

Enriching Environment

30TH
ANNUAL REPORT
2011-2012

ENVAIR ELECTRODYNE LIMITED

DIRECTORS

Mr. Shripad Mirashi	Chairman & Managing Director
Mr. Satishchandra Soman	Director
Dr. Avinash Kulkarni	Director
Ms. Deepanjali Mirashi	Director
Dr. P. S. Karmarkar	Director
Ms. Meena Joglekar	Director & Company Secretary

AUDITORS

M/s. P. G. Bhagwat
Chartered Accountants
Suit no. 101-102, 'Orchard'
Dr. Pai Marg, Baner
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.
Phone : 27120121/30688117/18
Fax : 30688130
Email : contact@envairelectrodyne.com
Website : www.envairelectrodyne.com

ENVAIR ELECTRODYNE LIMITED

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of Envair Electrodyne Limited, will be held on Wednesday, 26th September, 2012 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, 2012 and Profit & Loss Account for the year ended on that date, Auditors' Report and Report of Directors thereon.

ITEM NO. 2

To declare Dividend.

ITEM NO. 3

To appoint Auditors of the Company and fix their remuneration.

ITEM NO.4

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

ITEM NO.5

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

SPECIAL BUSINESS :

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 Sections 198, 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956, and as per the Provisions of Schedule XIII 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 Ms Meena Joglekar, as Wholetime Director of the Company for the period of 3 years with effect from 1st May, 2012, upon the terms and conditions as are set out in the Agreement and on the remuneration as set out below:

A) SALARY:

Rs. 24,000/- (Rupees Twenty Four thousand only) per month. However, the Board may give further increase based on performance.

B) PERQUISITES:

a) In addition to the aforesaid salary, the Whole time Director shall be entitled to following perquisites :

i) Housing

House Rent Allowance @ Rs.7000/- per month will be payable to Whole time Director.

ii) Medical Reimbursement:

Medical expenses incurred by Ms Meena Joglekar @ Rs.40,800/- per year.

iii) Leave Travel Concession:

For self and family once in a year incurred subject to a maximum of Rs.40,800/- per year.

b) OTHER PERQUISITES:

i) Contribution to provident fund @ 12% & superannuation fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961.

In case superannuation fund is not created by the company, 12% of salary will be given to Executive Director in lieu of superannuation contribution.

ii) Gratuity:

Half a month's salary for each completed year of service.

iii) Encashment of leave at the end of the tenure. This will not be considered as a perquisite.

iv) Telephone:

Reimbursement of Mobile phone Expenses @ Rs.1605/- per month

v) Leave:

21 days Privilege Leave & 7 days Casual Leave on full pay for every eleven month's service.

vi) Re-imbursements:

All or any expenditure actually and properly incurred on or in connection with the Company's business shall be paid/reimbursed by the Company to Ms Meena Joglekar.

vii) Company will provide car without driver for conveyance to & fro to the Company's works & for the Company work & maintenance will be borne by the Company. The use of Company car for private purpose shall be at her expense.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to revise from time to time during the tenure of the present re-appointment of Ms Meena Joglekar, the remuneration payable to her as Wholetime Director, including any increase in remuneration, subject to the ceilings laid down in Sections 198, 309 & Schedule XIII of the Companies Act or any modification thereof by reason of any amendment or otherwise without further approval of the members of the Company in general meeting but with such other approvals, sanctions or permissions as may be necessary for such revision/increase in the remuneration.

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 15th to 26th September, 2012 (both days inclusive).
4. 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.
5. 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

Date : 8th June, 2012
Place : Pune

MEENA JOGLEKAR
DIRECTOR & COMPANY SECRETARY

ANNEXURE TO NOTICE

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE
COMPANIES ACT 1956.**

ITEM NO.6:

Ms Meena Joglekar was re-appointed as Wholetime Director of the Company for a period of three years from 1st May, 2009 to 30th April, 2012. An ordinary resolution for her 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 the Meeting held on 30th April, 2012, reappointed Ms Meena Joglekar as the Wholetime Director of the Company for a further period of three years with effect from 1st May 2012 and on the terms & conditions set out in the Agreement and on the Remuneration stated below:

Ms Meena Joglekar is interested in the appointment as Wholetime Director. None of the other Directors of the Company are concerned or interested in the resolution.

This may be treated as an abstract of the terms of the appointment in terms of Section 302 of the Companies Act, 1956.

Ms Meena Joglekar is not related to any Director on the Board of the Company.

By order of the Board of Directors
For ENVAIR ELECTRODYNE LIMITED

Date : 8th June, 2012
Place : Pune

MEENA JOGLEKAR
DIRECTOR & COMPANY SECRETARY

ENVAIR ELECTRODYNE LIMITED

DIRECTORS' REPORT.

Your Directors present the Company's Annual Report and Accounts for the year ended on 31.3.2012:

FINANCIAL RESULTS :	Current Year Rupees	Previous year Rupees
Sales & Other Income	8,54,68,754	6,18,20,625
Profit/(Loss) after depreciation but before Income Tax and Appropriations.	41,84,686	61,76,774
Amount available for appropriation	<u>41,84,686</u>	<u>61,76,774</u>
Less: Appropriations :	-	-
1. Provision for taxation	14,73,607	24,36,874
2. Proposed Dividend	21,28,000	21,28,000
3. Provision for tax on proposed Dividend	3,61,760	3,61,760
Balance transferred to Balance Sheet	<u><u>2,21,319</u></u>	<u><u>12,35,140</u></u>

DIVIDEND :

Your Directors have recommended a dividend on the equity share capital @ 7% (Rs.0.70 per equity share).

MANAGEMENT DISCUSSION AND ANALYSIS:

COMPANY PERFORMANCE

Clean Air Equipments & Oil Cleaner sale registered more than 72% increase in sale compared to previous year. Workstation sale had a 21% decline.

Packaged Heat Exchangers for compressors were manufactured for first time & exported through agency to UK.

Multi disciplined project involving clean air equipments, workstations & oil cleaners was successfully completed for Naval Dockyard, Mumbai.

Order booking showed a decline in the 1st quarter of current year, however, we are hopeful to restore normal position by the end of the year.

