.85
December,2013	14.70	12.70
January, 2014	15.25	12.61
February,2014	14.59	11.41
March, 2014	15.86	11.36

Performance of the Company's scrip on the BSE as compared to the BSE Sensex



**11. Distribution Schedule (as on 31st March, 2014)**

Range of Shares	Number of Holders	% of Total Holders	No. of Shares held	% of Share-holding	Total Face Value (Rs.)	% to total Face Value	
From	To						
Upto	500	4666	94.130	567803	18.678	5678030	18.678
501	1000	141	2.844	117887	3.878	1178870	3.878
1001	2000	68	1.372	98653	3.245	986530	3.245
2001	3000	23	0.464	56603	1.862	566030	1.862
3001	4000	18	0.363	63947	2.104	639470	2.104
4001	5000	13	0.262	60531	1.991	605310	1.991
5001	10000	19	0.383	126019	4.145	1260190	4.145
10001	& above	9	0.182	1948557	64.097	19485570	64.097
TOTAL			100.000	3040000	100.000	30400000	100.000

Physical mode : 3,52,651      Electronic mode : 26,87,349

# ENVAIR ELECTRODYNE LIMITED

## Shareholding Pattern (as on 31st March, 2014)

Category	No. of Shares	%
Individuals	1171226	38.52%
Promoters	1784700	58.71%
Domestic Companies	37714	1.24%
NRI	32710	1.08%
Clearing Members	13650	0.45%
Financial Institutions	0	0
Nationalised & other Banks	0	0
Other Category	0	0
<b>TOTAL</b>	<b>3040000</b>	<b>100.00%</b>

### 12. A) Share Transfer System

The Company's Shares are traded on the Stock Exchange in Demat as well as Non-Demat mode.

The Company does not have an In house Share Transfer facility. For Non-Demat Shares, the work relating to Share transfers has been delegated to Company's Registrars & Share Transfer Agents, Universal Capital Securities Pvt. Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (E), Mumbai 400 093.

For Demat Shares, the Company is registered with both the depositories namely, NSDL & CDSL.

### B) Dematerialisation of Shares

As on 31st March, 2014, 88.40% of the total Equity capital of the Company, was held in dematerialized form.

### 13. Details of Plant Location:

Plant Address:  
117, 'S' Block, MIDC  
Bhosari, Pune 411 026

### 14. Address for Correspondence:

Envair Electrodyne Ltd.  
117 'S' Block, MIDC  
Bhosari, Pune 411 026

Declaration under Clause 49 1 (D) (II) by the Managing Director of Affirmation by the Board of Directors & senior Management of compliance with the Code of Conduct.

The Shareholders,

I, Shripad R. Mirashi, Chairman & Managing Director of the Company, do hereby declare that all the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the Board of Directors and Senior Management of Envair Electrodyne Ltd made effective from 1st April, 2005.

Place : Pune  
Date : 28.05.2014

**SHRIPAD MIRASHI**  
**CHAIRMAN & MANAGING DIRECTOR**

**CERTIFICATE**

To,  
The Board of Directors  
Envair Electrodyne Ltd.  
Bhosari  
PUNE 411 026

We hereby certify the following as per Clause V of Clause 49 relating to Corporate Governance.

1. We have reviewed the Financial Statements and Cash flow Statement for the year and that to the best of our knowledge & belief
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b) These statements together present a true & fair view of the Companies affairs and are in compliance with existing accounting standards, applicable laws & regulations.
2. We accept responsibility for establishing & maintaining internal controls and that have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
3. We have indicated to the Auditors and the Audit Committee
  - a) Significant changes in internal control during the year
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements
  - c) Instances of significant fraud of which they have become aware, and the involvement therein, if any, of the Management or an employee having the significant role in the Company's internal control system.

For **ENVAIR ELECTRODYNE LTD.**

**SHRIPAD MIRASHI**  
**CHAIRMAN & MANAGING DIRECTOR**

For **ENVAIR ELECTRODYNE LTD.**

**S.S.MARAL**  
**DY.GENERAL MANAGER(FINANCE)**

**REPORT OF THE AUDITORS ON CORPORATE GOVERNANCE TO THE MEMBERS**

**TO**  
**THE MEMBERS OF**  
**ENVAIR ELECTRODYNE LIMITED**

We have examined the records concerning the Company's compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges of India for the financial year ended on March 31, 2014.

The objective of our examination is to give our opinion on whether the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges of India.

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

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for examination and the information and explanations given to us by the Company.

On the basis of the records maintained by the "Shareholder/ Investors Grievance Committee" of the Company, we state that there were no investor grievances pending against the Company for a period exceeding one month.

Based on such examination, in our opinion, the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Clause 49 of the Listing Agreement of Stock Exchanges of India.

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

For **M/s P.G.BHAGWAT**  
**CHARTERED ACCOUNTANTS**

**S.S.ATHAVALE**  
**PARTNER**  
Membership No.83374  
FRN No 101118W  
Place : Pune  
Date : 28.5.2014

# ENVAIR ELECTRODYNE LIMITED

## Independent Auditor's Report to The Members of Envair Electrodyne Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Envair Electrodyne Limited, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

- (a) *Adequate provision for non recoverability has not been made for advances remaining unrecovered and unconfirmed for long period of time. Although the management has not ascertained this amount, the same may extend to Rs. 28.16 lakhs.*
- (b) *Provision for gratuity & leave encashment had been made on accrual basis instead of actuary valuation as it is required by AS 15, & the required disclosure has not been made in the notes to accounts. The effect of the same has not been ascertained.*

Subject to the above, in our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, *except that provision for gratuity & leave encashment had been made on accrual basis instead of actuary valuation as it is required by AS 15, & the required disclosure has not been made in the notes to accounts. The effect of the same has not been ascertained.;*
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For M/S P G BHAGWAT  
Chartered Accountants  
Firm's Registration Number 101118W

