

AVTIL ENTERPRISE LIMITED

CORPORATE IDENTITY NUMBER (CIN): L70100MH1982PLC027263
REGD. OFFICE: 1/204, Navjivan Society, 2nd Floor, Lamington Road,
Mumbai - 400 008. TEL.: 23071996 / 23092626. FAX: 23087980
EMAIL: info@avtradeinvest.com WEBSITE: www.avtradeinvest.com

Date: August 27, 2019

To,
BSE Limited,
Department of Corporate Relation,
P. J. Tower.
Dalal Street, Fort,
Mumbai - 400 001

Ref: Script code - 504390

Dear Sir,

Sub: Annual Report under the Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the company for the Financial Year 2018-19.

Kindly take above information on your records and obliged.

Thanking you

Yours Faithfully,

For AVTIL ENTERPRISE LIMITED



DHARMISTHA DARJI
DIRECTOR, COMPANY SECRETARY
COMPLIANCE OFFICER
DIN: 07125023

AVTIL ENTERPRISE LIMITED

**ANNUAL ACCOUNTS & REPORTS
2018–19**

AVTIL ENTERPRISE LIMITED

37TH ANNUAL REPORT

BOARD OF DIRECTORS

Mr. Jayantilal R. Bhandari
 Mr. Gautam R. Bhandari
 Mr. Ameet M. Brahmbhatt
 Mr. Amit S. Patel
 Ms. Dharmistha J. Darji
 Mr. Sureshkumar M. Mehta

REGISTERED OFFICE

1/204, Navjivan Society, Second Floor,
 Lamington Road, Mumbai – 400 008,
 Maharashtra, India

BANKERS:

ICICI BANK LIMITED
 INDUSLND BANK LIMITED

STATUTORY AUDITORS:

M/s. BDMV & CO.
 CHARTERED ACCOUNTANTS

REGISTRAR & SHARE TRANSFER AGENTS:

Purva Sharegistry (India) Pvt. Ltd.
Corp Office:
 9, Shiv Shakti Industrial Estate,
 Sitaram Mills Compound, J. R. Boricha Marg,
 Lower Parel, Mumbai – 400011
 Tel: 022-23018261, 23016761
 Email: busicomp@vsnl.com

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ANNUAL GENERAL MEETING

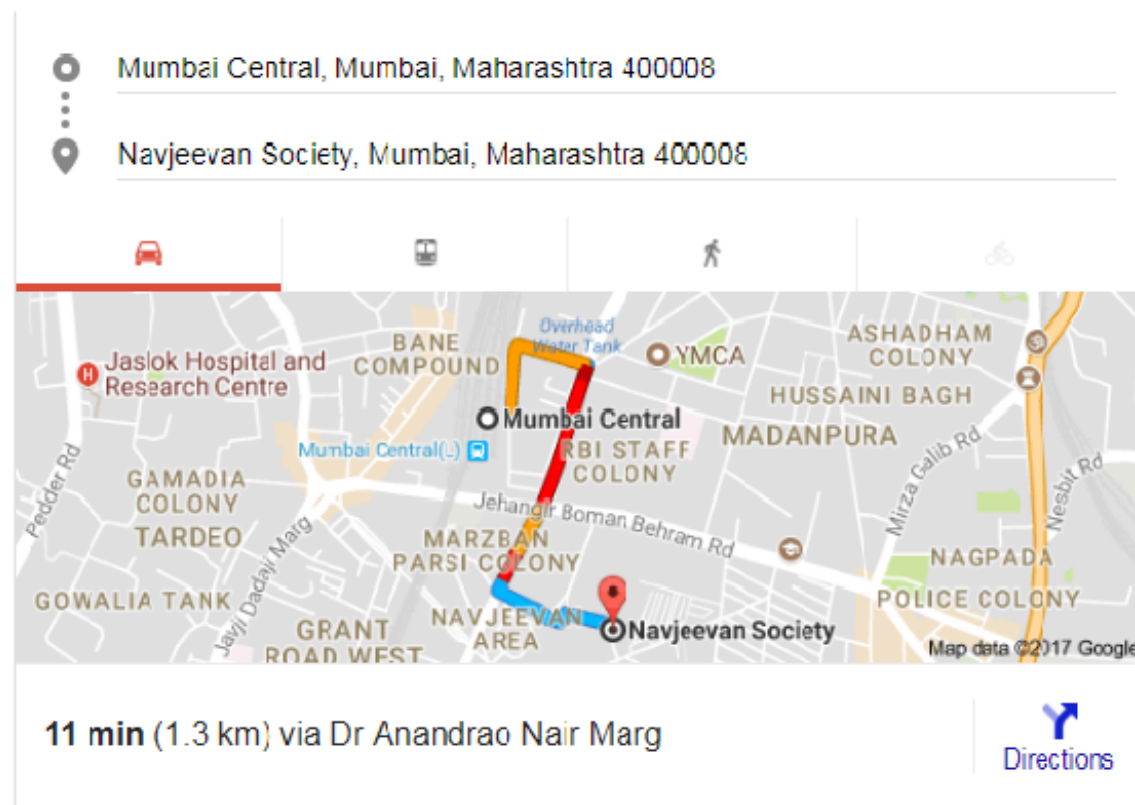
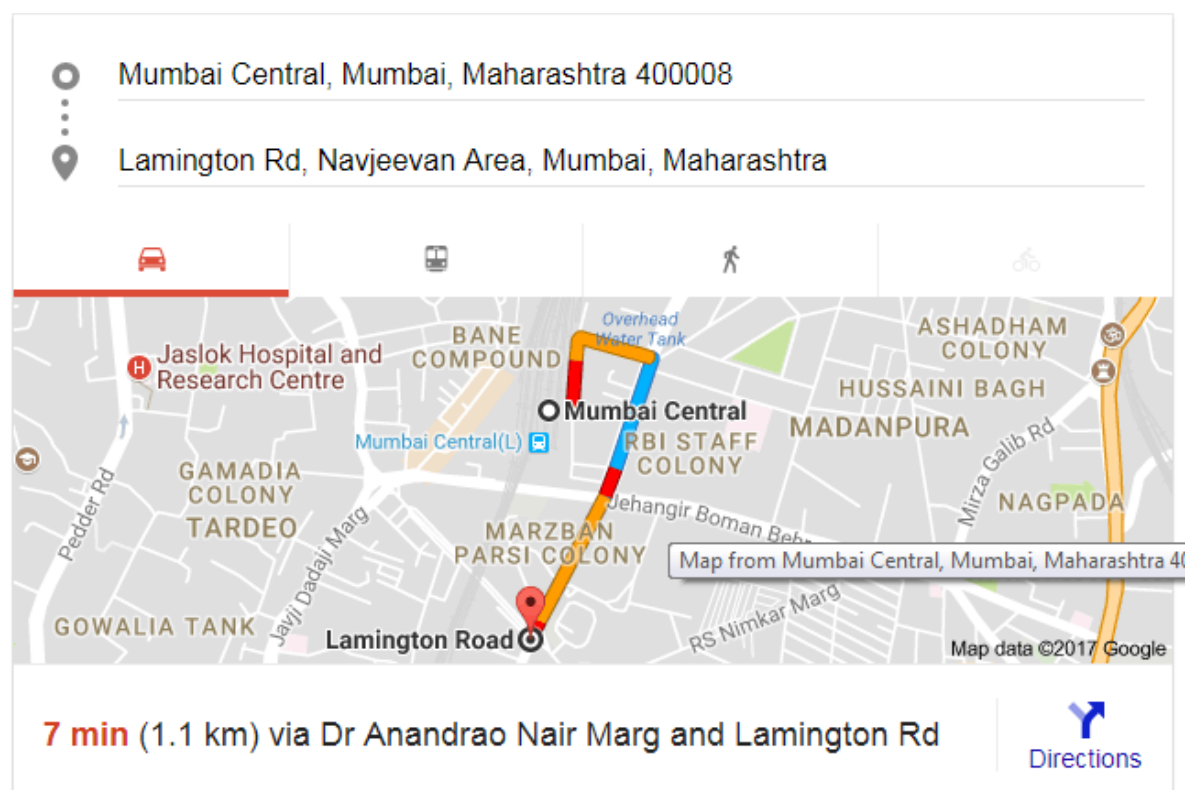
Date: 28th September, 2019

Day: Saturday

Time: 10.30 A.M.

Venue: 1/204, Navjivan Society, Second Floor,
 Lamington Road, Mumbai – 400 008

Route Map



AVTIL ENTERPRISE LIMITED

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 EMAIL: info@avtradeinvest.com WEBSITE: www.avtradeinvest.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 37th Annual General Meeting of the Shareholders of AVTIL Enterprise Limited will be held on Saturday, 28th September, 2019 at 10:30 a.m. at the Registered Office of the Company at 1/204, Navjivan Society, 2nd Floor, Lamington Road, Mumbai – 400008, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2019 together with the Report(s) of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Gautam R. Bhandari (DIN: 00427678), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. **Appointment of Mr. Milan Jayantilal Shah as an Independent Director of the Company:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Companies Act, 2013, Mr. Milan Jayantilal Shah (DIN: 08403604), who was appointed as an Additional Non-Executive Independent Director of the Company w.e.f. April 1, 2019 and who holds office up to the 37th Annual General Meeting under section 161 of the Companies Act, 2013 read with Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term up to March 31, 2024.”

4. **Re-appointment of Mr. Jayantilal R. Bhandari as Managing Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Section 196 and 203 of the Companies Act, 2013 read with Schedule V and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) and subsequent approval of the Board of Directors at their meeting held on 6th February, 2019 the approval of the Company be and is hereby accorded for the appointment of Mr. Jayantilal R. Bhandari (holding DIN 01897297), as a Managing Director of the Company for a period of five years, with effect from 1st April, 2019 on such terms and conditions as set out in the draft Agreement to be entered into between the Company and Mr. Jayantilal R. Bhandari, placed before the meeting and initialed for the purpose of identification.”

“RESOLVED FURTHER THAT the said appointment is made in accordance to the terms and conditions as specified in the Statement pursuant to Section 102 (1) of the Companies Act, 2013 annexed to this Notice.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any present Directors of the Company be authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

**By order of the Board of Directors
For AVTIL ENTERPRISE LIMITED**

**DHARMISTHA DARJI
DIRECTOR, COMPANY SECRETARY &
COMPLIANCE OFFICER
DIN: 07125023**

Place: Mumbai

Date: August 21, 2019

Registered Office:

1/204, Navjivan Society,
 2nd Floor, Lamington Road,
 Mumbai – 400008, Maharashtra
 CIN: L70100MH1982PLC027263

Email: info@avtradeinvest.com

Website: www.avtradeinvest.com

Tel: 022-23071996

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
 2. The Proxy form duly completed must be received by the Company at its Registered Office not less than 48 hours prior to the commencement of the meeting.
 3. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a Proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A Proxy form is enclosed herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
 4. Corporate members intending to send their authorised representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
 5. In terms of SEBI Circular No. SEBI / HO / MIRSD /DOP1 / CIR / P / 2018/73 dated 20th April, 2018 read with SEBI press release PR No.: 51/2018 dated 3rd December, 2018, effective from 1 April, 2019, Company's shares can be transferred in dematerialized form only. Hence members, who hold shares in physical form, are requested to dematerialize their shares, so they can transfer their shares in future, if so desire. However members can continue to hold shares in physical form.
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6. Pursuant to regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a brief resume and the relevant details of the Director(s) proposed to be appointed / reappointed at the ensuing 37th Annual General Meeting(AGM) is annexed to the Notice.
 7. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
 8. For shareholders holding shares in physical mode, Register of Members and Share Transfer Books of the Company shall be closed from Saturday, 21st September, 2019 up to Saturday, 28th September, 2019 (both days inclusive).
 9. Members are requested to bring their attendance slip duly completed and signed mentioning there in details of their DP ID and Client ID / folio no. and also requested to hand over the same for admission at the meeting hall where the Annual General Meeting is proposed to be held.
 10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 11. Members who have not registered their email addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
 12. As a measure of austerity, copies of the Annual Report will not be distributed at AGM. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.
 13. A member desirous of getting any information on the accounts or operations of the Company is requested to forward his / her query to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
 14. Members can avail of the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 72 of the Companies Act, 2013 (erstwhile section 109A of the Companies Act, 1956). Members desiring to avail of this facility may send their nomination in the prescribed Form SH - 13 duly filled in to the Company's Registrar & Share Transfer Agents, Purva Sharegistry (India) Pvt. Ltd. (hereinafter referred as "Purva Sharegistry").
 15. Members are requested to: a) intimate to the Company's Registrar & Share Transfer Agents, Purva Sharegistry regarding changes, if any, at their registered addresses at an early date b) quote their folio numbers / client ID / DP ID in all correspondence.
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16. Members are requested to note that the Company's shares are under compulsory demat trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience and eliminate risks associated with physical shares and for ease of portfolio management.
 17. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
 18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar & Share Transfer Agents, Purva Sharegistry.
 19. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. As per provisions of Section 20 of the Companies Act, 2013 read with rules thereunder, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed including by facsimile telecommunication or to an electronic mail address, which the member has provided to his/her Depository Participant / the Company's Registrar & Share Transfer Agents from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its Annual General Meeting. In cases where any member has not registered his/her e-mail address with the company, the service of documents etc. will be effected by other modes of service as provided in Section 20 of the Companies Act, 2013 read with the relevant rules thereunder. Those members, who desire to receive notice / documents through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to his/her Depository Participant / the Company's Registrar & Share Transfer Agents, PurvaSharegistry, as the case may be. Members may note that this notice and the Annual Report 2018-19 will also be available on the Company's website viz. www.avtradeinvest.com.
 20. An electronic copy of the Annual Report for 2018-19 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2018-19 are being sent in the permitted mode.
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21. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
22. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Saturday, 21st September, 2019. Shareholders shall have one vote for every one fully paid share of the Company held by them as on the cut-off date. The shareholders can vote for their entire voting rights as per their discretion.
23. Voting through electronic means (Remote E-voting):
 - I. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), Regulation 44 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the institute of Company Secretaries of India, the Company is pleased to provide its members the facility to exercise their right to vote at the 37th Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The instructions for e-voting are as under:

- i) The voting period begins on Wednesday, 25th September, 2019 at 9.00 hours and ends on Friday, 27th September, 2019 at 17:00 hours. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, 21st September, 2019 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
 - ii) The facility for voting, either through ballot/polling paper shall be made available at the meeting. Members of the Company as of cut-off date, attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
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- iii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- iv) Click on “Shareholders” tab.
- v) Select the Electronic Voting Sequence Number – “EVSN” along with “COMPANY NAME” from the drop down menu and click on “SUBMIT”.
- vi) Now Enter your User ID:
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vii) Next enter the Image Verification as displayed and Click on Login.
- viii) Members holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier vote of any company, then your existing password is to be used.
- ix) If a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<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"> • 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 as mentioned in instruction (vi).