DIRECTORS' RESPONSIBILITY STATEMENT AS PER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

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 Companies Act, 1956 and in the Listing Agreement with the Stock Exchanges. 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. 14,02,380/- worth of Electrostatic Hydraulic Oil Cleaners, HV Power Pack, Filter Paper set to UAE, Srilanka & Bangladesh.

The company manufactured Packaged Heat Exchangers for compressors & exported them as Deemed exports of Rs. 145 lacs.

DEPOSITS:

No deposit remained unclaimed after maturity, as on 31st March, 2012.

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.

AUDITORS :

Auditors of the Company M/s P. G. Bhagwat, Chartered Accountants, Pune, will retire in the ensuing Annual General Meeting. They are eligible for re-appointment.

ACKNOWLEDGEMENT :

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

For and on behalf of the Board of Directors,

Place : Pune
Date : 8.6.2012

SHRIPAD MIRASHI
CHAIRMAN &
MANAGING DIRECTOR

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. Also, per Kg electrical cost reduced by 40% (25%) due to increased tonnage & due to better management.

Particulars	2011-12	2010-11
Per Kg Unit consumption - Nos	1.46	2.57
Per Kg electricity charges Rs.	10.10	16.33
Per unit electricity charge Rs.	6.90	6.35

B) RESEARCH AND DEVELOPMENT:

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

New compact & more effective Oil Mist Collectors were developed. Centrifuge, ESP & fabric based integrated systems for turbine oil were developed.

2) BENEFITS DERIVED AS A RESULT OF R & D

We expect new business opportunities

3) FUTURE PLANS:

Company desires to develop some systems for Clean rooms .

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 : 08.06.2012

ENVAIR ELECTRODYNE LIMITED

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, 2011 to 31st March, 2012, 5 Board Meetings were held. The meetings were held on: 30.04.2011, 25.06.2011, 30.07.2011, 22.10.2011, 28.01.2012

c) Directors Attendance Record & Directorship held :

The information on composition of the Board as on 31st March, 2012, 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 01.04.11 to 31.03.12 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 @	5	Yes	-	-
2.	Ms Meena Joglekar	ED	5	Yes	-	-
3.	Mr Satishchandra Soman	I & NED	4	Yes	-	-
4.	Dr Avinash Kulkarni	I & NED	5	Yes	1	-
5.	Dr P.S.Karmarkar	I & NED	2	Yes	1	-
6.	Ms Deepajali Mirashi	ED @	3	Yes	-	-

Abbreviations:

a) ED - Executive Director, I-Independent, NED - Non-Executive Director

b) @ - deemed as Promoters within the meaning of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 1997.

c) 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 30.04.2011, 25.06.2011, 22.10.2011, 28.01.2012

Name of Director	No. Of Meetings Attended
Mr. Satishchandra Soman - Chairman (Non-Executive)	4
Mr. Shripad Mirashi - Executive Director	4
Ms. Meena Joglekar - Executive Director	4
Dr. Avinash Kulkarni - Non-Executive Director	4
Ms. Deepanjali Mirashi - Executive Director	3
Mr S.S.Athavale - Auditors	3

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 terms of reference of the Audit Committee include the matters specified under Clause 49 of the Listing Agreement entered into with the Stock Exchanges as well as those in Section 292A of the Companies Act, 1956 and inter-alia includes the following:

- 1) Oversee the Company's financial reporting process and disclosures of financial information to ensure that the financial statement is sufficient and credible.
- 2) Recommending to the Board the appointment, re- appointment and , if required the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- 4) Review Internal Audit function as regards its adequacy, scope, frequency and review of the reports etc.
- 5) Discussions with Internal Auditors any significant findings and follow up thereon.- N.A.
- 6) Reviewing the Annual Financial Statements before submission to the Board with particular reference to :-
 - a) Matter required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause 2 AA of Section 217 of the Companies Act, 1956.
 - b) Changes if any in accounting policies & practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by Management.
 - d) Significant adjustments arising out of audit findings
 - e) Compliance with listing & other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions
 - g) Qualification in draft audit report
- 7) Review Auditors Report, Internal Controls and recommendations relating thereto
- 8) Reviewing with the Management the Quarterly Financial Statements before submission to the Board for approval
- 9) Reviewing with the Management performance of statutory & internal auditors, adequacy of internal audit systems.
- 10) Reviewing the findings of any internal investigations by the Internal Auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature & reporting the matter to the Board - N.A.
- 11) Discussions with Statutory Auditors before the audit commences about nature & scope of audit as well as post audit discussion to ascertain any area of concern.
- 12) To look into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of non payment of declared dividends) and Creditors
- 13) To review the functions of the Whistle Blower Mechanism in case the same exists.
- 14) To mandatorily review the following information
 - a. Management discussions & analysis of financial condition & results of operations
 - b. Statement of significant related party transactions submitted by the Management
 - c. Management letters/ Letters of internal control, weaknesses issued by the statutory Auditors
 - d. Internal audit reports relating to internal control weaknesses and
 - e. The appointment, removal in terms of remuneration of the Chief Internal Auditors shall be subject to review by the Audit Committee
- 15) Carrying out any other functions as is mentioned in the terms of reference of Audit Committee as amended from time to time by the Listing Agreement & Companies Act, 1956.

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 section 198 & 309 of 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.

ENVAIR ELECTRODYNE LIMITED

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	1.61	3.60	-	-	13.25
Ms Deepanjali Mirashi Wholtime Director	3.47	0.83	3.39	-	-	7.69
Ms Meena Joglekar Wholtime Director	2.64	0.68	1.66	-	-	4.98
Other Directors	-	-	-	-	0.27	0.27

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 Grievances 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.

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 who is also a member of the Institute of Company Secretaries of India 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: envairelectro@vsnl.net, 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, 2012 were 23 Nos and there were no complaints outstanding as on 31st March, 2012.

The Company had no Share Transfer requests pending as on 31st March, 2012.

6. General Body Meetings:

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

AGM	YEAR	VENUE	DATE	TIME
27	2008-09	Registered Office	02.09.09	10.30 a.m.
28	2009-10	-"	13.08.10	10.30 a.m.
29	2010-11	-"	24.09.11	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 31.7.2011, 23.10.2011, 29.1.2012 & 1.5.2012 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 : 26th September, 2012 at 10.30 a.m.