Sanjay Athavale  
Partner  
Membership Number 83374  
Pune: 28.05.2014



**Annexure Referred to in our report of even date**

- a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1b. All the assets have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- 1c. During the year, the company has disposed off an asset, but which has not affected the going concern assumption.
- 2a. The inventory has been physically verified during the year by the management, which, is in our opinion, at reasonable intervals.
- 2b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- 2c. On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
- 3a. The company has not granted any loans to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- 3b. The company has not taken any loans from companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, except unsecured loans from the following:

NAME	OPENING BALANCE AS ON 01.04.13	RECEIVED DURING THE YEAR 2013 - 14	PAID DURING THE YEAR 2013 - 14	CLOSING BALANCE AS ON 31.03.14	RATE OF INTEREST
SHRIPAD MIRASHI	Nil	23,50,000	23,50,000	Nil	12.50%
ELVIN FURNITURE PVT.LTD.	Nil	38,50,000	Nil	38,50,000	12.50%

- 3c. The rate of interest and other terms and conditions of loans taken by the company, are prima facie not prejudicial to the interest of the company.
- 3d. The payment of the principal amount and interest are also regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
- 5a. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- 5b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 58A, 58AA or any other relevant

provisions of the Act and the rules framed there under, with regard to the deposits accepted from the public. As informed to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

7. The company does not have an internal audit system.
8. As informed to us, the Central Government has not prescribed to the company, the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956
- 9a. According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, custom duty, excise-duty, cess, service tax and other statutory dues applicable to it.  
According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty, cess and service tax, or other statutory dues were outstanding, as at the balance sheet date for a period of more than six months from the date they became payable, except Share Application Money Rs. 30,955/- ( required to be deposited with the investor education protection fund ).
- 9b. According to the records of the company, there are no dues of sale tax, income-tax, customs duty/wealth-tax, excise duty/cess and service tax which have not been deposited on account of any dispute.
10. At the end of the financial year the company's accumulated losses do not exceed 50% of its net worth. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
12. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit funds are not applicable to the company.
14. The company is not dealing or trading in shares, securities, debentures and other investments.
15. The company has not given any guarantee for loans taken by others from bank or financial institutions
16. The company has not raised term loan.
17. The funds raised on short-term basis have not been used for long term investment.
18. The company has not made any preferential allotment of shares during the year.
19. No money has been raised by debenture issues during the year
20. No money has been raised by public issues during the year.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For M/S P.G.Bhagwat, ( FRN : 101118W)  
Chartered Accountants,

(S.S.Athavale)  
Partner  
Membership No. 83374  
Pune: 28th May, 2014.

# ENVAIR ELECTRODYNE LIMITED

## Balance Sheet as at 31st March, 2014

Particulars	Note No.	Figures as at the end of current reporting Period	Figures as at the end of previous reporting Period
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	30,400,000	30,400,000
(b) Reserves and Surplus	2	6,677,736	5,596,250
(c) Money received against share warrants		-	-
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	-	-
(b) Deferred tax liabilities (Net)		932,200	1,713,752
(c) Other Long term liabilities		-	-
(d) Long term provisions	4	2,650,109	2,240,581
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	5	3,929,935	79,935
(b) Trade payables		9,725,495	10,527,426
(c) Other current liabilities		4,055,975	6,180,396
(d) Short-term provisions		154,115	543,006
<b>Total</b>		<b>58,525,565</b>	<b>57,281,346</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	6	13,242,245	14,865,302
(ii) Intangible assets	7	326,854	653,711
(iii) Capital work-in-progress	8	-	691,488
(iv) Intangible assets under development		-	-
(b) Non-current investments	9	-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
<b>(2) Current assets</b>			
(a) Current investments	10	-	-
(b) Inventories		3,704,826	4,523,128
(c) Trade receivables		17,257,476	16,116,208
(d) Cash and cash equivalents		3,032,856	2,763,591
(e) Short-term loans and advances		13,961,308	7,667,918
(f) Other current assets		7,000,000	10,000,000
<b>Total</b>		<b>58,525,565</b>	<b>57,281,346</b>

As per our report of even date attached

**For M/s. P. G. Bhagwat**  
Chartered Accountants

**Sanjay S. Athavale**  
Partner  
M.NO. 83374

Pune : 28th MAY, 2014

**Shripad R Mirashi**  
Chairman & Managing Director

**Deepanjali S. Mirashi**  
Executive Director

For and on behalf of Board of Directors

**Meena S.Joglekar**  
Director and Company Secretary

**Santosh S. Maral**  
Dy. General Manager (Finance)

Pune : 28th MAY, 2014

**Profit and Loss statement for the year ended 31st March, 2014**

Particulars	Note No.	Figures as at the end of current reporting Period	Figures as at the end of previous reporting Period
I. Revenue from operations	11(a)	51,552,518	64,829,168
II. Other Income [Refer Note 16-C (10)]		7,091,984	29,761,327
<b>III. Total Revenue (I +II)</b>		<b>58,644,502</b>	<b>94,590,495</b>
IV. Expenses:			
Cost of materials consumed [Refer Note 16-C (11(II))]		27,584,801	45,040,335
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	11(b)	327,334	842,631
Employee benefit expense	12	10,022,298	9,895,741
Financial costs	13	231,828	2,288,057
Depreciation and amortization expense	14	2,831,095	3,318,051
Other expenses	15	17,227,212	24,949,378
Total Expenses		<b>58,224,568</b>	<b>86,334,193</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	419,934	8,256,302
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		419,934	8,256,302
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		<b>419,934</b>	<b>8,256,302</b>
X. Tax expense:			
(1) Current tax		120,000	1,950,000
(2) Deferred tax		(781,552)	(1,083,347)
XI. Profit(Loss) from the period from continuing operations(VII-VIII)		1,081,486	7,389,649
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		<b>1,081,486</b>	<b>7,389,649</b>
XVI. Earning per equity share:			
(1) Basic		0.36	2.43
(2) Diluted			