- x) After entering these details appropriately, click on “SUBMIT” tab.

- xi) Members holding shares in physical form will then directly reach 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 the CDSL platform. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
 - xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - xiii) Click on the EVSN for the relevant AVTIL Enterprise Limited on which members choose to vote.
 - xiv) On the voting page, members 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.
 - xv) Click on the "RESOLUTIONS FILE LINK" if members wish to view the entire Resolution details.
 - xvi) After selecting the resolution members 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.
 - xvii) Once the members "CONFIRM" their vote on the resolution, you will not be allowed to modify your vote.
 - xviii) Members can also print the vote casted by you by clicking on the "Click here to print" option on the Voting page.
 - xix) If a Demat account holder has forgotten his/her password then he/she can Enter their User ID and the image verification code and click on 'Forgot Password' & enter the details as prompted by the system.
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- xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xxi) Note for Institutional Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xxii) In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions ("FAQs") and the e-voting manual available at www.evotingindia.co.in under the help section or write an email to helpdesk.evoting@cdslindia.com.

- II. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of Saturday, 21st September, 2019.
- III. The Board of Directors have appointed Mr. Marmik Patel, Partner of M/s. DMP & Associates, Practicing Company Secretary and or failing him Mr. Rakesh Sanghani, Practising Company Secretary (Membership No. FCS 7647) as the scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- IV. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
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- V. The result declared along with the Scrutinizers Report shall be placed on the Company's Website www.avtradeinvest.com and on the website of CDSL www.evotingindia.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Ltd, where the shares of the company are listed.
24. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 a.m. to 5.30 p.m.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
25. The Register of Directors & KMP and their Shareholdings maintained under Section 170 of Companies Act 2013, will be available for inspection by members at the Registered Office of the Company and at the AGM.
26. Register of Contract & Arrangement, in which directors are interested, maintained under section 189 of Companies Act, 2013, will be available for inspection by members at the Registered Office and at the AGM.
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EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

The Board of Directors had appointed Mr. Milan Jayantial Shah as an Additional Non-Executive Independent Director of the Company w.e.f. April 1, 2019 on their meeting held on 30th March, 2019.

As per the provisions of Section 161(1) of the Act, he holds office of Additional Director up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received a notice under Section 160 of the Act proposing his candidature for the office of Director of the Company, along with the requisite deposit.

Mr. Milan Jayantial Shah is a graduate in the field of Commerce, possesses 15 years of tremendous experience in the Real Estate Sector and understands the economic conditions of that particular sector. At present he manages his own business.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Except Mr. Milan Jayantial Shah, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Item No. 5

Mr. Jayantilal R. Bhandari is a commerce graduate. He is Grass-root Financier having 25 years of practical experience in Finance and Investments. He has been instrumental in virtually single handedly setting up and running the Company's core business having rich management experience in the field of corporate and finance matters. He is in the Board since last 13 years. He is currently involved with day to day administration of affairs of the Company.

Subject to the approval of the Shareholders in the Annual General Meeting, the Board of Directors have at their meeting held on 6th February, 2019, approved the appointment of Mr. Jayantilal R. Bhandari as Managing Director of the Company for a period of 5 years with effect from 1st April, 2019.

OTHER TERMS:

- i) The Appointee shall not be entitled to sitting fees for attending meetings of the Board of Directors and/or Committees(s) thereof.
- ii) The Appointee shall be liable to retire by rotation.
- iii) The Appointee shall not, without Board approval, engage himself in any business, occupation or employment competing with the Company's business.
- iv) The Appointee shall not divulge or disclose any confidential information or knowledge obtained by him as to the business or affairs of the Company.
- v) Either party may terminate the Agreement by giving 90 days' notice in writing to other without any cause.

The proposed resolution requires approval of members as Ordinary Resolution.

A copy of the draft Agreement will be available for inspection at the Registered Office of the Company between 3.00 p.m. and 5.00 p.m. on any working day (Monday to Friday).

The above may be treated as an abstract of the terms of appointment in terms of section 190 of the Companies Act, 2013.

Except Mr. Jayantilal R. Bhandari, being an appointee, and Mr. Gautam R. Bhandari, Director & CFO none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

By order of the Board of Directors
For AVTIL ENTERPRISE LIMITED

DHARMISTHA DARJI
DIRECTOR, COMPANY SECRETARY &
COMPLIANCE OFFICER
DIN: 07125023

Place: Mumbai

Date: 21st August, 2019

Registered Office:

1/204, Navjivan Society,
2nd Floor, Lamington Road,
Mumbai – 400008, Maharashtra

CIN: L65923MH1982PLC027263

Email: info@avtradeinvest.com

Website: www.avtradeinvest.com

Tel: 022-23071996

In pursuance of the Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 And Secretarial Standards on General Meetings (SS-2) issued by Institute of Company Secretaries of India (ICSI) details of the Director(s) seeking appointment/ re-appointment at the ensuing Annual General Meeting is as follows:

Name of Director	Gautam R. Bhandari	Milan J. Shah
Designation	Director & CFO	Independent Director
DIN	00427678	08403604
Date of Birth	October 2, 1968	May 9, 1965
Nationality	Indian	Indian
Date of Appointment	01/10/2006	01/04/2019
Expertise in specific functional areas	Finance & Investment	Real Estate Industry
Disclosure Of Relationships Between Directors Inter-Se	Brother of Jayantilal R. Bhandari	None
Directorship held on other Companies	1.Guru Rajendra Trading Private Limited 2.Medsol Hospital Private Limited	None
Chairman/Member of the Committees of the Board of Directors of other Company	None	None
No. of Shares held in the Company as on 31 st March, 2019	79750	None

AVTIL ENTERPRISE LIMITED

CORPORATE IDENTITY NUMBER (CIN): L70100MH1982PLC027263

REGD. OFFICE: 1/204, Navjivan Society, 2nd Floor, Lamington Road,

Mumbai – 400 008. TEL.: 23071996 / 23092626. FAX: 23087980

EMAIL: info@avtradeinvest.com WEBSITE: www.avtradeinvest.com

DIRECTOR'S REPORT

To Members,

AVTIL ENTERPRISE LIMITED

Your Directors are pleased to present the 37th Annual Report and Audited Financial Statements on the business and operations of your Company for the year ended 31st March, 2019.

FINANCIAL RESULTS

The Results of the Company for the Financial Year under review are summarized below:

(Rs. in Lacs)

	Year ended 31 st March, 2019	Year ended 31 st March, 2018
INCOME		
Turnover / Gross Income	347.14	143.24
EXPENDITURE		
Purchases	287.48	66.34
Changes in Inventories of Finished Goods	0.97	2.19
Employee Costs	2.99	2.96
Finance Charges	0.002	0.06
Depreciation	4.38	6.60
Other Expenses	1981.07	10.17
Profit Before Tax	-1929.75	54.93
Less: <u>Provision for Taxation</u>		
Current Year Tax	9.67	15.79
Deferred Tax	0.74	-0.83
Excess/Short provision for earlier years	-3.08	-
Profit After Tax	-1937.07	39.97
Add: Balance brought forward from previous year	1668.14	1628.17
Profit available for appropriation	-268.93	1668.14

Appropriation:		
Less : Transfer to General Reserve	--	--
Prior Period Expenses	--	--
Interim Dividend	--	--
Proposed Dividend	--	--
Tax on Dividend	--	--
Balance carried to Balance Sheet	-268.93	1668.14

PERFORMANCE OF YOUR COMPANY

The financial highlights reflects a higher turnover in the financial year under review. The turnover of your Company for the financial year under review is Rs. 347.14 Lacs, as against Rs. 143.24 Lacs in the previous year. Net Loss after Tax stood at Rs. -1937.07 Lacs as against Net Profit of Rs. 39.97 Lacs in the previous financial year. The increase in expenses has resulted in decrease in net profit.

DIVIDEND

Your Directors regret that the Board could not recommended any dividend for the year ended March 31, 2019 in view of the cash requirement for establishing the Company in its growth plan and challenging times.

TRANSFER TO RESERVE

Your Company proposes to transfer Net Loss of Profit & Loss Account an amounting of Rs.1937.07 Lacs.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

(i) Company's Performance:

Your Company has created separate business verticals for Real Estate and Wholesale trade of Raw Material of Electrical Parts. This allows each vertical to focus its core business.

Your Company is currently in the business of Real Estate and Wholesale trade of Raw Material of Electrical Parts. In Financial Year 2018-19 your Company has increase in turnover and less profitability as compared to the Financial Year 2017-18. This is primarily due to the increase in expenses which result in to Net Loss during the Current Year. Your Company however looks forward for better performance during the current year.

(ii) Industry Structure and developments:

The year under report passed through a critical and grueling period of uncertainty on the economic front, thanks to the impending General elections in the ensuing year coupled with reports of economic down turn, unemployment and job losses, slowdown in credit off take and a lack of a booster by way of sizable investments either domestic or foreign to reverse the trend.

The Industrial sector suffered due to the slowdown and the Airlines Industry was badly hit apart from other heavy, medium and small scale industries resulting in lowering of production, heavy accumulation of rolling stock, reduced profitability and job losses.

The foreign exchange reserves continued to remain at a level exceeding \$ 400 Billion mark though an air of discomfort and uncertainty was hanging over waiting for the political developments in the country. Even after this got cleared, it could be seen that markets reacted adversely to the New Budget announcements on direct taxes on high income group. The FDIs remittances increased by 6% to 42 billion dollars, FII's P. Note remittances exceeded Rs 81000 Crores during the year.

The Exports for the year stood at \$330 billion while the imports increased to \$ 514 billions thus widening the gap further. The Current account deficit was at 2.5% of GDP while the Fiscal deficit was contained at 3.4%. The inflation fell too low for a developing economy causing widespread discontent particularly in the Agriculture sector.

(iii) Opportunities and Threats:

The GDP is projected at 7.2 % for the current year but the Government's finances might be under severe stress due to fall in GST collections, a downward trend in Direct tax collections, slackness in FDI inflows and lack of investment in infrastructure due to funds constraint. The Government has projected huge investments but the availability of resources is not clear. It remains to be seen if the Government would be able to reach its targets depending on which the spur in the Economy might happen.

(iv) Outlook:

In the coming year, your Company will continue to explore opportunities in real estate and trading across the country, will further develop and grow its current real estate investments, explore portfolio management services and deploy surplus funds in various other avenues. Your Company always looks for opportunities to exploit any advantages the market would offer to improve the shareholders' wealth.

(v) Risks, Concerns and its Management:

Risk Management has always been an integral part of the corporate strategy which complements organizational capabilities with business opportunities. A detailed exercise is being carried out to identify, evaluate, manage and monitor both business and non-business risks.

With notification of the Real Estate (Regulation and Development) Act, 2016 (RERA) it is expected to bring in transparency in the real estate transactions and reduce the instances of fraud as well.

The Company has a vigil mechanism to report concerns about unethical behaviour, actual/suspected frauds and violation of the Company's Code of Conduct. Protected disclosures can be made by a whistle blower through several channels with the surety that no discrimination will be meted out to any person for a genuinely raised concern.

(vi) Internal Controls Systems and their Adequacy

The Company has in place a proper and adequate system of internal control and the same is being reviewed commensurate with its size and nature of operations.

The Company has entrusted the internal & operational audit to M/s. Dixit Dattatray & Associates, FRN – 102665W a reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal risks, business processes and benchmarking internal controls with best practices.

The Audit Committee of the Board of Directors, Statutory Auditors and Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors.

(vii) Material developments in human resources / industrial relations front, including number of people employed.

The Company provide a workplace environment that is safe, hygienic, humane, and creates systems and practices to ensure a harassment free workplace.

Your Company is managed by the Promoter Directors and there are two persons employed with your Company.

(viii) DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS.

Ratios are used to make a holistic assessment of financial performance of the entity and also help evaluating the entity's performance vis-à-vis its peers within the industry.