Venue : Regd. Office of the Company
117 `S' Block, MIDC, Bhosari, Pune 411 026

Financial Calendar: Financial year 1st Apr' 11 to 31st March'12

During the year the results were announced as under:

Quarter	Date
First Quarter	30.07.2011
Second Quarter	22.10.2011
Third Quarter	28.01.2012
Fourth Quarter	30.04.2012

Record Date : 15th September to 26th September, 2012

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

Exchanges The Stock Exchange, Mumbai

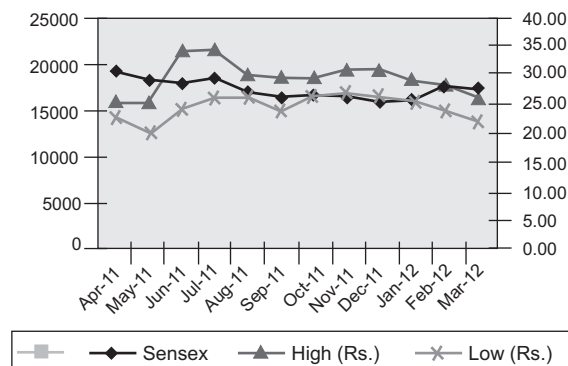
Security Code 17389

10. Market Price Data:

Monthly high/low during the period 1.4.2011 to 31.3.2012 on the BSE.

MONTH	THE STOCK EXCHANGE, MUMBAI	
	High (Rs.)	Low (Rs.)
April, 2011	25.70	23.00
May, 2011	25.35	20.50
June, 2011	34.65	24.40
July, 2011	34.95	26.55
August, 2011	30.50	26.55
September, 2011	30.00	24.30
October, 2011	30.00	26.85
November, 2011	31.40	27.15
December, 2011	31.40	26.60
January, 2012	29.60	26.00
February, 2012	28.65	24.25
March, 2012	26.45	22.50

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



11. Distribution Schedule (as on 31st March, 2012)

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	4761	93.979	584239	19.218	5842390	19.218
501	1000	157	3.099	132207	4.349	1322070	4.349
1001	2000	65	1.283	93175	3.065	931750	3.065
2001	3000	27	0.533	66489	2.187	664890	2.187
3001	4000	16	0.316	57868	1.904	578680	1.904
4001	5000	10	0.197	47225	1.553	472250	1.553
5001	10000	19	0.375	132899	4.372	1328990	4.372
10001	& above	11	0.217	192589	63.352	1925890	63.352
TOTAL	5066	100	3040000	100	30400000	100.000	

Physical mode 400911 Electronic mode 2639089

ENVAIR ELECTRODYNE LIMITED

Shareholding Pattern (as on 31st March, 2012)

Category	No.of Shares	%
Individuals	1188084	39.08%
Promoters	1762040	57.96%
Domestic Companies	53082	1.75%
NRI	35227	1.16%
Clearing Members	1467	0.05%
Financial Institutions	0	0.00%
Nationalised & other Banks	0	0.00%
Other Category	100	0.00%
TOTAL	3040000	100.00%

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, 2012, 86.81% 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 : 08.06.2012

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.**

MS. DEEPANJALI MIRASHI
DIRECTOR - OPERATIONS

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, 2012.

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
Place : Pune
Date : 08.06.2012

ENVAIR ELECTRODYNE LIMITED

Auditor's Report to the Members of Envair Electrodyne Limited.

1. We have audited the attached balance sheet of **Envair Electrodyne Limited**, as at 31st March 2012, and also the profit and loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, (as amended by Companies (Auditor's Report) (Amendment) Order, 2004) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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;
 - (iii) The balance sheet and profit and loss account and the cash flow statement dealt with by this report are in agreement with the books of account;
 - (iv) *Subject to clause (vi)(a) below*, in our opinion, the balance sheet and profit and loss account and the cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors, as on 31st March 2012 and

taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

(vi)(a), *Technical knowhow, which is an intangible asset, has been included in fixed assets and depreciated @ 4.75% on SLM basis. This is contrary to the requirements of AS-26, according to which the intangible assets need to be amortized in not more than 10 years, unless the 10 year life presumption is appropriately refuted with reasons. The balance exceeding ten years is Rs.3,45,633/-.*

(b) *Adequate provision for non recoverability has not been made for debtors and other receivable amounts remaining unrecovered and unconfirmed for long period of time. Although the management has not ascertained this amount, the same may extend to Rs.59.9 lakhs.*

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

- (a) in the case of the balance sheet, of the state of affairs of the company as at 31st March 2012;
- (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.

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

(S. S. Athavale)
Partner
Membership No. 83374
Pune: - 8th June, 2012

Annexure Referred to in paragraph 3 of our report of even date

- 1a. 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 01.04.11	RECEIVED DURING THE YEAR 2011 - 12	PAID DURING THE YEAR 2011 - 12	CLOSING BALANCE AS ON 31.03.12	RATE OF INTEREST
SHRIPAD MIRASHI	Nil	45,00,000	18,00,000	27,00,000	12.50%
DEEPANJALI MIRASHI	9,00,000	Nil	3,00,000	6,00,000	12.50%
ELVIN FURNITURE PVT.LTD.	1,00,00,000	18,50,000	2,25,000	1,16,25,000	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, excised-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: 8th June., 2012

ENVAIR ELECTRODYNE LIMITED

Balance Sheet as at 31st March, 2012

Particulars	Note No.	Figures as at the end of current reporting Period	Figures as at the end of previous reporting Period
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	30,400,000	30,400,000
(b) Reserves and Surplus	2	172,673,032	29,110,055
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			
		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	10,000,000	10,000,000
(b) Deferred tax liabilities (Net)		2,797,099	3,023,492
(c) Other Long term liabilities		-	-
(d) Long term provisions	4	1,695,377	1,785,370
(4) Current Liabilities			
(a) Short-term borrowings	5	4,984,935	959,935
(b) Trade payables		14,704,025	11,375,264
(c) Other current liabilities		14,468,355	7,303,377
(d) Short-term provisions		485,069	930,558
Total		<u>252,207,892</u>	<u>94,888,051</u>
II. Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	6	188,682,827	48,216,700
(ii) Intangible assets	7	1,326,202	1,766,286
(iii) Capital work-in-progress	8	691,488	691,488
(iv) Intangible assets under development		-	-
(b) Non-current investments	9	1	1
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(B) Inventories	10	19,356,213	6,790,349
(c) Trade receivables		23,609,369	21,115,459
(d) Cash and cash equivalents		6,748,699	5,182,386
(e) Short-term loans and advances		11,793,093	11,125,382
(f) Other current assets		-	-
Total		<u>252,207,892</u>	<u>94,888,051</u>