As per our report of even date attached

**For M/s. P. G. Bhagwat**  
Chartered Accountants

**Sanjay S. Athavale**  
Partner  
M.NO. 83374

Pune : 28th MAY, 2014

**Shripad R Mirashi**  
Chairman & Managing Director

**Deepanjali S. Mirashi**  
Executive Director

For and on behalf of Board of Directors

**Meena S.Joglekar**  
Director and Company Secretary

**Santosh S. Maral**  
Dy. General Manager (Finance)

Pune : 28th MAY, 2014

# ENVAIR ELECTRODYNE LIMITED

## NOTE 1 : SHARE CAPITAL

Share Capital	As at 31 March 2014		As at 31 March 2013	
	Number	Amount (Rs.)	Number	Amount (Rs.)
<b>Authorised</b> Equity shares of Rs.10/- Each.	5,500,000	55,000,000	5,500,000	55,000,000
<b>Issued</b> Equity shares of Rs.10/- Each.	3,040,000	30,400,000	3,040,000	30,400,000
<b>Subscribed &amp; Paid up</b> Equity Shares of Rs.10/- each fully paid	3,040,000	30,400,000	3,040,000	30,400,000
<b>Total</b>	3,040,000	30,400,000	3,040,000	30,400,000

### Reconciliation of number of shares :

Particulars	Equity Shares	Amount (Rs.)
	Nos.	
Shares outstanding at the beginning of the year	3,040,000	30,400,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	3,040,000	30,400,000

### List of Shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No.of Shares held	% of Holding	No.of Shares held	% of Holding
MR. SHRIPAD RAJARAM MIRASHI	1,784,700	58.71	1,769,800	58.22

- Notes:
- The company does not have any holding Company or any Subsidiary.
  - None of the shares carry any extra rights, preferences or restrictions.
  - There are no shares reserved for issue under options & contracts, Commitments for the Sale of Shares / disinvestment.
  - None of the Shares of the Company were allotted otherwise than for Cash, or as bonus shares with the period of five years prior to the Balance Sheet date.
  - There was no buy back of the Company's Shares.
  - There are no calls unpaid, or any forefieted shares.

**NOTE 2 : RESERVE & SURPLUS**

Reserves & Surplus	As at 31 March 2014	As at 31 March 2013
	Amount (Rs.)	Amount (Rs.)
<b>a. Capital Reserves</b>		
Opening Balance	3,013,000	3,013,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<u>3,013,000</u>	<u>3,013,000</u>
<b>b. Securities Premium Account</b>		
Opening Balance	11,545,445	11,545,445
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
Premium on Redemption of Debentures	-	-
For Issuing Bonus Shares	-	-
Closing Balance	<u>11,545,445</u>	<u>11,545,445</u>
<b>c. Revaluation Reserve</b>		
Opening Balance	-	169,486,911
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	169,486,911
Closing Balance	<u>-</u>	<u>-</u>
<b>d. Surplus</b>		
Opening balance	(8,962,195)	(13,862,084)
(+) Net Profit/(Net Loss) For the current year	1,081,486	7,389,649
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	2,128,000
(-) Tax on Distributed Profits	-	361,760
(-) Transfer to Reserves	-	-
Closing Balance	<u>(7,880,709)</u>	<u>(8,962,195)</u>
<b>Total</b>	<u><u>6,677,736</u></u>	<u><u>5,596,250</u></u>

**Note : proposed dividend per equity share for the year is Rs. NIL (Rs. 0.70).**

## ENVAIR ELECTRODYNE LIMITED

### NOTE 3 : LONG - TERM BORROWINGS

Long Term Borrowings	As at 31 March 2014	As at 31 March 2013
	Amount (Rs.)	Amount (Rs.)
<b>Unsecured</b>		
(a) Deposits		
from banks	-	-
from a Company	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

### NOTE 4 : LONG TERM PROVISIONS

Long Term Provisions	As at 31 March 2014	As at 31 March 2013
	Amount (Rs.)	Amount (Rs.)
(a) Provision for employee benefits		
Gratuity (unfunded)	1,600,569	1,364,391
Leave Encashment (unfunded)	1,049,540	876,190
<b>Total</b>	<u>2,650,109</u>	<u>2,240,581</u>

### NOTE 5 : CURRENT LIABILITIES

CURRENT LIABILITIES	As at 31 March 2014		As at 31 March 2013	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>a. Short-term borrowings</b>				
i Deposits - Business Deposit	79,935		79,935	
ii Deposits				
- From Directors	-		-	
- From a Company	3,850,000		-	
		3,929,935		79,935
<b>b. Trade Payables</b>	9,725,495		10,527,426	
		9,725,495		10,527,426
<b>c. Other Current Liabilities</b>				
I Advance against Orders	152,039		542,363	
ii Interest accrued but not due on borrowing	-		-	
iii Share application money refundable	30,955		30,955	
<b>iv Other Current Liabilities</b>	3,872,981		5,607,078	
		4,055,975		6,180,396
<b>d. Short Term Provisions</b>				
i Provision for Employee Benefit				
Gratuity (unfunded)	-		414,318	
Leave Encashment	154,115		128,688	
		154,115		543,006
<b>Total</b>		<b>17,865,520</b>		<b>17,330,763</b>

**NOTE 6 : NON CURRENT ASSETS - TANGIBLE ASSETS**

Fixed Assets	Gross Block		Accumulated Depreciation				Net Block		
	Balance as at 1st April 2013	Additions/ (Disposals)	Balance as a 31st March 2014	Balance as at 1st April 2013	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31st March 2014	Balance as at 31st March 2013
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>a</b>									
<b>Tangible Assets</b>									
Leasehold Land	377,898	-	377,898	188,173	3,657	-	-	186,068	189,725
Buildings	6,811,343	482,029	7,293,372	5,866,541	230,543	-	-	1,196,288	944,802
Plant and Equipment	49,542,368	312,901	49,855,269	38,683,272	1,760,933	-	-	9,411,064	10,859,096
Furniture and Fixtures	5,696,695	-	5,696,695	4,786,100	114,272	-	-	796,323	910,595
Vehicles	2,760,634	-	2,760,634	1,503,422	260,173	-	-	997,039	1,257,212
Office equipment	6,443,893	86,251	6,530,144	5,740,021	134,660	-	-	655,463	703,872
<b>Total</b>	<b>71,632,831</b>	<b>881,181</b>	<b>72,514,012</b>	<b>56,767,529</b>	<b>2,504,238</b>	<b>-</b>	<b>-</b>	<b>13,242,245</b>	<b>14,865,302</b>