The significant changes in the key financial ratios are as follows:

Name of Ratios	F.Y 2018-19	F.Y 2017-18	Change (%)	Reasons for Change
Debtors Turnover	2.36 times	2.17 times	8.76%	
Inventory Turnover	220.34 times	30.08 times	632.51%	Due to increase in inventory as compare to F.Y 2017-18.

Interest Coverage Ratio	NA	NA		
Current Ratio	7.83 times	7.76 times	0.90%	
Debt Equity Ratio	0.05 times	NA	0.05%	
Operating Profit Margin	-574.98%	39.12%	-535.86%	Due to incurred losses as compare to F.Y 2017-18.
Net Profit Margin	-574.98%	42.83%	-532.15%	Due to incurred losses as compare to F.Y 2017-18.

(ix) CHANGE IN RETURN ON NET WORTH AS COMPARED TO PREVIOUS YEAR

Return on Net Worth (RONW) is a measure of profitability of a company expressed in percentage. Return on Net Worth for the financial year 2018-19 is -238.13% while the Return on Net Worth for the financial year 2017-18 is 1.45%. The reduction in Return on Net Worth is mainly due to the decrease in Net Profit and Reserve of the company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

In accordance with Articles of Association of the Company and the provisions of the Companies Act, 2013, Mr. Gautam R. Bhandari (Din No. 00427678), Director is liable to retire by rotation at the ensuing AGM and is eligible for reappointment.

The Board of Directors of your Company appointed Mr. Milan Jayayantilal Shah as an Additional Non-Executive Independent Director w.e.f. April 1, 2019 to hold the office till ensuing Annual General Meeting in accordance to provisions of the Companies Act, 2013.

Mr. Ameet Brahmabhatt (DIN: 05276051), resigned from the post of Independent Director of your Company with effect from the close of business hours on March 31, 2019. Your Board of Directors appreciated assistance and guidance provided by him during his tenure as Director.

Necessary resolutions for the appointment /re-appointment of the aforesaid directors have been included in the notice convening the ensuing AGM and details of the proposal for appointment / re-appointment are mentioned in the explanatory statement of the notice.

Your directors recommend their appointment / re-appointment.

Brief resume of the Director proposed to be reappointed, nature of their experience in specific functional areas, disclosure of relationships between Directors inter-se; Directorship held on other Companies and number of listed Companies in which they hold membership/chairmanship of Board Committees as stipulated regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided at the end of the the notice.

INDEPENDENT DIRECTORS

TERMS AND CONDITIONS FOR APPOINTMENT:

The terms and conditions of appointment of Independent Director are as per Schedule IV of the Act.

The Terms & Conditions of appointment of Independent Director can be accessed at <http://www.avtradeinvest.com/pdf/amended-policy/terms-&-conditions-of-appointment-of-independent-director.pdf>

DECLARATION:

The Company has received declaration from the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances which may affect their status as Independent Directors during the year.

FAMILIARISATION PROGRAMME

In compliance with the requirements of the Regulation 25(7) of the Listing Regulations, 2015 the Company has put in place a Familiarization Programme for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc.

The Policy on the Company's Familiarization Programme can be accessed at http://www.avtradeinvest.com/pdf/notice/familiarisation-programme_2019.pdf

CODE OF CONDUCT:

Code of Conduct for Independent Directors can be accessed at http://www.avtradeinvest.com/pdf/amended-policy/Code_of_conduct.pdf

BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors including Independent Directors and including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc. In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was also evaluated.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is provided on Company's website at <http://www.avtradeinvest.com/pdf/amended-policy/nomination-&-remuneration-policy.pdf>

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013;

- i. In the preparation of the Annual Accounts of the Company, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year on 31st March, 2019 and Profit or Loss for the year ended as on that date;
- iii. 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 preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the Annual Accounts on a going concern basis;
- v. The Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL

The Directors had laid down internal financial controls to be followed by the company and such policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control system periodically.

CAUTIONARY STATEMENT

Statements made in this report in describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual results could differ materially from those expressed in the statement or implied due to the influence of external and internal factors that are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

PUBLIC DEPOSIT

During the year under review, your Company has not accepted any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules 2014, as amended from time to time.

CORPORATE GOVERNANCE

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTFLOW

The information required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with regard to Conservation of Energy & Technology absorption is not required to be given, as the same is not applicable to the Company.

Foreign Exchange Earning	:	NIL
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Foreign Exchange Outflow	:	NIL
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MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Your Company has not made any investments falling under purview of Section 186 of the Companies Act, 2013 during the financial year under review. The particulars of investments of your Company as on 31st March, 2019 are provided in the Audited financial statement. (Please refer to Note 2.03 to the Audited Financial Statement).

Further, there were no loans given, guarantees and Securities provided by your Company under Section 186 of the Companies Act, 2013 during the financial year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

As required under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated policy on dealing with Related Party Transactions. The Policy is available on the website of the Company and we blink of the same is: <http://www.avtradeinvest.com/pdf/notice/revised-related-party-transactions-policy.pdf>

PARTICULARS OF EMPLOYEES

During the period none of the employee(s) of the Company, whether employed for the whole year or part thereof, was in receipt of remuneration aggregating to or in excess of limits specified under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and hence no particulars are required to be furnished in connection with the same.

AUDITORS AND AUDITORS REPORT

M/s. BDMV & Co., Chartered Accountants (Firm Registration Number: 101256W), Statutory Auditors of the Company, hold office till the conclusion of the Annual General Meeting to be held for the financial year ended 31st March, 2020, subject to the ratification of the appointment by the members at every Annual General Meeting. However, after the amendment in Section 139 of the Act, effective 7 May, 2018, ratification by shareholders every year for the appointment of the Statutory Auditors is no longer required.

The notes to the Financial Statements referred to in the Auditors Report are self-explanatory and do not call for any further comments under Section 134 of the Companies Act, 2013.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. DMP & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Report of the Secretarial Audit Report is annexed herewith as “Annexure B”.

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 (3) read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in “Annexure A” and is attached to this Report.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had Six (6) Board meetings during the financial year under review. The details of the meetings of the Board during the financial year form a part of Corporate Governance Report.

INDEPENDENT DIRECTORS MEETING

The Independent Directors met on February 6, 2019, without the attendance of Non-Independent Directors and other members of the Board and Management. The Independent Directors reviewed the performance of non-independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

COMMITTEES OF THE BOARD

Details of the various committees constituted by the Board of Directors as per the provisions of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 are given in the Corporate Governance Report which forms a part of this report.

ESTABLISHMENT OF VIGIL MECHANISM

Your Company has laid down Whistle Blower Policy covering Vigil Mechanism with protective Clauses for the Whistle Blowers. The Whistle Blower Policy is made available on the website of the Company at <http://www.avtradeinvest.com/pdf/amended-policy/whistle-blower-policy.pdf>

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any Subsidiary, Joint Venture or Associate Company within the meaning of the Companies Act, 2013 as on March 31, 2019.

The policy for determining Material Subsidiaries is made available on the website of the Company at <http://www.avtradeinvest.com/pdf/amended-policy/policy-for-determining-material-subsidiaries.pdf>

RISK MANAGEMENT

Your Board of Directors emphasis to oversee that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management arrangement in place capable of addressing those risks. Further, the Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on continuing basis.

PREVENTION OF SEXUAL HARASSMENT IN THE WORKPLACE

Your Company has zero tolerance on sexual harassment in the workplace. During the year under review there were no cases filed pursuant to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

(A) Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2018-19:

Name of Director & KMP	Ratio of Remuneration of each Director/to median remuneration of Employees	% increase in remuneration in the financial year
<u>Executive Directors</u>		
Mr. Jayantilal R. Bhandari	Nil	Nil
Mr. Gautam R. Bhandari	Nil	Nil
Ms. Dharmistha J. Darji	Nil	Nil
<u>Non-Executive Directors</u>		
Mr. Amit Shankerbhai Patel	Nil	Nil
Mr. Ameet Muljibhai Brahmbhatt	Nil	Nil
Mr. Sureshkumar M. Mehta	Nil	Nil

<u>Key Managerial Personnel</u>		
Mr. Jayantilal R. Bhandari(MD)	Nil	Nil
Mr. Gautam R. Bhandari(CFO)	Nil	Nil
Ms. Dharmistha J. Darji (CS)	238500/60000=3.975	8.11%

- ii. The median remuneration of employees of the Company during the financial year was Rs. 60,000/-.
- iii. The percentage increase in the median remuneration of employees in the financial year: 8.11%
- iv. The number of permanent employees on the rolls of Company: 2 (Two) as on 31st March, 2019.
- v. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was Nil whereas increase in the managerial remuneration for the same financial year was 8.11%.
- vi. Affirmation that the remuneration is as per the Remuneration Policy of the Company.

It is confirmed that the remuneration is as per the Remuneration Policy of the Company.

- (B) The information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable, since during the year under review none of the employees of the Company was in receipt of remuneration in excess of the limits specified, whether employed for the whole year or part thereof.

INSIDER TRADING REGULATIONS

Based on the requirements under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the code for corporate disclosures ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees.

The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of AVTIL Enterprise Limited at the time when there is unpublished price sensitive information

CFO CERTIFICATION:-

The Managing Director and Chief Financial Officer of the Company have issued a certificate pursuant to the provisions SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any untrue

statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

CODE OF BUSINESS CONDUCT AND ETHICS

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2019 a declaration to this effect signed by Chairman & Managing Director has been annexed to the Corporate Governance Report.

APPRECIATION:

Your Directors acknowledge with gratitude the co-operation and assistance given by the Bankers, Distributors, Customers, Investors, BSE Ltd., National Securities Depository Ltd., Central Depository Services (India) Ltd., and R & T Agent during the year under review and are confident that your Company will continue to receive such support in the years ahead. The Directors also wish to thank all the employees for their contribution, high degree of commitment, support and continued co-operation throughout the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Mumbai.

Date: August 21, 2019

Jayantilal R. Bhandari
CHAIRMAN & MANAGING DIRECTOR
DIN : 01897297

Gautam R. Bhandari
CFO & DIRECTOR
DIN: 00427678

Annexure A

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2019

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

I Registration and other Details	
CIN	L70100MH1982PLC027263
Registration Date	29 th May, 1982
Name of the Company	AVTIL Enterprise Limited
Category / Sub-Category of the Company	Public Company having Share Capital
Address of the Registered Office and contact details	1/204, Navjivan Society, 2 nd Floor, Lamington Road, Mumbai – 400 008. EMAIL: info@avtradeinvest.com WEBSITE: www.avtradeinvest.com
Whether listed company	Yes, on BSE Limited
Name, address and contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Pvt Ltd. 9, Shiv Shakti Industrial Estate, Sitaram Mills Compound, J. R. Boricha Marg, Lower Parel, Mumbai – 400 011 Tel: 022-23018231, 23016761

II Principal Business Activity of the Company

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

Name and Description	NIC Code of the Product / Service	% of total turnover of the Company
Real estate activities with own or leased property	6810	10.06
Wholesale trade on a fee or contract basis	4610	89.94

c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d)Any other(specify)									
(d-i) Hindu Undivided Family	10000	-	10000	2.50	10000	-	10000	2.50	-
Sub-Total (B)(2):	20000	222200	242200	60.55	20000	202300	222300	55.575	-4.975
Total Public Shareholding (B)=(B)(1)+(B)(2)	20000	222200	242200	60.55	20000	202300	222300	55.575	-4.975
Total (A)+(B)	157900	242100	400000	100	197700	202300	400000	100	0
C. Shares held by Custodians and against which Depository Receipts have been issued.	-	-	-	-	-	-	-	-	-
1.Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
2.Public	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	157900	242100	400000	100	197700	202300	400000	100	0

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year 01.04.2018			Shareholding at the end of the year 31.03.2019			% change in sharehold- ing during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumber- ed to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
MEENA J. BHANDARI	10000	2.50	-	10000	2.50	-	-
JAYANTILAL R. BHANDARI	50000	12.50	-	77950	19.4875	-	6.9875
GEETA GAUTAM BHANDARI	10000	2.50	-	10000	2.50	-	-
GAUTAM R. BHANDARI	59900	14.975	-	79750	19.9375	-	4.9625

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

Shareholding at the beginning of the year			Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	157800	39.45	157800	39.45
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat				

equity etc).				
<u>30.05.2018</u>				
<u>Creeping Acquisition</u>				
Transfer of shares from Manoj Ruparel to Jayantilal R. Bhandari	+10000	2.5	167800	41.95
Transfer of shares from Priti Manoj Ruparel to Gautam R. Bhandari	+9900	2.475	177700	44.425
At the end of the year	177700	44.425	177700	44.425

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2018		Shareholding at the end of the year 31.03.2019	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
DHARAMCHAND M GOLECHA HUF	10000	2.50	10000	2.50
VIKAS MUNOT	10000	2.50	10000	2.50
PURVI BHARAT SHAH (Name Change to Purvi H Vasha)	10000	2.50	10000	2.50
VIJAY DEVASI	10000	2.50	10000	2.50
MONARAM RABARI	10000	2.50	10000	2.50
PARUBAI MONARAM	10000	2.50	10000	2.50
PANKAJ N JAIN	10000	2.50	10000	2.50
LATA P JAIN	10000	2.50	10000	2.50
RENU GOLECHA	10000	2.50	10000	2.50
SUNIL M GOLECHA	10000	2.50	10000	2.50
UTTAMCHAND B JAIN	10000	2.50	10000	2.50
DURGADEVI U HARAN	10000	2.50	10000	2.50

DEEP DRONA	10000	2.50	-	-
J SURESH KUMAR JAIN	50	0.0125	50	0.0125
BHAVESH JAIN	10000	2.50	10000	2.50
J KISHORE JAIN	50	0.0125	50	0.0125
MAHESH PANDYA	10000	2.50	10000	2.50
URVI S CHHAYA	10000	2.50	10000	2.50
SIMTA SURENDRAKUMAR JAIN	10000	2.50	10000	2.50
MANOJ MANSUKHLAL RUPAREL	10000	2.50	-	-
JYOTIBEN M RUPAREL	100	0.025	100	0.025
PRITI MANOJ RUPAREL	1000	2.50	100	0.025
ARUNA SURENDRAKUMAR JAIN	10000	2.50	10000	2.50
HEERA LAL JAIN	10000	2.50	10000	2.50
LALITA JAIN	10000	2.50	10000	2.50
LAKSHMAN KUMAR JAIN	10000	2.50	10000	2.50
SUMIT JAIN	10000	2.50	10000	2.50
VARUN AGARWAL	2000	0.50	2000	0.50
ADITYA VIKAS MUNOT	-	-	5000	1.25
YASH VIKAS MUNOT	-	-	5000	1.25

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year 01.04.2018		Shareholding at the end of the year 31.03.2019	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
GAUTAM R. BHANDARI(Director & CFO)	69850	17.4625	79750	19.9375
JAYANTILAL R. BHANDARI(Chairman & Managing Director)	67950	16.9875	77950	19.4875
*AMEET MULJIBHAI BRAHMBHATT (Independent Director)	-	-	-	-
AMIT SHANKERBHAI PATEL (Independent Director)	-	-	-	-

SURESHKUMAR M MEHTA (Independent Director)	-	-	-	-
DHARMISTHA J DARJI(Executive Director and Company Secretary)	-	-	-	-

*Mr. Ameet Brahmhatt (DIN: 05276051), resigned from the post of Independent Director with effect from the close of business hours on March 31, 2019.