As per our report of even date attached

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

Sanjay S. Athavale
Partner
M.NO. 83374

Pune : 08th JUNE , 2012

Shripad R Mirashi
Chairman & Managing Director

Satishchandra Soman
Director

For and on behalf of Board of Directors

Meena S.Joglekar
Director and Company Secretary

Deepanjali S. Mirashi
Executive Director

Pune : 08th JUNE , 2012

Profit and Loss statement for the year ended 31st March, 2012

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)	84,299,051	57,182,565
II. Other Income [Refer Note 16-C (12)]		1,169,703	4,638,060
III. Total Revenue (I +II)		85,468,754	61,820,625
<i>IV. Expenses:</i>			
Cost of materials consumed [Refer Note 16-C (13(II))]		30,788,830	21,432,048
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	11(b)	(1,381,983)	815,765
Employee benefit expense	12	9,012,537	8,578,108
Financial costs	13	1,986,343	1,631,248
Depreciation and amortization expense	14	3,140,713	3,175,039
Other expenses	15	37,737,628	27,435,762
Total Expenses		81,284,068	63,067,970
V. Profit before exceptional and extraordinary items and tax	(III - IV)	4,184,686	(1,247,345)
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		4,184,686	(1,247,345)
VIII. Extraordinary Items		-	7,409,119
IX. Profit before tax (VII - VIII)		<u>4,184,686</u>	<u>6,161,774</u>
X. Tax expense:			
(1) Current tax		1,700,000	335,000
(2) Deferred tax		(226,393)	2,101,874
XI. Profit(Loss) from the period from continuing operations	(VII-VIII)	2,711,079	3,724,900
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		<u>2,711,079</u>	<u>3,724,900</u>
XVI. Earning per equity share:			
(1) Basic		0.89	1.23
(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 : 08th JUNE , 2012

Shripad R Mirashi
Chairman & Managing Director

Satishchandra Soman
Director

For and on behalf of Board of Directors

Meena S.Joglekar
Director and Company Secretary

Deepanjali S. Mirashi
Executive Director

Pune : 08th JUNE , 2012

ENVAIR ELECTRODYNE LIMITED

NOTE 1 : SHARE CAPITAL

Share Capital	As at 31 March 2012		As at 31 March 2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Authorised Equity shares of Rs.10/- Each.	55,00,000	55,000,000	5,500,000	55,000,000
Issued Equity shares of Rs.10/- Each.	30,40,000	30,400,000	3,040,000	30,400,000
Subscribed & Paid up Equity Shares of Rs.10/- each fully paid	30,40,000	30,400,000	3,040,000	30,400,000
Total	30,40,000	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 2012		As at 31 March 2011	
	No.of Shares held	% of Holding	No.of Shares held	% of Holding
MR. SHRIPAD RAJARAM MIRASHI	1,737,030	57.14	1,648,790	54.24

- 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 otherwisw 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 2012	As at 31 March 2011
	Amount (Rs.)	Amount (Rs.)
a. Capital Reserves		
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. Securities Premium Account		
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>
c. Revaluation Reserve		
Opening Balance	28,635,013	30,256,411
(+) Current Year Transfer	142,001,556	-
(-) Written Back in Current Year	1,149,658	1,621,398
Closing Balance	<u>169,486,911</u>	<u>28,635,013</u>
d. Surplus		
Opening balance	(14,083,403)	(15,318,543)
(+) Net Profit/(Net Loss) For the current year	2,711,079	3,724,900
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	2,128,000	2,128,000
(-) Tax on Distributed Profits	361,760	361,760
(-) Transfer to Reserves	-	-
Closing Balance	<u>(13,862,084)</u>	<u>(14,083,403)</u>
Total	<u><u>170,183,272</u></u>	<u><u>29,110,055</u></u>

Note : proposed dividend per equity share for the year is Rs. 0.70.

ENVAIR ELECTRODYNE LIMITED

NOTE 3 : LONG - TERM BORROWINGS

Long Term Borrowings	As at 31 March 2012	As at 31 March 2011
	Amount (Rs.)	Amount (Rs.)
Unsecured		
(a) Deposits		
from banks	-	-
from a Company	10,000,000	10,000,000
Total	<u>10,000,000</u>	<u>10,000,000</u>

NOTE 4 : LONG TERM PROVISIONS

Long Term Provisions	As at 31 March 2012	As at 31 March 2011
	Amount (Rs.)	Amount (Rs.)
(a) Provision for employee benefits		
Gratuity (unfunded)	1,398,098	1,054,418
Leave Encashment (unfunded)	297,279	730,952
Total	<u>1,695,377</u>	<u>1,785,370</u>

NOTE 5 : CURRENT LIABILITIES

CURRENT LIABILITIES	As at 31 March 2012		As at 31 March 2011	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a. Short-term borrowings				
i Deposits - Business Deposit		59,935	59,935	
ii Deposits				
- From Directors	3,300,000		900,000	
- From a Company	<u>1,625,000</u>		-	
		4,984,935		959,935
b. Trade Payables	<u>14,704,025</u>		<u>11,375,264</u>	
		14,704,025		11,375,264
c. Other Current Liabilities				
i Advance against Orders	10,281,432		831,072	
ii Interest accrued but not due on borrowing	116,250		25,797	
iii Share application money refundable	30,955		30,955	
iv Other Current Liabilities	<u>6,529,478</u>		<u>6,415,553</u>	
		16,958,115		7,303,377
d. Short Term Provisions				
i Provision for Employee Benefit				
Gratuity (unfunded)	33,750	656,943		
Leave Encashment	451,319	273,615		
	485,069		930,558	
Total		37,132,144		19,609,199