**NOTE 7 : NON CURRENT ASSETS - INTANGIBLE ASSETS**

Fixed Assets	Gross Block		Accumulated Depreciation				Net Block		
	Balance as at 1 April 2013	Additions/ (Disposals)	Balance as a 31 March 2014	Balance as at 1 April 2013	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2014	Balance as at 31 March 2013
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>b</b>									
<b>Intangible Assets</b>									
Technical knowhow	4,671,679	-	4,671,679	4,017,968	326,857	-	-	326,854	653,711
<b>Total</b>	<b>4,671,679</b>	<b>-</b>	<b>4,671,679</b>	<b>4,017,968</b>	<b>326,857</b>	<b>-</b>	<b>-</b>	<b>326,854</b>	<b>653,711</b>

**NOTE 8 : NON CURRENT ASSETS - CAPITAL WORK IN PROGRESS**

Fixed Assets	Gross Block		Accumulated Depreciation				Net Block		
	Balance as at 1 April 2013	Additions/ (Disposals)	Balance as at 31 March 2014	Balance as at 1 April 2013	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2014	Balance as at 31 March 2013
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>c</b>									
<b>Capital Work In Progress</b>									
Progress	691,488	(691,488)	-	-	-	-	-	-	691,488
<b>Total</b>	<b>691,488</b>	<b>(691,488)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>691,488</b>
<b>Grand Total ( a+b+c)</b>	<b>76,995,998</b>	<b>189,693</b>	<b>77,185,691</b>	<b>60,785,497</b>	<b>2,831,095</b>	<b>-</b>	<b>-</b>	<b>13,569,099</b>	<b>16,210,501</b>
Previous Year	258,770,860	(5,407,567)	253,363,293	68,070,343	3,318,051	6,880,388	3,722,509	16,210,501	190,700,517

# ENVAIR ELECTRODYNE LIMITED

## NOTE 9 : INVESTMENTS ( UNQUOTED )

Particulars	As at 31 March 2014	As at 31 March 2013
	Amount (Rs.)	Amount (Rs.)
<b>A.Non - Trade ( at estimated realisable value )</b>	-	-
<b>Total (A)</b>	-	-

## NOTE 10 : CURRENT ASSETS

	As at 31 March 2014		As at 31 March 2013	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>a. INVENTORIES</b>				
i Raw Material & Components	1,846,143		2,337,111	
ii Work-in-progress	1,858,683		2,186,017	
		3,704,826		4,523,128
<b>b. Trade Receivables ( Unsecured )</b>				
i Debts outstanding for a period exceeding six months				
Considered good	3,423,727		2,778,169	
Considered doubtful	-		-	
	3,423,727		2,778,169	
ii Other debts				
Considered good	13,833,749		13,338,039	
Considered doubtful	-		-	
	13,833,749		13,338,039	
Less : Provision for Doubtful Debts	-		-	
		17,257,476		16,116,208
<b>c. Cash &amp; Cash Equivalents</b>				
i Cash on hand	207,481		28,553	
ii Bank Balance with scheduled Banks				
In Current Accounts	1,440,822		984,582	
in Deposit Accounts	1,384,553		1,750,456	
		3,032,856		2,763,591
<b>d. Short Term Loans &amp; Advances ( Considered Good )</b>				
Short Term Loans & Advances to others	2,490,103		3,101,989	
Deposits & Others	7,111,690		2,202,716	
Balance with Customes & Excise Authorities	305,291		555,537	
Advance Tax paid ( Net )	4,054,224		1,807,676	
		13,961,308		7,667,918
<b>e Other Current Assets :</b>				
Receivable on sale of Immovable Property	7,000,000	7,000,000	10,000,000	10,000,000
<b>TOTAL</b>		44,956,466		41,070,845



**NOTE 11(a) : REVENUE FROM OPERATIONS**

	Rupees	As At 31/03/2014	As At 31/03/2013
		Rupees	Rupees
1 Sale of Products - Trading		5,576,052	3,499,446
- Manufacturing		48,808,513	64,670,708
2 Sale of Services		1,854,516	1,527,904
3 Less Excise Duty		(4,686,563)	(4,868,890)
		<u>51,552,518</u>	<u>64,829,168</u>

**NOTE 11(b) : INCREASE / (DECREASE) IN STOCKS**

	Rupees	As At 31/03/2014	As At 31/03/2013
		Rupees	Rupees
<b>Stocks at Close :</b>			
Work in Process	1,858,683		2,186,017
Finished Goods	-		-
		1,858,683	2,186,017
<b>Stocks at Opening :</b>			
Work in Process	2,186,017		3,028,648
Finished Goods	-		-
		2,186,017	3,028,648
<b>TOTAL</b>		<u>(327,334)</u>	<u>(842,631)</u>

**NOTE 12 : EMPLOYEE BENEFIT EXPENSE**

Salaries, Wages and Bonus	9,003,906	8,711,950
Workmen and Staff Welfare Expenses	284,211	303,513
Contribution to Provident & Other Funds	734,181	880,278
<b>TOTAL</b>	<u>10,022,298</u>	<u>9,895,741</u>