V Indebtedness

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

	Secured Loans excluding deposits	Unsecured loans	Total Indebtedness
Indebtedness at the beginning of the financial year			
i) Principal Amount	-	-	-
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	-
Change in Indebtedness during the financial year			
Addition	45,00,000	-	45,00,000
Reduction	-	-	-
Net Change	45,00,000		45,00,000
Indebtedness at the end of the financial year			
i) Principal Amount	Non Current- 37,49,151 Current-7,50,849	-	Non Current- 37,49,151 Current-7,50,849

ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	-	-	
Total	45,00,000	-	45,00,000

VI Remuneration of Directors and Key Managerial Person

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

Sr. No	Particulars of Remuneration	Mr. Jayantilal R. Bhandari (Managing Director)
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Nil
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit -others, specify..	-
5	Others, Please Specify	-
	Total (A)	Nil
	Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the total remuneration payable to Whole time Directors shall not exceed 10% of the net profit of the company calculated as per section 198 of the Companies Act, 2013. No remuneration is paid to Directors.

B. Remuneration to other Directors**1. Independent Directors**

S. No	Remuneration	Name of Directors			Total amount
		*Mr. Ameet Muljibhai Brahmbhatt	Mr. Amit Shankerbhai Patel	Mr. Sureshkumar M. Mehta	
	Fee for attending Board/Committee Meetings	Nil	Nil	Nil	Nil
	Commission	-	-		-
	Others, please specify	-	-		-
	Total (B)(1)	Nil	Nil		Nil
	Overall Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the total Managerial remuneration payable to Directors shall not exceed 11% of the net profit of the company calculated as per section 198 of the Companies Act, 2013 except that the remuneration of the directors shall not be deducted for the gross profit. No remuneration is paid to Directors.			

*Mr. Ameet Brahmbhatt (DIN: 05276051), resigned from the post of Independent Director with effect from the close of business hours on March 31, 2019.

2. Executive Directors

Sr. No	Remuneration	Name of Directors		Total
		Mr. Gautam R. Bhandari	Ms. Dharmistha J. Darji	
	Fee for attending Board/Committee Meetings	Nil	Nil	Nil
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (B)(2)	Nil	Nil	Nil
	Total (B)= (B)(1)+ (B)(2)	Nil	Nil	Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR/ MANAGER/ WHOLE TIME DIRECTOR

Sr. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Gautam R. Bhandari(CFO)	Ms. Dharmistha J. Darji(CS)	
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Nil	2,38,500	2,38,500
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit others, specify	- -	- -	- -
5	Others, please specify	-	-	-
	Total (C)	Nil	2,38,500	2,38,500

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	Section 178 of Companies Act, 2013 and Regulation 19 of SEBI(Listing Obligations and	Violation for Non-Compliance of constitution of Nomination & Remuneration Committee in	The Company has made payment of Rs.2,17,120/- and Rs.	Stock Exchange: BSE Limited	

	Disclosure Requirements) Regulations, 2015	accordance to Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from July 2018 till 02.11.2018.	77,880 under protest as per the letter dated October 31, 2018 and January 31, 2019 issued by BSE Limited.		
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					

Annexure B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

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

To,
The Members,
AVTIL ENTERPRISE LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AVTIL ENTERPRISE LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- 1) The Companies Act, 2013 ('the Act') and the rules made thereunder;
 - 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
-

- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment - **Not applicable to the Company for the financial year under review;**
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not applicable to the Company for the financial year under review**
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not applicable to the Company for the financial year under review**
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable to the Company for the financial year under review**
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable to the Company**
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not applicable to the Company for the financial year under review** and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not applicable to the Company for the financial year under review**

We have also examined compliance with the applicable clauses of the Secretarial Standard – 1 and Secretarial Standard – 2 as issued by The Institute of Company Secretaries of India.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for the deviation w.r.t. Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as stated hereunder:

Deviations:

As per information and representation provided to us, the Company had initially constituted the Nomination & Remuneration Committee with Four Directors out of which three Directors were Non-Executive & Independent Directors and one Director was Executive Director & CFO of the Company.

Since one of the Director of the said Committee was Executive Director the constitution of Nomination & Remuneration Committee was not in accordance with Regulation 19(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our Remarks:

As per the information and explanation provided by the Company, the Company had constituted Nomination & Remuneration Committee as per the Compliance of the Companies Act, 2013.

Further, it was explained and clarified by the Company that with respect to Compliance of Regulation 19(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as per the Company's view and interpretation the Nomination & Remuneration Committee consisted of three Non-Executive – Independent Director and One member who is by his position of the CFO acted as an Executive Director of the Company without getting any remuneration from the Company. And, by such interpretation, it was considered by Company that all members of the Nomination & Remuneration Committee acted in the capacity of Non-Executive Directors of the Company.

However, on receipt of letter dated: October 31, 2018 from BSE Limited for non-compliance of Regulation 19(1); it was decided by the Company that since there was deviation in the interpretation of the Regulation it would be advisable to change the constitution of Nomination & Remuneration Committee in accordance to provisions of Regulation 19(1) read with Regulation 19(2) and to pay the prescribed amount as stated in the letter(s) of BSE Limited, under protest, for the said deviation in the requirement of Regulation.

Considering the above, the Company has re-constituted Nomination & Remuneration Committee w.e.f. November 2, 2018 in accordance to provisions of Regulation 19(1) read with Regulation 19(2) and subsequently made payment of Rs. 2,17,120/- and Rs. 77,880/- under protest as per the letter dated: October 31, 2018 and January 31, 2019 as issued by BSE Limited.

We further report that:

As on March 31, 2019, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The

changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the Listing Regulations.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in case of shorter notice, the Company has complied with the proviso of Section 173(3) of the Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and there were no instances where dissenting members' views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances of:

- i). Public/Preferential issue of shares / debentures / sweat equity.
- ii). Redemption / Buy-back of securities
- iii). Merger / amalgamation / reconstruction, etc.
- iv). Foreign technical collaborations

For **DMP & ASSOCIATES,**
COMPANY SECRETARIES

Place: Mumbai

Date: August 21, 2019

MARMIK PATEL, PARTNER
FCS No. 10238 CP No.:13205

This Report is to be read with our letter of even date which is annexed as Annexure – (I) and forms an integral part of this report.

Annexure – (I)

To,
The Members,
AVTIL ENTERPRISE LIMITED

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

1. The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.
2. Our responsibility is to express an opinion on secretarial records, standards and procedures followed by the Company with respect to secretarial compliances. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for my opinion.
3. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for the same we have relied on the report of Statutory Auditors.
5. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DMP & ASSOCIATES,**
COMPANY SECRETARIES

Place: Mumbai

Date: August 21, 2019

MARMIK PATEL, PARTNER
FCS No. 10238 CP No.: 13205

Annexure C

Remuneration Policy for Directors, Key Managerial Personnel and other Employees

1. INTRODUCTION

AVTIL Enterprise Limited recognizes the importance of aligning its business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1. Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate talent in order to run the company successfully.
2. Ensuring that the relationship of remuneration to performance is clear and meets performance benchmarks.
3. Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives that are appropriate to the working of the company and its goals.

2. SCOPE AND EXCLUSION:

This Policy sets out the guiding principles for the Human Resources, Nomination and Remuneration Committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

3. TERMS AND REFERENCES:

In this Policy, the following terms shall have the following meanings:

1. **“Director”** means a director appointed to the Board of the Company.
2. **“Key Managerial Personnel”** means
 - (i) the Chief Executive Officer or the Managing Director or the Manager;
 - (ii) the Company Secretary;
 - (iii) the whole-time Director;
 - (iv) the Chief Financial Officer; and
 - (v) such other officer as may be prescribed under the Companies Act, 2013
3. **“Nomination and Remuneration Committee”** means the committee constituted by the AVTIL Enterprise Limited Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement [Regulation 19 of Corporate Governance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015].

4. POLICY:

A Remuneration to Executive Directors and Key Managerial Personnel

1. The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

2. The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
3. The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:
 - (i) Basic Pay
 - (ii) Perquisites and Allowances
 - (iii) Stock Options
 - (iv) Commission (Applicable in case of Executive Directors)
 - (v) Retirement benefits
 - (vi) Annual Performance Bonus
4. The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the Nomination and Remuneration Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

B. Remuneration to Non-Executive Directors

1. The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.
2. Non-Executive Directors may be entitled to sitting fees for attending the meetings of the Board. The Non-Executive Directors may also be entitled to profit related commission in addition to the sitting fees.

C. Remuneration to other employees

1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill set, seniority, experience and prevailing remuneration levels for equivalent jobs.

5. EVALUATION

The committee shall carry out an evaluation of the performance of every Director, KMP and Senior Management Personnel at regular intervals (yearly).

6. REMOVAL

Based on the reasons for disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

7. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age if it is in the best interest of the Company.

8. CHANGE IN MANAGEMENT

The Board may in consultation with the Nomination and Remuneration Committee amend or modify this Policy in whole or in part, at any time.

CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2018-19

Your Company has been practicing the principle of good corporate governance since inception. Good corporate governance comprises of all activities that result in the control of the company in a regular manner which makes management transparent, accountable and fair. In accordance with Clause 34(3) and Clause 53(f) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 agreement with stock exchange and best practices followed by reputed corporations on corporate governance the details of compliance by the Company are as under:

1. Philosophy of the Company on the Code of Governance:-

The Company's philosophy on Corporate Governance envisage attainment of the highest levels of transparency, accountability and equity at all levels of its operation and in all its interactions with its stakeholders including shareholders, employees, Government Agencies and others. The Company strives for excellence with twin objective of enhancing customer satisfaction and shareholder's value.

The Company is committed to achieve the highest standards of Corporate Governance.

2. Ethics/Governance Policies

At AVTIL Enterprise Limited, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code of Conduct
- Code of Conduct for prevention of Insider Trading
- Whistle Blower Policy
- Policy for determining Material Subsidiaries
- Related Party Transactions Policy
- Remuneration Policy
- Evaluation Criteria for Directors

3. Board of Directors:-

i. The Composition of the Board of Directors is as under:-

The strength of the Board as on 31st March, 2019 consists of Six Directors out of which three are Executive Director including Women Director and three are Non-Executive Directors.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee & Stakeholders Relationship Committees, as per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which he/she is Director. The necessary disclosures regarding committee positions have been made by all the Directors.

None of the Directors holds office in more than 20 companies and in more than 10 public companies.

The names of Directors and their position are as follows:

No.	Name of the Director	Category	Designation
1	Mr. Jayantilal R. Bhandari	Executive Director	Chairman
2	Mr. Gautam R. Bhandari	Executive Director	Non Independent Director
3	Ms. Dharmistha Darji	Executive Director and Company Secretary	Non Independent Director
4	*Mr. Ameet M. Brahmbhatt	Non Executive Director	Independent Director
5	Mr. Amit S. Patel	Non Executive Director	Independent Director
6	Mr. Sureshkumar M. Mehta	Non Executive Director	Independent Director

*Mr. Ameet Brahmbhatt (DIN: 05276051), resigned from the post of Independent Director with effect from the close of business hours on March 31, 2019.

Skills/expertise/competence of the Board:

The Board comprises of persons with varied experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees.

The following list summarizes the key skills, expertise and competence that the Board thinks is necessary for functioning in context of the Company's business and sector and which in the opinion of the Board, its Members possess: -

- Commercial
- Finance
- Finance & Investment-
- Real Estate (Retail Industry)
- Shares and Securities Market
- General management and Human Resources
- Legal, including laws related to corporate governance

(ii) No. of Board Meetings held in the Financial Year 2018 -2019 and dates on which held:

During the year, the Board of Directors of the company met 6 (Six) times on May 29, 2018, August 14, 2018, September 1, 2018, November 3, 2018, February 6, 2019 and March 30, 2019. The gap between two meetings did not exceed one hundred and twenty days.