NOTE 6 : NON CURRENT ASSETS - TANGIBLE ASSETS

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at 1st April 2011	Additions/ (Disposals)	Additions on account of revaluations	Balance as at 31st March 2012	Balance as at 1st April 2011	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31st March 2012	Balance as at 1st April 2012	Balance as at 31st March 2011
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a											
Tangible Assets											
Leasehold Land	23,356,373	-	116,214,104	139,570,477	1,807,274	3,657	363,671	-	2,174,602	137,395,875	21,549,099
Buildings	23,276,961	-	25,787,452	49,064,413	12,331,160	393,440	785,988	-	13,510,588	35,553,825	10,945,801
Plant and Equipment	47,269,699	2,254,627	-	49,524,326	35,188,161	1,733,717	-	-	36,921,878	12,602,448	12,081,538
Furniture and Fixtures	5,696,695	-	-	5,696,695	4,573,980	121,636	-	-	4,695,616	1,001,079	1,122,715
Vehicles	3,111,826	-	-	3,111,826	1,587,559	238,579	-	-	1,826,138	1,285,688	1,524,267
Office equipment	6,379,724	60,232	-	6,439,956	5,386,444	209,600	-	-	5,596,044	843,912	993,280
Total	109,091,278	2,314,859	142,001,556	253,407,693	60,874,578	2,700,629	1,149,659	-	64,724,866	188,682,827	48,216,700

NOTE 7 : NON CURRENT ASSETS - INTANGIBLE ASSETS

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at 1 April 2011	Additions/ (Disposals)	Additions on account of revaluations	Balance as at 31 March 2012	Balance as at 1 April 2011	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2012	Balance as at 1 April 2012	Balance as at 31 March 2011
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
b											
Intangible Assets											
Technical knowhow	4,671,679	-	-	4,671,679	2,905,393	440,084	-	-	3,345,477	1,326,202	1,766,286
Total	4,671,679	-	-	4,671,679	2,905,393	440,084	-	-	3,345,477	1,326,202	1,766,286

NOTE 8 : NON CURRENT ASSETS - CAPITAL WORK IN PROGRESS

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at 1 April 2011	Additions/ (Disposals)	Additions on account of revaluations	Balance as at 31 March 2011	Balance as at 1 April 2011	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2012	Balance as at 1 April 2012	Balance as at 31 March 2011
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
c											
Capital Work In Progress	691,488	-	-	691,488	-	-	-	-	-	691,488	691,488
Total	691,488	-	-	691,488	-	-	-	-	-	691,488	691,488
Grand Total (a+b+c)	114,454,445	2,314,859	142,001,556	258,770,860	63,779,971	3,140,713	1,149,659	-	68,070,343	190,700,517	50,674,474
Previous Year	112,389,059	264,7760 (582374)	-	114,454,445	66,968,484	3,175,039	1,085,130	39,563	63,779,971	50,674,474	45,420,575

ENVAIR ELECTRODYNE LIMITED

NOTE 9 : INVESTMENTS (UNQUOTED)

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount (Rs.)	Amount (Rs.)
A .Non - Trade (at estimated realisable value)		
8000 (8000) Equity Shares of Rs.10/- each full paid in Kirloskar Ghatage Patil Auto Ltd.	1	1
Total (A)	1	1

NOTE 10 : CURRENT ASSETS

	As at 31 March 2012		As at 31 March 2011	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a. INVENTORIES				
i Raw Material & Components	16,327,565		5,143,684	
ii Work-in-progress	3,028,648		1,646,665	
		19,356,213		6,790,349
b. Trade Receivables (Unsecured)				
i Debts outstanding for a period exceeding six months				
Considered good	3,024,986		3,433,536	
Considered doubtful	-		-	
	3,024,986		3,433,536	
ii Other debts				
Considered good	20,584,383		17,681,923	
Considered doubtful	-		-	
	20,584,383		17,681,923	
Less : Provision for Doubtful Debts	-		-	
		23,609,369		21,115,459
c. Cash & Cash Equivalents				
i Cash on hand	58,901		4,326	
ii Bank Balance with scheduld Banks				
In Current Accounts	3,120,179		3,431,340	
in Deposit Accounts	3,569,619		1,746,720	
		6,748,699		5,182,386
d. Short Term Loans & Advances (Considered Good)				
Short Term Loans & Advances to others		6,095,162		5,127,985
Deposits & Others	2,534,976		1,482,718	
Balance with Customes & Excise Authorities		841,937		463,501
Advance Tax paid (Net)	2,321,018		4,051,178	
		11,793,093		11,125,382
TOTAL		61,507,374		44,213,576

NOTE 11(a) : REVENUE FROM OPERATIONS

Rupees	As At 31/03/2012	As At 31/03/2011
	Rupees	Rupees
1 Sale of Products	85,620,340	59,864,588
2 Sale of Services	2,622,124	1,883,710
3 Less Excise Duty	(3,943,413)	(4,565,733)
	<u>84,299,051</u>	<u>57,182,565</u>

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

Rupees	As At 31/03/2012	As At 31/03/2011
	Rupees	Rupees
Stocks at Close :		
Work in Process	3,028,648	1,646,665
Finished Goods	-	-
	3,028,648	1,646,665
Stocks at Opening :		
Work in Process	1,646,665	2,462,430
Finished Goods	-	-
	1,646,665	2,462,430
TOTAL	<u>1,381,983</u>	<u>(815,765)</u>

NOTE 12 : EMPLOYEE BENEFIT EXPENSE

Salaries, Wages and Bonus	7,808,807	7,280,845
Workmen and Staff Welfare Expenses	319,380	302,411
Contribution to Provident & Other Funds	884,350	994,852
TOTAL	<u>9,012,537</u>	<u>8,578,108</u>

NOTE 13 : FINANCIAL COSTS

Rupees	As At 31/03/2012	As At 31/03/2011
	Rupees	Rupees
Bank Charges	177,800	148,048
Interest : a. Fixed Loans	1,808,442	1,440,924
b. Others	101	42,276
(Int on fixed loans Includes interest paid to Directors Rs 4,37,536/- Previous Year Rs.1,16,883/-)		
TOTAL	<u>1,986,343</u>	<u>1,631,248</u>