**NOTE 13 : FINANCIAL COSTS**

	Rupees	As At 31/03/2014	As At 31/03/2013
		Rupees	Rupees
Bank Charges		124,732	103,837
Interest :			
a. Fixed Loans		58,658	2,153,313
b. Others		48,438	30,907
(Int on fixed loans Includes interest paid to Directors Rs 48,384/- Previous Year Rs.1,57,976/-)			
<b>TOTAL</b>		<u>231,828</u>	<u>2,288,057</u>

**NOTE 14 : DEPRECIATION AND AMORTISATION EXPENSE**

	As at 31/03/ 2014	As at 31/03/2013
	Rupees	Rupees
DEPRECIATION EXPENSES	2,504,238	2,645,560
AMORTISATION EXPENSES	326,857	672,491
<b>TOTAL</b>	<u>2,831,095</u>	<u>3,318,051</u>

# ENVAIR ELECTRODYNE LIMITED

## NOTE 15 : MANUFACTURING, OFFICE, AND ADMINISTRATION EXPENSES

Rupees	As At 31/03/2014	As At 31/03/2013
	Rupees	Rupees
Consumption of Stores and Spares parts	<b>1,239,112</b>	1,369,154
Power and Fuel	<b>1,328,703</b>	1,570,419
Repairs to : Building	-	29,700
Machinery	<b>139,744</b>	90,857
Others	<b>209,253</b>	412,537
Rates & Taxes	<b>1,109,524</b>	454,331
Insurance	<b>86,738</b>	60,029
Travelling & Conveyance	<b>1,881,008</b>	1,705,560
Office Maintenance	<b>19,506</b>	9,595
Postate, Telex, Telephone	<b>403,757</b>	380,292
Printing & Stationery	<b>285,209</b>	263,621
Directors Remuneration	<b>2,579,890</b>	2,678,465
Directors Sitting Fees	<b>46,500</b>	42,000
Auditors Remuneration		
a. Audit Fees	<b>50,000</b>	50,000
b. Tax Audit Fees	<b>10,000</b>	9,996
c. Other Services	<b>25,000</b>	30,524
d. Reimbursement of out of pocket expenses	<b>3,358</b>	8,828
Commission & Discount	<b>1,340,260</b>	1,299,242
Product Advertisement	<b>16,950</b>	13,000
Selling & Distribution Expenses	<b>688,962</b>	789,597
Leaserent	<b>2,587,500</b>	-
Sundry Balances Written off	<b>140,788</b>	-
Bad Debts Written off	<b>219,854</b>	6,828,916
Prior Period Items	-	3,641,753
Miscellaneous Expenses	<b>2,815,596</b>	3,210,962
<b>TOTAL</b>	<b><u>17,227,212</u></b>	<b><u>24,949,378</u></b>

**NOTE 16 : NOTES FORMING PART OF THE ACCOUNTS.**

A. Previous Year's figures have been regrouped wherever necessary to make them comparable with those of the Current Year.

**B. ACCOUNTING POLICIES****1) SYSTEM OF ACCOUNTING :**

The Company maintains its books of account on accrual basis.

**2) METHOD OF ACCOUNTING :**

- a) For sales and services -  
The sale of goods is recognised on despatch to customers, sales exclude amounts recovered towards excise duty and sales tax.
- b) Export sales are accounted for in accordance with Accounting standard 11. Exchange gain or loss on realisation of foreign exchange is included in exchange fluctuation account.

**3) FOREIGN EXCHANGE TRANSACTIONS :**

Transactions in foreign currencies during the year are converted at the rates prevailing on the transaction date. All current assets and current liabilities in foreign currency are revalued at the exchange rate prevailing as at the Balance Sheet date. All exchange differences arising from conversion are included in Profit & Loss Account.

**4) FIXED ASSETS :****a. Tangible Assets :**

Fixed Assets are capitalised at cost of acquisition or at manufacturing cost in case of company manufactured assets. The revalued portion of the revalued assets has been added to the gross block of the respective assets. Depreciation is charged on Straight Line Method on all assets in accordance with the rates given in Schedule XIV of the Companies Act 1956.

Depreciation on revalued portion of the assets has been charged on straight line method over the remaining life of the assets & adjusted against the revaluation reserves.

**b. Intangible Assets :**

Intangible assets acquired in Financial year 2008-09 are amortised in 7 equal annual installments.

**5) CURRENT ASSETS :**

a. Balances of Sundry Debtors, Loans, Advances & Deposits given or taken & sundry creditors are subject to confirmations. Effect of any variation will be accounted in the year of such variation.

**b. INVENTORY :**

Inventories are valued at lower of the cost or estimated net realisable value after providing for cost of obsolescence. Cost of Raw Materials is arrived at on first in first out method to comply with the provisions of As2 Work in process and finished goods include cost of materials, direct labour and overheads.

**6) INVESTMENTS :**

Investments are stated at cost of acquisition or net realisable value whichever is lower.

**7) RESEARCH AND DEVELOPMENT :**

Revenue expenditure on Research and Development is charged as an expense against the profits for the year in which it is incurred and Capital Expenditure is grouped with Fixed Assets under appropriate heads and depreciation is provided as per rates applicable.

**8) EMPLOYEE RETIREMENT BENEFITS :**

Retirement benefits to employees comprise of payments of Gratuity, Provident funds under the approved schemes of the Company, and also provision for Leave encashment. The Company has not made any contribution to the Gratuity Fund during the year. Provision for gratuity & leave encashment had been made on accrual basis instead of actuary valuation.

**9) IMPAIRMENT OF ASSET :**

Asset forming part of any cash generating units are tested for impairment when an indication exists that such assets may be impaired and impairment loss is recognised in profit & loss when recoverable amount of such asset is less than its carrying value.