Attendance of each Director at the Board Meetings and the Last Annual General Meeting:

Name of the Directors	No. of Board Meetings Attended	Attendance at last AGM held on September 28, 2018	No. of other Directorships and Committee Member/Chairmanship*		
			Other Directorships (Excluding Directorship in Pvt. Co's.)	Committee Memberships	Committee Chairmanships
Mr. Jayantilal R. Bhandari	6	Yes	-	-	-
Mr. Gautam R. Bhandari	6	Yes	-	-	-
Ms. Dharmistha Darji	6	Yes	-	-	-
**Mr. Ameet M. Brahmbhatt	6	Yes	-	-	-
Mr. Amit S. Patel	6	Yes	-	-	-
Mr. Sureshkumar Mehta	6	Yes	-	-	-

* This includes the Chairmanship/Membership only in Audit Committee and Shareholders/ Investors Grievances Committee.

**Mr. Ameet Brahmbhatt (DIN: 05276051), resigned from the post of Independent Director with effect from the close of business hours on March 31, 2019.

Independent Directors

The shareholders in its Annual General Meeting appointed Independent Directors to hold office for a term of five consecutive years. A formal letter of appointment was issued to each Independent Director pursuant to the provisions of the Companies Act, 2013. The Independent Directors of your Company have given a declaration confirming that they meet the criteria of independence as prescribed both under the Act and the Listing Regulations.

Meeting of Independent Directors

The Company's Independent Directors meet at least once in a year without the presence of any Executive Directors or Management Personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views.

- The Company established a Whistle Blower mechanism in compliance with Regulation 4 (d) and no personnel had been denied access to the audit committee under the Whistle Blower Policy.

7. MEANS OF COMMUNICATION

Whether quarterly/half yearly results have been sent to Shareholders	No; As the quarterly/half yearly results of the Company are published in Newspapers.
Annual Report	Annual Report containing inter alia Audited Standalone Financial Statements, Directors' Report, Auditors' Report, and other important information is circulated to Members and others entitled thereto.
Newspaper in which Quarterly Results are Published	Business Standard (English) & Mumbai Lakshadeep (Marathi).
Website, if any, on which results are published	www.avtradeinvest.com
The presentation made to institutional investors or to analysts	No presentation has been made to institutional investors or to analysts, if made the same is disclosed on the website.
Whether it also displays official news releases	No official news release has been made, if made the same is disclosed on the website.
Whether Management Discussion & analysis is a part of the Directors' Report	Yes

Details of Total Fees paid to Statutory Auditors

The details for total fees for all services paid by the Listed Company to the statutory auditors.

Type of Services	F.Y 2018-19	F.Y. 2017-18
Statutory Audit Fees including Tax Audit Fees and Other Expenses.	30000	50400
Total	30000	50400

The Separate Meeting of Independent Director pursuant to Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 was held on February 6, 2019.

INFORMATION TO THE BOARD

The Board of Directors has complete access to information within the Company, which inter alia includes-

- Quarterly Results of the Company and its operating divisions or business segments.
- Minutes of the meetings of the Board of Directors and Committees of the Board.
- Minutes of the Board Meetings of material subsidiaries.
- Company's Annual Financial Results, Financial Statements, Auditors Report and Board's Report
- Formation / reconstitution of Board Committees
- Appointment, remuneration and resignation of Directors
- Disclosure of Directors' interest and their shareholding
- Appointment of Internal Auditors
- Dividend declaration
- Significant changes in accounting policies and internal controls
- Declaration of Independent Directors at the time of appointment / annually
- Appointment or removal of the KMP and Officers one level below KMP
- Appointment of and fixing of the remuneration of the Auditors as recommended by the Audit Committee
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996
- Show Cause Notice, demand, prosecution notices and penalty notices, which are materially important.
- Proposals for major investments, mergers, amalgamations and reconstructions
- Entering into loans and investment of surplus funds
- Borrowing of monies, giving guarantees or providing security in respect of loans.

BOARD MATERIALS DISTRIBUTED IN ADVANCE

The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda.

POST MEETING FOLLOW UP MECHANISM

The important decisions taken at the Board/ Committee Meetings are communicated to the concerned departments promptly.

CODE OF CONDUCT

The Board has formulated a code of conduct for the Board members and senior management of the Company. A copy of the Code has been put on the Company's website (www.avtradeinvest.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

The Managing Director has given a declaration that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code during the year 2019.

REMUNERATION POLICY

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as "**Annexure C**" to the Directors' Report. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other Individual Directors.

The Company's remuneration policy is directed towards rewarding performance based on a review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

REMUNERATION AND RECRUITMENT OF SENIOR OFFICERS JUST BELOW THE LEVEL OF BOARD OF DIRECTORS, INCLUDING APPOINTMENT OR REMOVAL OF CHIEF FINANCIAL OFFICER AND THE COMPANY SECRETARY

The Company's philosophy is broadly guided by the fact that the Company gains a competitive advantage in attracting, retaining and motivating talent. This can be ensured by providing a remuneration structure which when benchmarked with comparable companies within the industry / sector compares favourably so as to attract talent. At the same time the reward proposition is linked to the company's overall performance, individual performance, employee's potential, criticality of the function and its importance for achieving a competitive advantage in business.

4. BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities that concern the Company. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles that are considered to be performed by members of the Board as a part of good Corporate Governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. All business transacted by the Board Committees are placed before the Board for noting.

The Board has currently established the following Committees:

1. Audit Committee
 2. Nomination and Remuneration Committee
 3. Stakeholders Relationship Committee
-

AUDIT COMMITTEE

The Audit Committee as constituted by the Board of Directors comprised of the following:

There were Five (5) meetings held during the Financial Year 2018-19 on May 29, 2018, August 14, 2018, September 1, 2018 , November 3, 2018 and February 6, 2019.

Name of the Directors	Designation in the Committee	Nature of Directorship	No. of Meeting	
			Held	Attended
Mr. Sureshkumar M. Mehta	Chairman	Non Executive Independent Director	5	5
Mr. Amit S. Patel	Member	Non Executive Independent Director	5	5
Mr. Ameet M. Brahmhatt	Member	Non Executive Independent Director	5	5
*Mr. Gautam R. Bhandari (till to 02.11.2018)	Member	Executive Director	4	4
*Mr. Jayantilal R. Bhandari (From 03.11.2018 onwards)	Member	Executive Director	1	1

*Audit Committee was reconstituted w.e.f 03.11.2018 by appointing Mr. Jayantilal R Bhandari as a Member and resigned Mr. Gautam R. Bhandari, Member.

The Committee's composition meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial/ accounting expertise/exposure.

POWERS OF THE AUDIT COMMITTEE INTER ALIA, INCLUDES THE FOLLOWING

- To investigate any activity within its terms of reference
- To seek information from any employees
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if considered necessary.

THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE INTERALIA, INCLUDES THE FOLLOWING:

- i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - ii) Recommending for appointment, remuneration and terms of appointment of auditors of the Company
 - iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
 - iv) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
 - v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 - vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
 - viii) Approval or any subsequent modification of transactions of the company with related parties.
 - ix) Scrutiny of inter-corporate loans, investments and guarantee.
 - x) Valuation of undertakings or assets of the company, wherever it is necessary.
-

- xi) Evaluation of internal financial controls and risk management systems.
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xiv) Discussion with internal auditors, if any, any significant findings and follow up there on.
- xv) Reviewing the findings of any internal investigations by the internal auditors, if any, into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvii) 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.
- xviii) To review the functioning of the Whistle Blower mechanism.
- xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

INTERNAL CONTROLS AND GOVERNANCE PROCESS

The Company has appointed M/s. Dixit Dattatray & Associates, Chartered Accountants as Internal Auditors to review and report on the internal control system. The report of the internal auditors is reviewed by the Audit Committee. The Internal Auditors submit their recommendations for the Audit Committee and provide their road map for future action.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee as constituted by the Board of Directors comprised of the following:

There was Five (5) meetings held during the Financial Year 2018-19 on May 29, 2018, September 1, 2018, November 3, 2018, February 6, 2019 and March 30, 2019.

Name of the Directors	Designation in the Committee	Nature of Directorship	No. of Meeting	
			Held	Attended
Mr. Sureshkumar M. Mehta	Chairman	Non Executive Independent Director	5	5
Mr. Amit S. Patel	Member	Non Executive Independent Director	5	5
Mr. Ameet M. Brahmhatt	Member	Non Executive Independent Director	5	5
*Mr. Gautam R. Bhandari (till to 02.11.2018)	Member	Executive Director	3	3
*Mr. Jayantilal R. Bhandari (From 03.11.2018 onwards)	Member	Executive Director	2	2

* Nomination and Remuneration Committee was reconstituted w.e.f 03.11.2018 by appointing Mr. Jayantilal R Bhandari as a Member and resigned Mr. Gautam R. Bhandari, Member.

The Committee's constitution and terms of reference are in compliance with the provisions of Section 178 of the Companies Act, 2013 & Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

THE TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE INTER-ALIA ARE AS UNDER

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identification of persons who are qualified to become Directors / Senior Management in accordance with the criteria laid down.
- Recommend to the Board for appointment and removal of Director(s).
- Determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The performance evaluation criteria for Independent Directors will be subject to performance evaluation as per the policy of the Company, as may be approved and implemented by the board of directors from time to time in compliance with the requirements of the applicable laws. A copy of the evaluation criteria for Independent Directors has been put on the Company's website (www.avtradeinvest.com).

REMUNERATION OF NON-EXECUTIVE / EXECUTIVE DIRECTORS

All decisions relating to the remuneration of the Directors were taken by the Board of Directors of the Company as mentioned in Schedule V SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 196, 197 and all other applicable provisions, if any, of the Companies Act, 2013, ("the Act") read with Schedule V to the said Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) of Companies Act, 2013 in accordance with the shareholders' approval wherever necessary.

The Non-Executive Directors of the Company are not paid any remuneration by way of sitting fees for attending the Board / Committee Meetings.

STAKEHOLDERS RELATIONSHIP COMMITTEE

This Stakeholders Relationship committee of the Board of your Company looks into various issues relating to shareholders/investors including transfer and transmission of shares held by shareholders in physical format as well as non-receipt of dividend, Annual Report, shares after transfer and delays in transfer of shares. The committee also looks into issues including status of dematerialization / rematerialization of shares and issue of duplicate share certificates and tracks investor complaints and suggests measures for improvement from time to time.

TERMS OF REFERENCE

The role of the Stakeholders Relationship Committee includes, inter-alia, the following

- Consider and resolve grievances of the security holders of the Company.
- Oversee and review all matters connected with the transfer of the Company's securities.
- Oversee the performance of the Company's Registrar and Transfer Agents.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

COMPOSITION

The Stakeholders Relationship Committee of the Board comprises:

There were Four (4) meetings held during the Financial Year 2018-19 on May 29, 2018, August 14, 2018, November 3, 2018 and February 6, 2019.

Name of the Directors	Designation in the Committee	Nature of Directorship	No. of Meeting	
			Held	Attended
Mr. Sureshkumar M. Mehta	Chairman	Non Executive Independent Director	4	4
Mr. Amit S. Patel	Member	Non Executive Independent Director	4	4
Mr. Ameet M. Brahmbhatt	Member	Non Executive Independent Director	4	4
*Mr. Gautam R. Bhandari (till to 02.11.2018)	Member	Executive Director	3	3
*Mr. Jayantilal R. Bhandari (From 03.11.2018 onwards)	Member	Executive Director	1	1

* Nomination and Remuneration Committee was reconstituted w.e.f 03.11.2018 by appointing Mr. Jayantilal R Bhandari as a Member and resigned Mr. Gautam R. Bhandari, Member.

Ms. Dharmistha J. Dariji, Company Secretary is designated as the “Compliance Officer” who oversees the redressal of the investors’ grievances.

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Nature of Complaints / queries	No. of Complaints / queries received	No. of complaints not solved to the satisfaction of shareholders
Transfer of shares	-	-
Non-receipt of Annual Report	-	-
Non-receipt of dividend warrants	-	-
Pending share transfers	-	-
DP and Others	-	-

As on 31st March, 2019, there were no pending complaints and queries.

5. **GENERAL BODY MEETINGS**

The Annual General Meetings (AGMs) of the Company have been held at the following places in the last three years.

Financial Year	Date	Time	Venue	Whether Special Resolution Passed
2015-16	30/09/2016	10:30 A.M.	Regd. Office at 1/204, Navjivan Society, 2 nd Floor, Lamington Road, Mumbai – 400008	Yes : a)Mr. Sureshkumar M. Mehta ,Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for five consecutive years for a term up to September 29, 2020.” b) Alteration Of Object Clause Of Memorandum Of Association Of The Company.
2016-17	28/09/2017	10:30 A.M.	Regd. Office at 1/204, Navjivan Society, 2 nd Floor, Lamington Road, Mumbai – 400008	No :
2017-18	28/09/2018	10:30 A.M	Regd. Office at 1/204, Navjivan Society, 2 nd Floor, Lamington Road, Mumbai – 400008	No :

During the previous financial year, no special resolution was passed by the Company through postal ballot.