NOTE 14 : DEPRECIATION AND AMORTISATION EXPENSE

	As at 31/03/ 2012	As at 31/03/2011
	Rupees	Rupees
DEPRECIATION EXPENSES	2,700,629	2,734,957
AMORTISATION EXPENSES	440,084	440,082
TOTAL	<u>3,140,713</u>	<u>3,175,039</u>

ENVAIR ELECTRODYNE LIMITED

NOTE 15 : MANUFACTURING, OFFICE, AND ADMINISTRATION EXPENSES

Rupees	As At 31/03/2012	As At 31/03/2011
	Rupees	Rupees
Consumption of Stores and Spares parts	25,195,229	11,367,422
Power and Fuel	1,407,997	1,587,949
Repairs to : Building	500	206,438
Machinery	328,680	529,452
Others	313,516	309,527
Rates & Taxes	413,016	428,016
Insurance	100,913	85,544
Travelling & Conveyance	1,447,955	1,572,804
Office Maintenance	27,886	69,815
Postage, Fax, Telephone	395,676	422,636
Printing & Stationery	311,510	280,326
Directors Remuneration	2,594,015	2,410,861
Directors Sitting Fees	27,500	27,500
Auditors Remuneration		
a. Audit Fees	40,000	40,000
b. Tax Audit Fees	9,996	10,000
c. Other Services	30,000	25,000
d. Reimbursement of out of pocket expenses	1,789	2,230
Commission & Discount	1,739,883	979,559
Product Advertisement	30,500	152,500
Selling & Distribution Expenses	949,929	631,611
Provision for doubtful debts & Advances	-	-
Bad Debts Written off	110,085	4,799,031
Prior Period Items	57,986	67,155
Miscellaneous Expenses	2,203,067	1,430,386
TOTAL	<u>37,737,628</u>	<u>27,435,762</u>

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 prior to 2000 have been depreciated at 4.75% (SLM) per year. Intangible assets acquired thereafter 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. Although the company has provided for gratuity liability on the basis of actuary valuation obtained from Actuary.
 - 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
C) OTHER NOTES		
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 :	-	1,550,000
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.NIL Debit. (Rs.24,998)		
5. We have decree in our favour from Court of Hon'ble Civil Judge Senior Divn, Pune court regarding recovery of our dues from Vishwa Electronics (India) Ltd. Regular followup is been kept by the Company on recovery process. In the nearest future the management has reason to believe that the company will recover at least Rs.17 Lacs from this party.		
6. The company has provided Rs.NIL (Rs.NIL) towards doubtful debts.		
Company has initiated legal cases against defaulting Customers to the tune of 16.06 lacs. The Management is of the opinion that in the balance cases of long outstanding customers, the company is taking stringent measures to collect the balance outstanding & is hopeful to collect the outstanding.		
7. The Company is operating in a single segment of " Industrial Machinery".		
8. During the year2005-06, by engaging the services of a professional valuer, the Company has revalued its aehold 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. The depreciation on this revalued portion, has been charged up to the Balance Sheet date by debit to Revaluation Reserve Account.		
As at 31st March, 2012, by engaging the services of a professional valuer, the company has revalued its Leasehold Land by Rs.11,62,14,104/- and Building by Rs.2,57,87,452/- , and credited the same amount to Revaluation Reserve A/C.		
9. Deffered Tax liability (On account of depreciation)	Rs. 38,48,616/-	Rs. 42,03,869/-
Deffered Tax Assets (On account of 43B of the Income Tax Act)	Rs. 10,51,517/-	Rs. 11,80,377/-

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

10 . 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	1,924,820	980,573	2,905,393	1,811,596	653,715	2,465,311
Amortisation during the year	113,226	326,858	440,084	113,224	326,858	440,082
Cummulative Amortisation upto the end of the year	2,038,046	1,307,431	3,345,477	1,924,820	980,573	2,905,393
Net Block	345,633	980,569	1,326,202	458,859	1,307,427	1,766,286
Useful Life	21 Years	7 Years		21 Years	7 Years	
Amortisation Method	SLM	SLM		SLM	SLM	

11 . 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	346,758	264,000	804,000	347,855	248,400
b. House Rent Allowance	264,000	173,379	78,000	264,000	173,927	72,000
c. Company's contribution to: Provident Fund	110,002	54,117	41,200	106,014	45,868	32,754
Transport Allowance	-	96,000	27,600	-	-	20,400
e. Perquisites	15,474	-	-	14,659	-	18,000
f. Special Allowance	-	41,611	31,680	-	-	29,808
h. L T A	96,000	28,897	28,800	96,000	28,988	21,600
i. Medical Reimbursement	36,000	28,897	27,600	36,000	28,988	21,600
TOTAL	1,325,476	769,659	498,880	1,320,673	625,626	464,562
II. Other Directors						
a. Sitting Fees	27,500	-	-	31,000	-	-
TOTAL	27,500	-	-	31,000	-	-

12.

1. Interest Received (Tax deducted Rs.NIL (Rs.NIL)	322,100	198,318
2. Profit on Sale of Assets .	-	1,657,587
3. Excess Provision Written Back	120,657	1,030,786
4. Sundry Balances Written Back	16,338	197,539
5. Commission & Discount Received	-	70,579
6. Rent Received	2,800	6,500
7. Scrap Sale	62,548	116,680
9. Other Miscellaneous Income	137,217	265
10. Bad Debts Recovered	508,043	-
11. Provision for Doubtful debts no longer Required	-	1,359,806
	<u>1,169,703</u>	<u>4,638,060</u>

13. Quantative and Other Details

I. Sales:	Qty(Nos)	Rupees	Qty(Nos)	Rupees
1. Clean Air Equipment	224	19,558,564	317	18,632,557
2. Spare Parts & trading items		25,438,084		2,093,493
3. Oil Purifiers	34	3,056,710	26	2,885,889
4. Workstations	700	19,111,536	614	22,962,167
5. Recirculation Coolers	19	14,512,033		-
6. Exchange fluctuation		-		(1,029)
TOTAL :		<u>81,676,927</u>		<u>46,573,077</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. Fabricated Cubicals For CAE	-	-	-	-
2. Workstations	-	-	-	-
3. Aluminium Profile & Components	12,392	2,122,310	17,112	2,729,966
4. MS/CRCA Sheets	82,570	4,244,779	85,873	4,577,349
5. SS Sheets	7,995	1,351,960	3,540	444,424
6. Wooden Material	2,520	9,520,525	3,078	11,174,982
7. Other Raw Material	-	13,549,256		2,505,327
TOTAL		30,788,830		21,432,048