# ENVAIR ELECTRODYNE LIMITED

## NOTE 16 : NOTES FORMING PART OF THE ACCOUNTS.

	Current Year	Previous Year
<b>C) OTHER NOTES</b>		
1. Contingent Liabilities And Commitments ( to the extent not provided for )		
a. Contingent Liabilities not provided for	-	-
b. Claims against the Company not acknowledged as debts :	-	-
c. Estimated amount of contracts remaining to be executed on Capital Account, not provided for :	-	-
2. Amount repayable within one year included in :		
Unsecured Loans	-	-
3. In spite of our direct enquiry, till the date we have not received any written representation from any SME regarding their eligibility under the SME Act.		
4. Exchange fluctuation recognised in Profit & loss account is Rs.1,00,658/- Credit. ( Rs.46,779/- Credit )		
5. The Company is operating in a single segment of " Industrial Machinery".		
6. During the year 2005-06, by engaging the services of a professional valuer, the Company has revalued its Leasehold Land by Rs.3,11,41,015/- & Building by Rs.1,14,97,389/- & correspondingly credited the same amount to a separate Revaluation Reserve Account. As at 31st March, 2012, by engaging the services of a professional valuer, the company has revalued its Leasehold Land Revaluation Reserve Account. The amount standing to the credit of revaluation reserve as on 31st March, 2012 was Rs.16,94,86,911/- As of 31st March, 2013, the Management has decided to reverse the revaluation for Land & Building, since in it's opinion, the same does not reflect in the accounts on historical cost basis.		
7. Deffered Tax liability ( On account of depreciation )	Rs. 20,42,618/-	Rs. 26,25,774/-
Deffered Tax Assets ( On account of 43B of the Income Tax Act )	Rs. 11,10,418/-	Rs. 9,12,022/-
8. Note on Leaserent :		
<p>The Company has taken premises on lease during the year 2013-14. The leaserent for the year 2013-14 has been debited to P &amp; L A/c amounting to Rs.25,87,500/- ( Nil ) The lease contract has ended w.e.f. 30/04/2014 &amp; the rent for the period after 01.04.2014 is Rs.2,25,000/-. The Company had given deposit of Rs.48 Lacs which was due on completion of contract. The Company has repaid the amount of Rs.41,00,000/- &amp; balance of Rs.7,00,000/- will be paid by Elvin Furniture Pvt.Ltd. after sub division.</p>		

**SCHEDULE 16 : NOTES FORMING PART OF ACCOUNTS (Contd.)**

**8 . The disclosures required by Accounting Standard 26 " Intangible Assets" are as follows :**

Intangible Assets	Current Year			Previous Year		
	Technical Know How	Design & Drawings	Total	Technical Know How	Design & Drawings	Total
Gross Carrying Amount	2,383,679	2,288,000	4,671,679	2,383,679	2,288,000	4,671,679
Additions during the year	-	-	-	-	-	-
Amortisation up to the start of the year	2,383,679	1,634,289	4,017,968	2,038,046	1,307,431	3,345,477
Amortisation during the year	-	326,857	326,857	345,633	326,858	672,491
Cummulative Amortisation upto the end of the year	2,383,679	1,961,146	4,344,825	2,383,679	1,634,289	4,017,968
Net Block	-	326,854	326,854	-	653,711	653,711
Useful Life	21 Years	7 Years		21 Years	7 Years	
Amortisation Method	SLM	SLM		SLM	SLM	

**9 . The Company has been advised that the computation of net profits for the purpose of Director's remuneration under section 349 of the companies Act, 1956, need not be enumerated since no commission has been paid to the Directors. Fixed monthly remuneration has been paid to the Director as per Schedule XIII to the Companies Act, 1956.**

Directors' Remuneration:	Current Year			Previous Year		
	Managing Director Rs.	Whole Time Director Rs.	Whole time Director & Company Secretary Rs.	Managing Director Rs.	Whole time Director Rs.	Whole time Director & Company Secretary Rs.
I. Managing Director						
a. Salary	804,000	355,161	288,000	804,000	360,000	288,000
b. House Rent Allowance	264,000	177,581	84,000	264,000	180,000	84,000
c. Company's contribution to: Provident Fund	-	46,963	38,083	116,653	52,233	41,786
Superannuation Scheme	-	96,000	30,000	-	96,000	30,000
Transport Allowance	-	-	-	-	-	-
e. Perquisites	26,869	-	19,260	10,433	-	-
f. Special Allowance	-	42,619	34,560	-	43,200	34,560
h. L T A	96,000	29,597	40,800	96,000	30,000	40,800
i. Medical Reimbursement	36,000	29,597	40,800	36,000	30,000	40,800
TOTAL	<u>1,226,869</u>	<u>777,518</u>	<u>575,503</u>	<u>1,327,086</u>	<u>791,433</u>	<u>559,946</u>
II. Other Directors						
a. Sitting Fees	46,500	-	-	42,000	-	-
TOTAL	<u>46,500</u>	-	-	<u>42,000</u>	-	-

**10.**

1. Interest Received (Tax deducted Rs.NIL (Rs.NIL )	124,040	185,438
2. Profit on Sale of Assets .	6,508,512	27,987,378
3. Excess Provision Written Back	164,816	
4. Sundry Balances Written Back	120,223	1,346,738
5. Commission & Discount Received	3,134	11,219
6. Rent Received	4,500	4,950
7. Scrap Sale	14,045	175,860
9. Other Miscellaneous Income	-	5,711
10 Bad Debts Recovered	24,223	
11 Exchange Fluctuation	100,658	44,033
12 Duty Drawback on Exports	27,833	-
	<u>7,091,984</u>	<u>29,761,327</u>

**11. Quantative and Other Details**

I. Sales:	Qty(Nos)	Rupees	Qty(Nos)	Rupees
1. Clean Air Equipment	300	19,195,948	320	17,396,387
2. Spare Parts & trading items		5,589,766		3,499,446
3. Oil Purifiers	31	4,395,648	39	8,071,934
4. Workstations	627	20,516,640	652	18,111,166
5. Recirculation Coolers		-	20	16,222,331
6. Exchange fluctuation		-		-
TOTAL :		<u>49,698,002</u>		<u>63,301,264</u>