6. DISCLOSURES

- During the year, there were no transactions of material nature with Directors, Management, their relatives or subsidiaries that had potential conflict with the interests of the Company.
- Details of all related party transactions forms a part of the accounts as required under Accounting Standards (AS) 18 and the same forms part of the Annual Report.
- Web link where policy for determining material subsidiary is <http://www.avtradeinvest.com/pdf/amended-policy/policy-for-determining-material-subsidiaries.pdf>
- This Corporate Governance Report of the Company for the year 2018-2019 are in compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

8. GENERAL SHAREHOLDERS' INFORMATION

Date and Time of 37 th Annual General Meeting	Saturday September 28, 2019 at 10:30 A.M.
Venue	1/204, Navjivan Society, 2nd Floor, Lamington Road, Mumbai – 400008.
Financial Year	01/04/2018 to 31/03/2019
Record date	September 21, 2019
Book Closure Date	September 21, 2019 to 28 th September 28, 2019 (Both days inclusive)
Stock Exchange where the Company's shares are listed	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Towers, Mumbai – 400001
Payment of Listing Fees	Paid up to financial year 2019-20
Stock Code	504390
ISIN Number	INE292N01018
Corporate Identification Number (CIN)	L70100MH1982PLC027263

MARKET PRICE DATA

Monthly high/low market price of the Company's Equity Shares traded on Bombay Stock Exchange and BSE Sensex during the last financial year 2018-2019 were as follows

BSE Limited, Mumbai – Code No.504390

Month	Share Price		BSE Sensex	
	High	Low	High	Low
April 2018	-	-	35,213.30	32,972.56
May 2018	-	-	35,993.53	34,302.89
June 2018	-	-	35,877.41	34,784.68
July 2018	-	-	37,644.59	35,106.57
August 2018	-	-	38,989.65	37,128.99
September 2018	-	-	38,934.35	35,985.63
October 2018	-	-	36,616.64	33,291.58
November 2018	-	-	36,389.22	34,303.38
December 2018	-	-	36,554.99	34,426.29
January 2019	-	-	36,701.03	35,375.51

February 2019	-	-	37,172.18	35,287.16
March 2019	-	-	38,748.54	35,926.94

REGISTRAR & SHARE TRANSFER AGENTS

Purva Share Registry (India) Pvt. Ltd

Address: Unit No. 9, Shiv Shakti Industrial Estate,

Sitaram Mill Compound, J R Boricha Marg,

Lower Parel (East), Mumbai- 400011

Tel. No.: 022- 23016761

Fax : 022- 23012517

Email: busicomp@gmail.com

support@purvashare.com

Compliance officer

Ms. Dharmistha Darji

Tel: 022- 23092626

Fax: 022- 23087980

SHARE TRANSFER SYSTEM

Share transfer in physical form can be lodged with M/s. Purva Shareregistry (India) Pvt. Ltd., at the above mentioned address.

The Transfers are normally processed within a stipulated time period from the date of receipt, if the documents are complete in all respects.

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2019 IS AS FOLLOWS

I) The Distribution of Shareholding as on 31st March 2019: -

No. of Equity Shares held	Shareholders		Shares held	
	No.	%	No.	%
1 -- 500	4	12.5	300	0.075
501 -- 1000	0	0	0	0
1001 -- 2000	1	3.125	2000	0.50
2001 -- 3000	0	0	0	0
3001 -- 4000	0	0	0	0
4001 -- 5000	2	6.25	10000	2.5
5001 -- 10000	23	71.875	230000	57.50
10001 and above	2	6.25	157700	39.425
TOTAL	32	100.00	400000	100.00

II) Shareholding Pattern as on 31st March 2019: -

Category	No. of Shares	%
Promoters	177700	44.425
Financial Institutions / Banks / Mutual Funds / Insurance Company	0	0
Non Institutions: Individual Shareholders holding nominal share capital up to Rs.2 Lakh.	212300	53.075
Hindu Undivided Family	10000	2.50
Corporate Bodies	0	0
Indian Public	0	0
NRI / OCB	0	0
Others (Share in Transit)	0	0
TOTAL	400000	100

DEMATERIALIZATION OF SHARES AND LIQUIDITY AS ON 31ST MARCH, 2019

The Company's shares are required to be compulsorily traded on the Stock Exchanges in dematerialized form. The number of shares held in dematerialized and physical mode as on 31st March, 2019 is as under:

	NO.OF SHARES	% OF TOTAL CAPITAL ISSUED
NSDL	10000	2.50
CDSL	187700	46.925
PHYSICAL	202300	50.575
TOTAL	400000	100

OUTSTANDING GDRS/ADRS/WARRANTS OF ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

As on 31st March 2019, the Company did not have any outstanding GDRs/ADRs/Warrants or any Convertible instruments.

Place: Mumbai.

Date: August 21, 2019

Jayantilal R. Bhandari
CHAIRMAN & MANAGING DIRECTOR
DIN : 01897297

Gautam R. Bhandari
CFO & DIRECTOR
DIN: 00427678

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

To
The Members of
AVTIL Enterprise Limited

We have examined the compliance of conditions of Corporate Governance by AVTIL Enterprise Limited, for the year ended on 31st March 2019, as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with the BSE Limited.

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

In my opinion and to the best of our information and according to explanations given to us and the representation made by the Directors and the Management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 subject to the following deviation w.r.t. Regulation 19 of the the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Deviations:

As per information and representation provided to us, the Company had initially constituted the Nomination & Remuneration Committee with Four Directors out of which three Directors were Non-Executive & Independent Directors and one Director was Executive Director & CFO of the Company.

Since one of the Director of the said Committee was Executive Director the constitution of Nomination & Remuneration Committee was not in accordance with Regulation 19(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our Remarks:

As per the information and explanation provided by the Company, the Company had constituted Nomination & Remuneration Committee as per the Compliance of the Companies Act, 2013.

Further, it was explained and clarified by the Company that with respect to Compliance of Regulation 19(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as per the Company's view and interpretation the Nomination & Remuneration Committee consisted of three Non-Executive – Independent Director and One member who is by his position of the CFO acted as an Executive Director of the Company without getting any remuneration from the Company. And, by such interpretation, it was considered by Company that all members of the Nomination & Remuneration Committee acted in the capacity of Non-Executive Directors of the Company.

However, on receipt of letter dated: October 31, 2018 from BSE Limited for non-compliance of Regulation 19(1); it was decided by the Company that since there was deviation in the interpretation of the Regulation it would be advisable to change the constitution of Nomination & Remuneration Committee in accordance to provisions of Regulation 19(1) read with Regulation 19(2) and to pay the prescribed amount as stated in the letter(s) of BSE Limited, under protest, for the said deviation in the requirement of Regulation.

Considering the above, the Company has re-constituted Nomination & Remuneration Committee w.e.f. November 2, 2018 in accordance to provisions of Regulation 19(1) read with Regulation 19(2) and subsequently made payment of Rs. 2,17,120/- and Rs. 77,880/- under protest as per the letter dated: October 31, 2018 and January 31, 2019 as issued by BSE Limited.

Further as per the information and according to explanations provided to me and that as per the records maintained by the Company, there were no investors' grievances remaining unattended / pending for more than 30 days.

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

For **DMP & ASSOCIATES,**
COMPANY SECRETARIES

Place: Mumbai

Date: August 21, 2019

MARMIK PATEL, PARTNER
FCS No. 10238 CP No.:13205

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations).

To
The Members of
AVTIL Enterprise Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **AVTIL Enterprise Limited** having CIN: L70100MH1982PLC027263 and having registered office at 1/204 Navjivan Society, 2nd floor, Lamington Road, Mumbai – 400008 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as on March 31, 2019 for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs any such other Statutory Authority.

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

For **DMP & ASSOCIATES,**
COMPANY SECRETARIES

Place: Mumbai

Date: August 21, 2019

MARMIK PATEL, PARTNER
FCS No. 10238 CP No.:13205

AVTIL ENTERPRISE LIMITED

CORPORATE IDENTITY NUMBER (CIN): L70100MH1982PLC027263

REGD. OFFICE: 1/204, Navjivan Society, 2nd Floor, Lamington Road,
Mumbai – 400 008. TEL.: 23071996 / 23092626. FAX: 23087980

EMAIL: info@avtradeinvest.com WEBSITE: www.avtradeinvest.com

DECLARATION ON COMPLIANCE WITH CODES OF CONDUCT

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Declaration for Codes of Conduct is given below:

To

The Members of

AVTIL Enterprise Limited

I, Jayantilal R. Bhandari Chairman & Managing Director of the Company declare that to the best of my information, all Board Members and Senior Management Employees of the Company have affirmed compliance with the Codes of Conduct.

For and on behalf of the Board

For AVTIL ENTERPRISE LIMITED

Place : Mumbai
Date: 21st August, 2019

-
JAYANTILAL R. BHANDARI
CHAIRMAN & MANAGING DIRECTOR
DIN: 01897297

AVTIL ENTERPRISE LIMITED

CORPORATE IDENTITY NUMBER (CIN): L70100MH1982PLC027263

REGD. OFFICE: 1/204, Navjivan Society, 2nd Floor, Lamington Road,

Mumbai – 400 008. TEL.: 23071996 / 23092626. FAX: 23087980

EMAIL: info@avtradeinvest.com WEBSITE: www.avtradeinvest.com

**CFO CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Board of Directors
AVTIL Enterprise Limited

We, Jayantilal R. Bhandari, Chairman & Managing Director, and Gautam Bhandari, CFO & Executive Director of AVTIL Enterprise Limited, to the best of our knowledge and belief, certify that we have reviewed the financial statements, read with the cash flow statement of AVTIL Enterprise Limited for the year ended March 31, 2019 and that to the best of our knowledge and belief, we state that;

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
 - (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or in violation of the Company's Code of Conduct.
 - (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps have been taken or proposed to be taken for rectifying these deficiencies.
 - (d) We have indicated to the Auditors and the Audit Committee:
 - (i) That there are no significant changes in internal control over financial reporting during the year;
 - (ii) That there are no significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - (iii) That there are no instances of significant frauds of which we have become aware and the involvement therein, if any, of the management.
-

For AVTIL ENTERPRISE LIMITED

CHAIRMAN & MANAGING DIRECTOR

JAYANTILAL R. BHANDARI

DIN: 01897297

Place: Mumbai

Date: 21st August, 2019

CFO & EXECUTIVE DIRECTOR

GAUTAM R. BHANDARI

DIN: 00427678

BDMV & Co.

CHARTERED ACCOUNTANTS

815, Gold Crest Business Center, Opp. Manubhai Jewellers,
L.T.Road, Borivali (West), Mumbai – 400 092.
Telephones: 91 22 4978 2796 / 09702197072
Email: incometax@cabdmv.com

INDEPENDENT AUDITOR'S REPORT

To The Members of AVTIL ENTERPRISE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of AVTIL ENTERPRISE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion

on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr No	Key Audit Matter	Auditors Response
1	Provision for doubtful Investments	During the year under consideration Company has created provision for doubtful investments amounting to Rs.1968.82 Lakhs

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)[iv] and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

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

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical

requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR BDMV & CO
Chartered Accountants
FRNo: 101256W

VISHAL V. KELKAR
Partner
Membership No. 154128

Place: Mumbai
Date: 29/05/2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) Some of the property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noted on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement. In case of one leasehold land, the Company is yet to receive the title which is pending completion of legal formalities relating to conveyance.

ii. The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

iii. According to the information and explanations given to us, the Company has granted loans, unsecured, to companies covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the year-end.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any outstanding unclaimed deposits as at March 31, 2019 and therefore, reporting under clause (v) of the Order is not applicable.

vi. Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods & Services Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods & Services Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or issued any debentures. Hence, reporting under clause (viii) of the Order is not applicable to the Company.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR BDMV & CO
Chartered Accountants
FRNo: 101256W

VISHAL V. KELKAR
Partner
Membership No. 154128

Place: Mumbai
Date: 29/05/2019

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of AVTIL ENTERPRISE LIMITED (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected

depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

BDMV & Co.
CHARTERED ACCOUNTANTS
Continuation Sheet...