III. Production during the year :	Installed Capacity	Production	Installed Capacity	Production
1. Generating Sets (13.5KVA-125KVA)	100	0	100	0
2. Generating Sets (ABOVE 320 KVA)	50	0	50	0
3. Control Panels for other applications	200	-	200	-
4. Oil Purifiers	100	34	100	26
5. Clean Air Equipment	2,000	224	2,000	317
6. Other fabrication	500		500	
7. Silent Canopies	50	0	50	0
8. Racks & Chassis	10,000	0	10,000	0
9. Workstations	20,000	700	20,000	614
10. Recirculation Coolers	-	19	-	0

*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	11,275,924	1,001,369
VI. Expenditure in foreign currencies :		-
Subscription		
Materials		
Travelling	-	190,104
VII. Earnings in Foreign Currencies :		
Export of goods on FOB basis.	1,402,380	828,040
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	
	27,562.50	-

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

14A 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	

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 Management Personnel
Sale of goods	Nil (Nil)	-	-	-	-
Purchase of goods	Nil (Nil)	-	-	-	-
Professional Services availed	Nil (Nil)	-	-	-	-
Interest on Term Loans	13.71 (12.67)	-	-	-	-
Interest received	Nil (Nil)	-	-	-	-
Dividend received	Nil (Nil)	-	-	-	-
Credit balances written back	Nil (Nil)	-	-	-	-
Fixed Deposit received	Nil (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	-	-	-	7.70 (6.26)	-
Remuneration to Key Management Personnel	-	-	-	25.94 (24.11)	-
Deposits From Director	Nil (Nil)	-	-	45.00 (3.00)	-
Interest on deposit from Director	Nil (Nil)	-	-	4.38 (1.17)	-
Outstanding as on 31st March 10					
Receivables	Nil (Nil)	-	-	-	-
Payables	2.13 (1.38)	-	-	-	-
Loans & advances	116.25 (100)	-	-	-	-
Investments	Nil (Nil)	-	-	-	-
Guarantees	Nil (Nil)	-	-	-	-
Deposits	Nil (Nil)	-	-	33.00 (9.00)	-

Notes :

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

ENVAIR ELECTRODYNE LIMITED

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

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.	2,711,079
b)	Average number of equity shares		3,040,000
c)	Nominal Value of Shares	Rs.	10/-
d)	Earning per Share	Rs.	0.89

As per our report of even date attached

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

Shripad R Mirashi
Chairman & Managing Director

For and on behalf of Board of Directors

Meena S.Joglekar
Director and Company Secretary

Sanjay S. Athavale
Partner
M.NO. 83374

Satishchandra Soman
Director

Deepanjali S. Mirashi
Executive Director

Pune : 08th JUNE , 2012

15. Disclosure pursuant to Accounting Standard -15 (Revised) - " Employee Benefits"

- a. The Company, has adopted Accounting Standard 15 (Revised) "Employee Benefits" issued by the Institute of Chartered Accountants of India. The total liability as on Balance Sheet date is Rs.14,31,848/-(Rs.17,11,361/-), in respect of **Gratuity**.
- b. Defined Contribution Plans : Amount of Rs.3,77,430/- (Rs.3,00,974/-) is recognised as expenses and included in Schedule No.10 "Employee Cost".
- c. (I) Actuarial Assumptions as at 31st March 2011.

	Current year	Previous year
Discount Rate Prev.	8.00%	8.00%
Rate of Return on Plan Assets Prev.	8.00%	8.00%
Salary Escalation Prev.	5.00%	5.00%
Attretion Rate Previous Year	2.00%	2.00%
Discount Rate Current	8.50%	8.00%
Rate of Return on Plan Assets Current	8.60%	8.00%
Salary Escalation Current	6.00%	5.00%
Attretion Rate Current Year	2.00%	2.00%

(ii) Table Showing Changes in Benefit Obligation

Liability at the beginning of the year	1,874,532	1,874,532
Interest Cost	149,963	165,024
Current Service Cost	191,366	188,268
Past Service Cost (Non Vested Benefit)	-	-
Past Service Cost (Vested Benefit)	-	-
Settlement	-	-
Liability Transfer in	-	-
Liability Transfer out	-	-
Benefit Paid	(656,943)	-
Acturial (gain) / loss on obligations	308,133	(81,258)
Liability at the end of the year	1,867,051	2,146,566

(iii) Table of Fair Value of Plan Assets :

Fair Value of Plan Assets at the beginning of the year	435,205	435,205
Expected Return on Plan Assets	-	-
Contribution	-	-
Transfer from other company	-	-
Transfer to other company	-	-
Benefits paid	-	-
Acturial (gain) / loss on on Plan Assets	-	-
Fair Value of Plan Assets at the end of the year	435,205	435,205

(iv) Recognition of Transitional Liability

Transition Liability at start	-	-
Transition Liability Recognised during the Year	-	-
Transition Liability at end	-	-

(V) Actual Return on Plan Assets

Expected Return on Plan Assets	-	-
Acturial gain / (loss) on Plan Asset	-	-
Actual Return on Plan Asset	-	-

ENVAIR ELECTRODYNE LIMITED

(vi) Amount Recognised in the Balance Sheet

Loability at the end of the year	1,867,051	2,146,566
Fair Value of Plan Assets at the end of the year	435,205	435,205
Difference	-	-
Unrecognised Past Service Cost	-	-
Unrecognised Transition Liability	-	-
Amount Recognised in the Balance Sheet	1,431,847	1,711,361

(vii) Expenses Recognised in the Income Statement

Current Service Cost	191,366	188,268
Interest Cost	149,963	150,562
Expected Return on Plan Assets	-	-
Past Service Cost (Non Vested Benefit) Recognised	-	-
Past Service Cost (Vested Benefit) Recognised	-	-
Recognition of Transition Liability	-	-
Acturial (Gain) or Loss	308,133	(81,558)
Expenses Recognised in P & L	646,462	257,272