# ENVAIR ELECTRODYNE LIMITED

## NOTE 16 : NOTES FORMING PART OF ACCOUNTS (Contd.)

II . Raw Material Consumed :	Current Year		Previous Period	
	Qty(Nos)	Rupees	Qty(Nos)	Rupees
1. For Clean Air Equipments		<b>9,330,469</b>		10,874,741
2. For Workstations		<b>8,667,274</b>		8,581,107
3. Aluminium Profile & Components	<b>9,273</b>	<b>1,804,356</b>	9,234	1,326,924
4. MS/CRCA Sheets	<b>60,573</b>	<b>2,707,399</b>	61,727	3,902,011
5. SS Sheets	<b>8,111</b>	<b>1,867,181</b>	6,943	603,074
6. Other Raw Material		<b>3,208,122</b>		19,752,478
<b>TOTAL</b>		<b>27,584,801</b>		<b>45,040,335</b>

III. Production during the year :	Installed Capacity	Production	Installed Capacity	Production
1. Generating Sets (13.5KVA-125KVA)	<b>100</b>	<b>0</b>	100	0
2. Generating Sets (ABOVE 320 KVA)	<b>50</b>	<b>0</b>	50	0
3. Control Panels for other applications	<b>200</b>		200	
4. Oil Purifiers	<b>100</b>	<b>31</b>	100	39
5. Clean Air Equipment	<b>2,000</b>	<b>300</b>	2,000	320
6. Other fabrication	<b>500</b>		500	
7. Silent Canopies	<b>50</b>	<b>0</b>	50	0
8. Racks & Chassis	<b>10,000</b>	<b>0</b>	10,000	0
9. Workstations	<b>20,000</b>	<b>627</b>	20,000	652
10. Recirculation Coolers		<b>0</b>		20

\*Note Most of the Plant & Machinery being common for different products manufactured by the Company, installed capacity is dependant on Product Mix, which in turn is decided by the demand for various products from time to time and also on availing of sub-contracting facilities, it is not feasible for the Company to indicate the exact Installed Capacity. The Company has, however, indicated the installed capacity on the basis of year's product-mix as certified by Managing Director and accepted by the Auditors as correct, being the technical matter.

IV. CIF Value of Imports	Current Year		Previous Year	
a. Materials		-		-
b. Capital Goods		-		-
VI. Expenditure in foreign currencies : Subscription Materials Travelling		-		-
VII. Earnings in Foreign Currencies : Export of goods on FOB basis.		<b>2,015,081</b>		<b>545,176</b>
VIII. Imported Material Consumed		-		-
IX. Foreign Exchange Exposures not hedged at close of the period:		-		-
a. Exposures not hedged :				
Nature of Exposure	Currency			
- Receivables	USD	-		-
- Payables	USD	-		<b>2,890.00</b>

### 12 Name of the related party and nature of relationship where control exists :

1. Companies controlled by Envair Electrodyne Ltd.	Nil
2. Subsidiary Company	Nil
3. Associate Companies	Nil
4. Joint Venture Companies	Nil
5. Companies controlled by Key Management Personnel	Elvin Furniture Pvt. Ltd.
6. Key Management Personnel & their relatives	

**SCHEDULE 16 : NOTES FORMING PART OF ACCOUNTS (Contd.)**

Key Management Personnel		Relatives
Name	Designation	
Shripad R. Mirashi	Chairman & Managing Director	Manjiri S. Mirashi, Geetanjali S. Mirashi, Deepanjali S. Mirashi
Deepanjali S. Mirashi	Executive Director	Shripad R. Mirashi, Manjiri S. Mirashi, Geetanjali S. Mirashi.
Meena Joglekar	Director & Company Secretary	Surendra V. Joglekar, Amol S. Joglekar, Suchitra S. Joglekar

**B) Related party transactions:**

**Rupees in Lacs**

Nature of Transaction	Companies Controlled by EEL	Associate Companies	Joint Venture Companies	Key Management Personnel	Relatives of Key Management Personnel
Sale of goods	Nil ( NIL )	-	-	-	-
Sale of Immovable Property	Nil ( 290 )	-	-	-	-
Purchase of goods	Nil ( NIL )	-	-	-	-
Professional Services availed	Nil ( NIL )	-	-	-	-
Interest on Term Loans	Nil (18.55)	-	-	-	-
Leasement Paid	25.88 (Nil)	-	-	-	-
Interest received	Nil ( Nil )	-	-	-	-
Dividend received	Nil ( Nil )	-	-	-	-
Credit balances written back	Nil ( Nil )	-	-	-	-
Fixed Deposit received	38.50 ( Nil )	-	-	-	-
Loans & advances given	Nil ( Nil )	-	-	-	-
Investment made	Nil ( Nil )	-	-	-	-
Guarantees given	Nil ( Nil )	-	-	-	-
Rent	Nil ( NIL )	-	-	-	-
Purchase of Technical know How	NIL ( NIL )	-	-	-	-
Salary to Relatives of Key Management Personnel	-	-	-	7.78( 7.91 )	-
Remuneration to Key Management Personnel	-	-	-	25.79 ( 26.78 )	-
Deposits From Directors	Nil ( Nil )	-	-	NIL (NIL)	-
Interest Paid on Inter Corporate Deposit	.10 ( Nil )	-	-	-	-
Interest on deposit from Directors	Nil ( Nil )	-	-	0.48 (1.58)	-
<b>Outstanding as on 31st March 14</b>					
Receivables	Nil ( 100.00 )	-	-	-	-
Payables	0.03 ( NIL )	-	-	-	-
Loans & advances	NIL ( NIL )	-	-	-	-
Investments	Nil ( Nil )	-	-	-	-
Guarantees	Nil ( Nil )	-	-	-	-
Inter Corporate Deposit Received	38.50(Nil)	-	-	-	-
Security Deposit Given	48.00 ( Nil )	-	-	NIL ( NIL )	-

Notes :