FOR BDMV & CO

Chartered Accountants

FRNo: 101256W

VISHAL V. KELKAR

Partner

Membership No. 154128

Place: Mumbai

Date: 29/05/2019

AVTIL ENTERPRISE LIMITED
CIN NO.L70100MH1982PLC027263
BALANCE SHEET AS AT 31ST MARCH 2019

	Particulars	Note	As at 31st March 2019	As at 31st March 2018
A	ASSETS			
1	Non- current assets			
	(a) Property Plant and Equipment	2.01	6,742,065	970,864
	(b) Deferred Tax Asset (Net)	2.02	89,226	163,380
	(c) Other Non Current Assets	2.03	41,730,227	250,002,729
	Total Non Current Assets		48,561,518	251,136,973
2	Current assets			
	(a) Inventories	2.04	130,910	227,858
	(b) Finanacial Assets			
	(i) Trade receivables	2.05	14,226,345	5,899,755
	(ii) Cash and bank balances	2.06	26,731,286	20,148,358
	(c) Other current assets	2.07	793,563	1,176,486
	Total Current Assets		41,882,104	27,452,458
	TOTAL ASSETS		90,443,622	278,589,431
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	2.08	4,000,000	4,000,000
	(b) Other Equity	2.09	77,345,984	271,053,393
	Total Equity		81,345,984	275,053,393
2	Liabilities - Non Current Liabilities			
	(a) Financial Liability			
	(i) Borrowings	2.10	3,749,151	-
	Total Non Current Liabilities		3,749,151	-
3	Current Liabilities			
	(a) Financial Liabilities			
	(ii) Trade payables	2.11	4,068,494	1,917,359
	(b) Other current liabilities	2.12	815,595	40,096
	(c) Provisions	2.13	464,398	1,578,583
	Total Current Liabilities		5,348,487	3,536,038
	TOTAL EQUITY AND LIABILITIES		90,443,622	278,589,431
	Notes forming part of the financial statements	1		

As per our report of even date

For BDMV & Co.
Chartered Accountants
(FRN - 101256W)

Vishal V.Kelkar
Partner
(M.No.154128)

Place: Mumbai
Date: 29/05/2019

**For and on behalf of Board of Directors
of AVTIL Enterprise Limited**

G. R. Bhandari
CFO& Executive Director
(DIN - 00427678)

J. R. Bhandari
*MD, Chariman &
Executive Director*
(DIN - 01897297)

Dharmistha J. Darji
Company Secretary, Compliance Officer &
Women Director

AVTIL ENTERPRISE LIMITED CIN NO.L70100MH1982PLC027263 STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019				
	Particulars	Note	Year Ended 31st March 2019	Year Ended 31st March 2018
	INCOME			
	(a) Revenue from operations	2.14	33,562,028	12,824,916
	(b) Other income	2.15	1,151,599	1,499,418
1	Total Income		34,713,627	14,324,334
	EXPENSES:			
	(a) Purchases of stock		28,748,181	6,633,785
	(b) Changes in inventory	2.16	96,948	219,179
	(c) Employee benefit expenses	2.17	298,500	295,500
	(d) Depreciation and amortisation expenses		437,840	659,538
	(e) Finance Cost	2.18	158	5,885
	(f) Other Expenses	2.19	198,106,817	1,017,369
2	Total Expenses		227,688,444	8,831,255
3	Profit before Exceptional Items		-192,974,817	5,493,079
	Share of Net Profit of Associates & Joint Ventures accounted for using the equity method			-
3	Profit before Exceptional Items and Tax		-192,974,817	5,493,079
4	Exceptional items			-
5	Profit before Tax from Continuing Operations		-192,974,817	5,493,079
6	Income Tax Expense:			
	(a) Current tax		967,026	1,578,583
	(c) Deferred tax		74,154	-82,953
	(d) Excess / Short provision for earlier years		-308,588	-
			732,592	1,495,630
7	Profit for the year		-193,707,409	3,997,449
8	Other Comprehensive Income (OCI)			
	-Remeasurement of Gains / Losses on Non Current Investments		-	-
9	Total Comprehensive Income for the period		-193,707,409	3,997,449
10	Earning Per Share (Equity Share of Rs. 10/- Each)			
	Basic and Diluted (without considering OCI)		-484	10
	Notes forming part of the financial statements	1		
As per our report of even date <div> For BDMV & Co. Chartered Accountants (FRN - 101256W) </div> <div> For and on behalf of Board of Directors of AVTIL Enterprise Limited <div> Vishal V. Kelkar Partner (M.No.154128) </div> <div> G. R. Bhandari CFO & Executive Director (DIN - 00427678) </div> <div> J. R. Bhandari MD, Chariman & Executive Director (DIN - 01897297) </div> </div> <div> Place: Mumbai Date: 29/05/2019 </div> <div> Dharmistha J. Darji Company Secretary, Compliance Officer & Women Director </div>				

AVTIL ENTERPRISE LIMITED CORPORATE INDENTITY NUMBER (CIN): L70100MH1982PLC027263 CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019			
Particulars		2018-19	2017-18
A. Cash flow from operating Activities			
Net Profit/ (Loss) before Taxation and extraordinary item		(192,974,817)	5,493,079
Add : Non Cash item			
Depreciation		437,840	659,538
Investment Provision		196,882,242	
Add/(Less) : Item Connected with Investing & financing Activities			
Non Operating Expenses & losses / (Incomes)			
Interest Income		(1,151,099)	(1,429,827)
Dividend Received		(500)	(5,515)
Interest Expenses			5,533
Operating (Loss) / Profit before Working Capital changes		3,193,666	4,722,808
Adjustment for increase/ decrease in:			
Inventories		96,948	219,178
Loans and Advance		-	
Other Current/ Non current Assets		(313,524)	(550,848)
Sundry Creditors		2,151,135	1,844,618
Trade Receivables		(8,326,591)	(5,899,756)
Other Current Liability & Provisions		775,499	(225,258)
Net Cash Generated from/(used in) operations		(2,422,866)	110,742
Less : Income Tax		(1,076,175)	-
Net Cash Generated from/ (used in) operations	(A)	(3,499,041)	110,742
B. Cash flow from Investment Activities			
Share of Profit from partnership firm			-
Dividend Received		500	5,515
Purchase of Fixed Assets		(6,209,041)	-
Interest Received		1,151,099	1,429,827
Non current Investments		-	-
Long term loans and Advances		11,390,260	(13,089,944)
Net cash From Investment Activites	(B)	6,332,818	(11,654,602)
C. Cash flow from Financing Activities			
Interest Expenses		-	(4,933)
Loan Taken		3,749,151	
Net cash From Financing Activites	(C)	3,749,151	(4,933)
Net (Decrease)/Increase in Cash and Cash Equivalents	(A+B+C)	6,582,928	(11,548,793)
Cash and Cash Equivalents as at the commencement of the year		20,148,357	31,812,151
Cash and Cash Equivalents as at the end of the year		26,731,286	20,148,357
Net (Decrease)/Increase as Disclose above (See Notes attached)		6,582,928	(11,663,793)
NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019			
1) Cash and cash equivalents include:-		2018-19	2017-18
Cash on hand		30,873	67,078
Bank Balance		26,700,413	20,081,279
	Total	26,731,286	20,148,357
2) All figures in brackets are outflow			
3) Previous years figures have been regrouped/reclassified wherever necessary to this year's classification			
As per our report of even date <div> For BDMV & Co. Chartered Accountants (FRN - 101256W) Vishal V.Kelkar Partner (M.No.154128) Place: Mumbai Date: 29/05/2019 </div> <div> For and on behalf of Board of Directors of AVTIL Enterprise Limited G. R. Bhandari CFO & Executive Director (DIN - 00427678) J. R. Bhandari MD, Chariman & Executive Director (DIN - 01897297) Dharmistha J. Darji Company Secretary, Compliance Officer & Women Director </div>			

NOTE NO. 1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

I) CORPORATE INFORMATION

The Company's main business activities are general trading and merchants, buying selling, trading, exchange, contract of all types of trade and investment instruments. The Company is having Registered Office / Head Quarter in Mumbai.

II) SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF PREPARATION:

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

These financial statements are for the year ended 31st March 2019 are the first financials with comparatives prepared under Ind AS. For all previous periods including the year ended 31st March 2017, the company had prepared its financial statement in accordance with accounting standard notified under the Companies (Accounting Standard) Rule 2006 (as amended) and other relevant provision of the Act (hereinafter referred to as the 'Previous GAAP') used for the statutory reporting requirement of India.

The financial statements have been prepared on accrual and going concern basis. The accounting polies are applied consistently to all period presented in the financial statements, including the preparation of the opening Ind AS balance sheet as at 1st April 2016 being the date of transition to Ind AS.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b. USE OF ESTIMATES

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

c. OPERATING CYCLE FOR CURRENT AND NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for classification of its assets and liabilities as current and non-current.

d. PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

e. DEPRECIATION/AMORTISATION ON FIXED ASSETS

Depreciation on Fixed Assets is provided on straight-line method in accordance with life of assets specified in Part C of Schedule II to the Companies Act, 2013 as per details given below:

Sl.No.	Nature of Assets	Estimated useful life in years
1	Computers – End user devices	3
2	Motor Vehicles	8
3	Office Equipments	5

AMORTISATION

Expenses incurred on Computer Software are amortized on straight line basis over a period of three years.

ASSETS ACQUIRED IN SATISFACTION OF CLAIMS

Assets acquired in satisfaction of claim has been accounted at fair value of the assets acquired and is marked down by a subsequent reduction in the Net Realisable Value, if any.

f. IMPAIRMENT OF NON-FINANCIAL ASSETS

Non- financial assets other than inventories and non-current assets held for sale are reviewed at each balance sheet date to determine whether there is any indication. If any such indication exists or when annual impairment testing for an asset required, the company estimates the asset's recoverable amount. The recoverable amount is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash flow that is largely independent of those from other assets or group of assets.

When the carrying amount of an assets or CGU exceeds its recoverable amount, the assets is considered impaired and is written down to its recoverable amount.

g. STOCK IN TRADE / SECURITIES FOR SALE

Stock in trade is valued at weighted average cost or net realisable value whichever is lower.

h. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, balances in current accounts with scheduled banks and bank deposits.

i. REVENUE RECOGNITION

Revenue in respect of sale of goods is recognized when risk and reward of ownership are transferred. The sale are accounted net of goods and service tax. Further goods returned or rejected are accounted in the year of return/rejection.

j. TAXES ON INCOME

Current tax is determined on the basis of the amount of tax payable in respect of taxable income for the year.

Deferred tax is calculated at tax rates that have been enacted or substantively enacted at the Balance Sheet date and is recognized on timing differences, being the

difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

k. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

During the year under consideration company has created provision for doubtful investments amounting to Rs 1968.82 Lakhs.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

l. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement:

Subsequent measurement is determined with reference to the classification of the respective financial assets and the contractual cash flow characteristic of the financial assets, the company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

Financial Assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial Assets at fair value through other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL

Debt instruments included within the FVTOCI category are measured at fair value with all changes recognized in profit and loss. However currently the company does not have any financial instrument in this category.

Equity Investment

All equity investments in scope of Ind AS 109 are measured at fair value except unquoted equity investments which are stated at cost. Equity instruments which are held for trading are classified as at FVTPL. For other equity instruments, the company decides to classify the same either as at FVTOCI or FVTPL. The company makes such election on an instrument by instruments basis. The Classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, all fair value changes on the instrument, excluding dividends are recognized in other comprehensive income. There is no recycling of the amount from other comprehensive income to profit and loss even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at fair value.

- **Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

- **De-recognition of Financial Liabilities**

Financial Liabilities are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gains/(losses).

Offsetting Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis; to realise the assets and settle the liabilities simultaneously.

m. FAIR VALUE MEASUREMENT

The Company measures financial assets and financial liability at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation Techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs

applied in the latest valuation by agreeing the information in the valuation computation and other relevant documents.

n. EARNING PER SHARE

	CURRENT YEAR	PREVIOUS YEAR
Weighted average number of shares at the end of the year.	4,00,000	4,00,000
Profit for the year (Excluding OCI)	-19,37,07,409	39,97,449
Basic and Diluted EPS	-484.00	10.00

- o. The Company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, required under the said Act have not been made.
- p. Comparative financial information (i.e. the amounts and other disclosures for the previous year presented above as corresponding figures), is included as an integral part of the current year's Financial Statements and is to be read in relation to the amounts and other disclosures relating to the current year. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.
- q. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial Risk Factors

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest Rate Risk

The Company has financial assets which are at fixed interest rates and is therefore not exposed to the risks associated with the effects of fluctuation in interest rates.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As the company does not deal in forex transaction, there is not foreign risk.

Credit Risk

Credit Risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company. The Company limits its credit risk by carrying out transactions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

There is no risk in terms of Bank Balances, since the counterparty is a reputable bank with high quality external credit ratings.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

r. First-time adoption of Ind AS

The Company has adopted Ind AS with effect from 1 April 2016 with comparatives being restated. Accordingly, the impact of transition has been provided in the Opening Reserves as at 1 April 2016 and all the periods presented have been restated accordingly

A. Exemptions availed on first time adoption of Ind AS 101

On first time adoption of Ind AS Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

- a) Under Ind AS 109 at initial recognition of a financial asset an entity may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument in other comprehensive income. Ind AS 101 allows such designation of previously recognized financial assets as 'fair value through other comprehensive income' on the basis of the facts and circumstances that existed at the date of transition to Ind AS. Accordingly the Company has

designated its investments in certain equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

- b) Fair value measurement of financial assets or liabilities at initial recognition: The Company has not applied the provision of Ind AS 109 Financial Instruments upon the initial recognition of the financial instruments where there is no active market.
- c) Designation of previously recognised financial instruments: The Company does not have any financial assets or liabilities as of the transition dates which were required to be designated and which met the required criteria given in Ind AS 101 as a financial asset or financial liability at FVPL

B. Exceptions

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements:

a) Estimates

The estimates as at 1 April 2016 and 31 March 2017 are consistent with those made for the same dates in accordance with previous GAAP (after adjustment to reflect and differences if any in accounting policies) apart from the following items where the application of previous GAAP did not require estimation:

- Impairment of financial assets based on the expected credit loss model;
- and Investments in equity instruments carried as FVPL or FVOCI.
- The estimates used by the Company to present

The amounts in accordance with the Ind AS reflect conditions that existed at the date on transition to Ind AS.

b) Derecognition of financial assets

The Company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and movement of financial assets and liabilities

The Company has classified the financial assets and liabilities in accordance with Ind AS 109 on the basis of facts and circumstances that existed at the date on transition to Ind AS.

s. Figures have been rounded off to the nearest rupees.

As per our report of even date

For BDMV & Co.