(viii) Balance Sheet Reconciliation

Opening Net Liability	1,711,361	1,454,089
Expenses as above	646,462	257,272
Transfer from other company	-	-
Transfer to other company	-	-
Employers Contribution	-	-
Amount Recognised in Balance Sheet	1,431,847	1,711,361

(ix) Category of Assets

Government of India Assets	-	-
Corporate Bonds	-	-
Special Deposit Scheme	-	-
State Govt.	-	-
Property	-	-
Other	435,205	435,205
Insurer Managed Funds	-	-
Total	435,205	435,205

- (i) Leave encashment liability being "Other Long Term Loability" the detailed disclosure is not required except that liability calculated on actuary basis as on 31.03.2012 is Rs. 6,43,736/-(Rs.8,80,093/-)
The same has not been funded.
Short Term Leave encashment liability of Rs.1,04,862/- (Rs.1,24,474/-) is accounted on accrued basis.
- (ii) General descriptions of Significant Defimed plans:
The Company operates gratuity plan wherein every employee is entitled to the benefit as per Payment of Gratuity Act, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

Additional information as required under Part IV of Schedule VI to the Companies Act, 1956.

Balance Sheet Abstract & Company's General Business Profile:

I REGISTRATION DETAILS :		
Registration No.		23810
State Code		11
Balance Sheet Date		31.03.2012
II CAPITAL RAISED DURING THE YEAR		(Amount in Rs. thousands)
(Excluding call money received during the year on shares already issued in earlier years.)		
Public Issue		Nil
Right Issue		Nil
Bonus Issue		Nil
Private Placement		Nil
III POSITION OF MOBILISATION & DEPLOYMENT OF FUND		(Amount in Rs. thousands)
Total Liabilities		252,208
Total Assets		252,208
Source of Funds		
Paid up Capital		-
Reserve & Surplus		-
Deferred Tax Balance		-
Secured Loans		-
Unsecured Loans		(0)
Application of Funds		
Net Fixed Assets		-
Investments		-
Net Current Assets		-
Misc. Expenditure		-
Accumulated Losses		13,862
IV PERFORMANCE OF COMPANY		
Turnover		85,469
Total Expenditure		81,284
Profit/(Loss) Before Tax		4,185
Profit/(Loss) After Tax		2,711
Earning per Share (Rs)		0.89
Dividend Rate		7 %
v Generic Names of Three Products/ Services of Company (As per Monetary Items)		
i. Item Code (ITC Code)		850300001
Product Description		Diesel Generating Sets
ii. Item Code (ITC Code)		84211909
Product Description		Clean Air Equipment
iii. Item Code (ITC Code)		94033009
Product Description		Workstations

As per our report of even date attached

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

Sanjay S. Athavale
Partner
M.NO. 83374

Pune : 08th JUNE , 2012

Shripad R Mirashi
Chairman & Managing Director

Satishchandra Soman
Director

For and on behalf of Board of Directors

Meena S.Joglekar
Director and Company Secretary

Deepanjali S. Mirashi
Executive Director

ENVAIR ELECTRODYNE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Rs. Current Year 1.4.2011 31.3.2012	Rs. Previous Year 01.04.2010 31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax & extra-ordinary Items	4,184,686	6,176,774
Adustment For		
Depreciation	3,140,713	3,175,039
Depreciation of earlier years	-	(7,409,119)
Interest paid	1,808,543	1,483,200
Interest received	(322,100)	(198,318)
Profit / Loss on sale of asset	-	(1,657,587)
Bad debts written off	110,085	4,799,031
Bad debts recovered	-	-
Excess provision Written back	(136,995)	(1,228,325)
Excess provision Written back	-	(1,359,806)
Operating Profit Before Working Capital Changes	8,784,932	3,780,889
Adustment For		
Inventories	(12,565,864)	(858,897)
Trade & Other Receivables	(2,603,995)	(2,316,156)
Loans & Advances	(2,375,778)	17,299,434
Trade & Other Payables	12,494,559	2,106,586
Cash generated from Operations	3,733,854	20,011,856
Taxes paid during the year	30,161	(1,494,724)
Net Cash Flow from Operating Activities	3,764,015	18,517,132
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to Fixed Assets	(2,314,859)	(2,997,760)
Sales proceeds on sale of assets	-	1,664,131
Net Cash Flow from Investing Activities	(2,314,859)	(1,333,629)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Long Term Borrowings (Net)	-	(10,388,353)
Proceeds from Short Term Borrowings - Deposits (Net)	4,025,000	(2,350,000)
Interest Paid	(1,718,090)	(1,520,029)
Dividend Paid	(2,128,000)	(1,520,000)
Dividend Tax Paid	(361,760)	(258,248)
Interest Received	300,007	249,375
Net Cash used in Financing Activities	117,157	(15,787,255)
Net Increase / (Decrease) in Cash & Cash Equivalents	1,566,313	1,396,248
Cash & Cash Equivalents at the beginning of the year	5,182,386	3,786,138
Cash & Cash Equivalents at the end of the year	6,748,699	5,182,386

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

Satishchandra Soman
Director

Deepanjali S. Mirashi
Executive Director

Pune : 25th June, 2011

Pune : 25th June, 2011

ENVAIR ELECTRODYNE LIMITED
Registered Office : 117, 'S' Block, MIDC, Bhosari, Pune 411 026.

ATTENDANCE SLIP

Annual general Meeting on 26th September, 2012 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 Wednesday, 26th September, 2012 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
Registered Office : 117, 'S' Block, MIDC, Bhosari, Pune 411 026.

PROXY FORM

I/We.....

ofbeing a member/members of

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

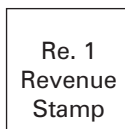
of

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 Wednesday, 26th September, 2012 at 10.30 a.m. and at any adjournment there of.

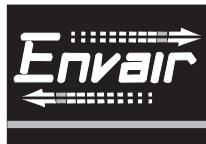
In witness whereof, I/We have set my/our hand/hands/this---- day of----- 2012



(Signature of the Member across the stamp)

Note : The Proxy must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the meeting.

BOOK POST



Enriching Environment

If undelivered please return to :

ENVAIR ELECTRODYNE LIMITED

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