1 Details of remuneration to Directors are disclosed in Note. C-\* of Note 16.

**C) Earning per Share**

The following table sets forth the computation of basic Earning per Share :

a) Profit (loss) after Tax for the year	Rs.	1,081,486
b) Average number of equity shares		3,040,000
c) Nominal Value of Shares	Rs.	10/-
d) Earning per Share	Rs.	0.36

As per our report of even date attached

For and on behalf of Board of Directors

**For M/s. P. G. Bhagwat**  
Chartered Accountants

**Shripad R Mirashi**  
Chairman & Managing Director

**Meena S.Joglekar**  
Director and Company Secretary

**Sanjay S. Athavale**  
Partner  
M.NO. 83374

**Deepanjali S. Mirashi**  
Executive Director

**Santosh S. Maral**  
Dy. General Manager (Finance)

Pune : 28th MAY, 2014

Pune : 28th MAY, 2014

# ENVAIR ELECTRODYNE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Rs. Current Year 1.4.2013 31.3.2014	Rs. Previous Year 01.04.2012 31.03.2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Profit before tax &amp; extra-ordinary Items</b>	<b>419,934</b>	8,256,302
<b>Adustment For</b>		
Depreciation	<b>2,831,095</b>	3,318,051
Interest paid	<b>107,096</b>	2,184,220
Interest received	<b>(124,040)</b>	(185,438)
Profit / Loss on sale of asset	<b>(6,508,512)</b>	(27,092,430)
Profit / Loss on sale of Investment	<b>-</b>	(15,999)
Bad debts written off	<b>219,854</b>	6,828,916
Sundry balances written off	<b>140,788</b>	
Excess provision Written back	<b>(285,039)</b>	(1,346,738)
<b>Operating Profit Before Working Capital Changes</b>	<b>(3,198,824)</b>	(8,053,116)
<b>Adustment For</b>		
Inventories	<b>818,302</b>	14,833,085
Trade & Other Receivables	<b>(4,361,122)</b>	12,373,991
Loans & Advances	<b>(1,187,630)</b>	(8,128,128)
Trade & Other Payables	<b>3,675,538</b>	(12,860,690)
<b>Cash generated from Operations</b>	<b>(4,253,736)</b>	(1,834,858)
Taxes paid during the year	<b>(2,366,548)</b>	(1,436,658)
<b>Net Cash Flow from Operating Activities</b>	<b>(6,620,284)</b>	(3,271,516)
<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Additions to Fixed Assets	<b>(881,181)</b>	(249,179)
Sales proceeds on sale of Investment	<b>-</b>	16,000
Sales proceeds on sale of assets	<b>10,200,000</b>	19,026,667
<b>Net Cash Flow from Investing Activities</b>	<b>9,318,819</b>	18,793,488
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
<b>Proceeds from Short Term Borrowings - Deposits ( Net )</b>	<b>-</b>	(14,925,000)
<b>Interest Paid</b>	<b>(63,550)</b>	(2,307,970)
<b>Dividend Paid</b>	<b>(2,128,000)</b>	(2,128,000)
<b>Dividend Tax Paid</b>	<b>(361,760)</b>	(361,760)
<b>Interest Received</b>	<b>124,040</b>	215,650
<b>Net Cash used in Financing Activities</b>	<b>(2,429,270)</b>	(19,507,080)
<b>Net Increase / ( Decrease ) in Cash &amp; Cash Equivalents</b>	<b>269,265</b>	(3,985,108)
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>2,763,591</b>	6,748,699
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>3,032,856</b>	2,763,591

As per our report of even date attached

**For M/s. P. G. Bhagwat**  
Chartered Accountants

**Sanjay S. Athavale**  
Partner  
M.NO. 83374

Pune : 28th MAY, 2014

**Shripad R Mirashi**  
Chairman & Managing Director

**Deepanjali S. Mirashi**  
Executive Director

For and on behalf of Board of Directors

**Meena S.Joglekar**  
Director and Company Secretary

**Santosh S. Maral**  
Dy. General Manager (Finance)

Pune : 28th MAY, 2014



**ENVAIR ELECTRODYNE LIMITED**

CIN : L29307MH1981PLC023810  
Registered Office : 117, 'S' Block, MIDC, Bhosari, Pune 411 026,  
Ph.No. : 020 30688117/8  
Email : envairgrievance@yahoo.co.in  
Website : www.envairelectrodyne.com

**ATTENDANCE SLIP**

Annual general Meeting on 29<sup>th</sup> September, 2014 at 10.30 a.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 hereby record my presence at the Annual General Meeting of the Company held at the Regd. Office of the Company on Monday, 29<sup>th</sup> September, 2014 at 10.30 a.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**

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Website : www.envairelectrodyne.com

**PROXY FORM**

I/We.....

of .....being 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, 29<sup>th</sup> September, 2014 at 10.30 a.m. and at any adjournment there of.

In witness whereof, I/We have set my/our hand/hands/this ----- day of ----- 2014

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## ENVAIR ELECTRODYNE LTD.

CIN : L29307MH1981PLC023810  
Registered Office : 117, 'S' Block, MIDC, Bhosari, Pune 411 026,  
Ph.No. : 020 30688117/8  
Email : envairgrievance@yahoo.co.in  
Website : www.envairelectrodyne.com

### 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, 29th September, 2014 at 10.30 am 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
1	Adoption of statement of Profit & Loss A/c, Balance Sheet, Board of Director's Report & Auditor's Report for Financial year ended 31st March, 2014		
2	Reappointment of Dr P.S.Karmarkar who retires by rotation		
3	Reappointment of Ms Meena Joglekar who retires by rotation		
4	Appointment of Auditors and fixing their Remuneration		
Special Business			
1	Reappointment of Mr Shripad Mirashi as Managing Director		
2	Appointment of Mr Prakash Karnik as an Independent Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of Shareholder(s) \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Please affix  
Revenue  
Stamp

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.

**BOOK POST**



Enriching Environment

*If undelivered please return to :*

**ENVAIR ELECTRODYNE LIMITED**

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