Chartered Accountants

(FRN - 101256W)

**For and on behalf of Board of Directors
of AVTIL Enterprise Limited**

Vishal V.Kelkar

Partner

(M.No.154128)

G. R. Bhandari

CFO & Executive Director

(DIN - 00427678)

J. R. Bhandari

MD, Chairman &

Executive Director

(DIN - 01897297)

Place: Mumbai

Date: 29/05/2019

Dharmistha J. Darji

Company Secretary, Compliance Officer
& Women Director

Notes forming part of financial statements

2.08 Equity Share Capital

Particulars	As at 31st March 2019	As at 31st March 2018	As at 1st April 2017
Authorised 5,00,000 Equity shares of Rs 10/- par value.	5,000,000	5,000,000	5,000,000
	5,000,000	5,000,000	5,000,000
Issued Capital 4,00,000 Equity shares of Rs 10/- par value.	4,000,000	4,000,000	4,000,000
	4,000,000	4,000,000	4,000,000
Subscribed and Paid Up Capital 4,00,000 Equity shares of Rs 10/- par value.	4,000,000	4,000,000	4,000,000
Total	4,000,000	4,000,000	4,000,000

Movements in Share Capital

Equity shares

Particulars	As at 31st March 2019		As at 31st March 2018		As at 1st April 2017	
	Number	Amount (Rs)	Number	Amount (Rs)	Number	Amount (Rs)
Number of shares at the beginning of the year	400,000	4,000,000	400,000	4,000,000	4,000,000	4,000,000
Add: Shares issued during the year	-	-	-	-	-	-
Number of shares at the end of the year	400,000	4,000,000	400,000	4,000,000	4,000,000	4,000,000

Terms/Rights attached to Equity shares

The company has one class of share referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share and dividend per share as may be declared/proposed by the Board of Directors.

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

Shares held by holding company and its nominees:

Particulars	As at 31st March 2019		As at 31st March 2018		As at 1st April 2017	
	Number	% of holding	Number	% of holding	Number	% of holding
Equity shares of Rs 10/- each fully paid	-	-	-	-	-	-

Details of shareholders holding more than 5 percent equity shares in the company:

Equity shares of Rs 10/- each fully paid	31st March 2019		31st March 2018		1st April 2017	
	No of shares	% of holding	No of shares	% of holding	No of shares	% of holding
Jayantilal R Bhandari	77,950	19.49%	67,950	16.99%	50,000	12.50%
Gautam R Bhandari	79,750	19.94%	69,850	17.46%	59,900	14.98%
Total	157,700	39.43%	137,800	34.45%	109,900	27.48%

AVTIL ENTERPRISE LIMITED
CIN NO.L70100MH1982PLC027263

2.09 Other Equity

Particulars	As at 31st March 2019	As at 31st March 2018
Capital Reserve		
Surplus on Revaluation of Liabilities		
As per Balance Sheet		
Add - Transfer from profit & loss A/c	103,712,142	103,712,142
General Reserve		
As per Balance Sheet	527,000	527,000
Add - Transfer from profit & loss A/c		
Retained Earnings		
Opening	166,814,251	162,816,802
Add: Net Profit for the year	-193,707,409	3,997,449
Total	-26,893,159	166,814,251
Total (A)	77,345,983	271,053,393
Other Comprehensive Income		
As per Last Balance Sheet	-	-
Add: Movement in OCI (Net) during the year	-	-
Total (B)	-	-
Total	77,345,983	271,053,393

AVTIL Enterprises
CIN NO.L70100MH1982PLC027263

2.01 Property, Plant and Equipment

Particulars	Property, plant and equipment			Total
	Vehicles	Computer Equipments	Office Equipments	
Cost as At 1st April, 2017	5,130,533	77,899	135,249	5,343,681
Addition during the year	-	-	-	-
Deletions during the year	-	-	-	-
At 31 March 2018	5,130,533	77,899	135,249	5,343,681
Addition during the year	5,902,975	-	306,066	6,209,041
Deletions during the year	-	-	-	-
At 31 March 2019	11,033,508	77,899	441,315	11,552,722
Accumulated Depreciation and impairment				
At 1 April 2017	3,606,475	71,028	35,776	3,713,279
Depreciation charge for the year	596,999	6,871	55,668	659,538
Deletions during the year	-	-	-	-
At 31 March 2018	4,203,474	77,899	91,444	4,372,817
Depreciation charge for the year	324,982	-	112,858	437,840
Deletions during the year	-	-	-	-
At 31 March 2019	4,528,456	77,899	204,302	4,810,657
Net book value				
At 31 March 2019	6,505,052	-	237,013	6,742,065
At 31 March 2018	927,059	-	43,805	970,864

2.02 Deferred tax Assets (Net)		
Particulars	As at 31st March 2019	As at 31st March 2018
Timing Difference on account of Accumulated Depreciation of Fixed Assets	89,226	163,380
Total	89,226	163,380
2.03 Other Non current Assets		
Particulars	As at 31st March 2019	As at 31st March 2018
<u>Non Current Investments</u>		
Investment in Capital of Partnership Firm - Greens Investments Inc.	22,080,117	22,086,877
Other Non Current Investments	6,812,610	61,313,160
<u>Deposits</u>		
Option Deposit with Satellite Dev Pvt Ltd	-	76,500,000
<u>Loans and Advances</u>		
Booking Advances for Immovable Properties	12,837,500	90,102,692
Total	41,730,227	250,002,729
2.04 Inventories		
Particulars	As at 31st March 2019	As at 31st March 2018
Stock in hand	130,910	227,858
Total	130,910	227,858
2.05 Trade receivables		
Particulars	As at 31st March 2019	As at 31st March 2018
<u>Unsecured, Considered Good :</u>		
Trade Receivables	14,226,345	5,899,755
Total	14,226,345	5,899,755

2.06 Cash and bank balances		
Particulars	As at 31st March 2019	As at 31st March 2018
<u>Cash-in-Hand</u>		
Cash Balance	30,873	67,079
Sub Total (A)	30,873	67,079
<u>Balances With Banks</u>		
In Current Accounts	211,269	294,470
Bank Deposits	26,489,144	19,786,809
Sub Total (B)	26,700,413	20,081,279
Total	26,731,286	20,148,358
2.07 Other current assets		
Particulars	As at 31st March 2019	As at 31st March 2018
Balance with tax authorities	449,889	1,146,336
Interest Accrued on Bank Deposits	201,284	30,150
Other Current Asset	142,390	
Total	793,563	1,176,486
2.10 Financial Liability - Borrowing		
Particulars	As at 31st March 2019	As at 31st March 2018
Vehicle Loan (Out of total outstanding Vehicle loan of Rs 45,00,000/ Rs. 7,50,849 is payable during FY 2019-20 & the same has been disclosed in other current liabilities in note 2.12)	3,749,151	-
Total	3,749,151	

2.11 Trade payables		
Particulars	As at 31st March 2019	As at 31st March 2018
Total Outstanding of		
- Micro, Small and Medium Enterprises(MSME) (Refer Note No. 2.11.1 & 2.11.2)	-	-
- Other than MSME	4,068,494	1,917,359
Total	4,068,494	1,917,359
<p>2.11.1 There is no information available with the management regarding the supplier covered by Micro, Small & Medium Enterprises Under Micro, Small and Medium Enterprise Development Act, 2006</p> <p>2.11.2 As of 31st March, 2019 it could not be verified whether the Company had any outstanding dues to Micro, Small & Medium Enterprise.</p>		
2.12 Other Current Liabilities		
Particulars	As at 31st March 2019	As at 31st March 2018
Current maturities of long term debt	750,849	-
<u>Statutory Dues Payables:</u>		-
Goods and Service Tax	18,266	10,096
<u>Other Payables:</u>		
Auditor's Remuneration	30,000	30,000
Others	16,480	-
Total	815,595	40,096
2.13 Provision		
Particulars	As at 31st March 2019	As at 31st March 2018
Provision for tax	464,398	1,578,583
Total	464,398	1,578,583
2.14 Revenue From Operation		
Particulars	As at 31st March 2019	Year Ended 31st March 2018
<u>Revenue from operation</u>		
Trading Income	30,186,845	7,306,851
Income on delayed possession charges	3,375,183	5,518,065
Total	33,562,028	12,824,916
2.15 Other income		
Particulars	As at 31st March 2019	Year Ended 31st March 2018
Interest Income	1,151,099	1,493,903
Dividend Income	500	5,515
Total	1,151,599	1,499,418

2.16 Changes of Inventory in Finished goods, Stock in Trade		
Particulars	Year Ended 31st March 2019	Year Ended 31st March 2018
Inventories (At Close) Trading Items	130,910	227,858
Inventories (At Commencement) Trading Items	227,858	447,037
Total	96,948	219,179
2.17 Employee benefit expenses		
Particulars	As at 31st March 2019	Year Ended 31st March 2018
Salaries & Other Allowances	298,500	295,500
Staff Welfare Expenses	-	-
Total	298,500	295,500
2.18 Finance cost		
Particulars	As at 31st March 2019	Year Ended 31st March 2018
Bank Charges	158	352
Interest on car loan	-	5,533
Total	158	5,885
2.19 Other expenses		
Particulars	As at 31st March 2019	Year Ended 31st March 2018
Annual Membership & Fees	274,400	324,100
Repairs & Maintenance Exp	111,676	73,698
Advertising Exp	71,416	87,914
Audit Fees	30,000	50,400
Insurance on car	17,714	26,164
Interest on late payment of TDS	-	19
Mobile Expenses	-	20,939
Printing & stationary	5,766	360
Legal & Professional Expenses	110,000	399,845
Professional Tax	5,000	5,000
Service Tax / STT Charges	-	513
Share of loss- Green Investment	6,760	7,565
Travelling Expenses	82,059	14,633
Website Domain Exp	5,300	3,658
Demat Charges	117	2,560
Digital Signature Expenses	2,500	-
SEBI Fees	265,017	-
Provision for Doubtful Investment	196,882,242	-
Office Expenses	2,270	-
Professional Charges	154,904	-
Stamp Duty on Car	16,351	-
Sundry Bal W/off	62,174	-
Other expense	1,150	-
Total	198,106,817	1,017,369

AVTIL ENTERPRISE LIMITED

CORPORATE IDENTITY NUMBER (CIN): L70100MH1982PLC027263

REGD. OFFICE: 1/204, Navjivan Society, 2nd Floor, Lamington Road,
Mumbai – 400 008. TEL.: 23071996 / 23092626. FAX: 23087980

EMAIL: info@avtradeinvest.com WEBSITE: www.avtradeinvest.com

PROXY FORM

Form No. MGT-11

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

CIN : L70100MH1982PLC027263
 Name of the Company : AVTIL ENTERPRISE LIMITED
 (Formerly known as “Arun Varun Trade and Investment Limited”)
 Registered Office : 1/204, Navjivan Society,
 2nd Floor, Lamington Road,
 Mumbai – 400008, Maharashtra
 Name of the member(s) :

Registered address :

E-mail :

Folio No./ Client ID/DP ID :

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

1) Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____

or failing him

2) Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____

or failing him

3) Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on/our behalf at the 37th Annual
General Meeting of the Company, to be held on the Saturday, 28th September, 2019 at 10.30
a.m.at 1/204, Navjivan Society, 2nd Floor, Lamington Road, Mumbai – 400008 and at any
adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	Vote (Optional see note 2)		
		For	Against	Abstain
	Ordinary Business:			
1.	To receive, consider and adopt the Audited Standalone Financial Statements for the financial year ended 31st March, 2019 together with the Report(s) of the Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Mr. Gautam R. Bhandari (DIN: 00427678), who retires by rotation and being eligible, offers herself for re-appointment.			
	Special Business:			
3.	Appointment of Mr. Milan Jayantilal Shah as an Independent Director of the Company.			
4.	Re-appointment of Mr. Jayantilal R. Bhandari as Managing Director of the Company.			

Signed this _____ day of _____ 2019.

Affix Re.1/-
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: 1.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.

2.It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' , 'Against' or 'abstain' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.

AVTIL ENTERPRISE LIMITED

CORPORATE IDENTITY NUMBER (CIN): L70100MH1982PLC027263

REGD. OFFICE: 1/204, Navjivan Society, 2nd Floor, Lamington Road,
Mumbai – 400 008. TEL.: 23071996 / 23092626. FAX: 23087980

EMAIL: info@avtradeinvest.com WEBSITE: www.avtradeinvest.com

ATTENDANCE SLIP37th Annual General Meeting - 28th September, 2019

Members Folio No. / Client ID No.: _____

No. of Shares Held: _____

Email ID, if any: _____

Mr./Mrs./Miss

(Member's Name in Block Letters)

I certify that I am a registered Member / Proxy for the registered member of the Company. I hereby record my presence at the 37th Annual General Meeting of the Company convened at 1/204, Navjivan Society, 2nd Floor, Lamington Road, Mumbai – 400008 on Saturday, 28th September, 2019 at 10.30 a.m.

If signed by proxy, his/her name should
be written here in Block Letters.

Member's / Proxy's Signature

Note:

1. Member's / Proxy holders are requested to bring the Attendance Slip with them when they come to the Meeting and hand it over at the gate after affixing their signature on it.
2. Members who come to attend the meeting are requested to bring their copies of the Annual Report with them.

Electronic Voting (e-voting)

3. The Company is pleased to offer the option of e-voting facility to the Members. The Members shall have option to vote either through e-Voting or in person at the 37th Annual General Meeting. The voting period will commence at 9.00 hours on Wednesday, 25th September, 2019 and will end at 17:00 hours on Friday, 27th September, 2019. The Members desiring to exercise e-voting option may refer to the detailed procedure on electronic voting provided in the Notice of the 37th Annual General Meeting.