

**25<sup>th</sup> ANNUAL REPORT**

**VAARAD VENTURES LIMITED**

**2018-19**

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**CORPORATE INFORMATION – Vaarad Ventures Limited****Board of Directors**

Leena Doshi  
Managing Director

Harsh Doshi  
Non-Executive Director

Nitin Datanwala  
Independent Director

Piyush Vora  
Independent Director

**Board Committees****Audit Committee**

Nitin Datanwala (Chairman)  
Piyush Vora  
Leena Doshi

**Stakeholder's Relationship Committee**

Nitin Datanwala (Chairman)  
Piyush Vora  
Harsh Doshi

**Nomination and Remuneration Committee**

Nitin Datanwala (Chairman)  
Piyush Vora  
Harsh Doshi

**Auditors****K.M Tapuriah & Co.**

Chartered Accountants (Firm Registration No.314043E)

**Bankers**

IDBI Bank  
HDFC Bank

**Registrar and Transfer Agents****Bigshare Services Private Limited**

1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol,  
Andheri East, Mumbai - 400 059.

Phone: +91 22 62638200 | E-mail: [sandeep@bigshareonline.com](mailto:sandeep@bigshareonline.com)

**Registered Office**

2F Court Chambers, 35 New Marine Lines,

Behind Income Tax Office, Churchgate, Mumbai 400 020

CIN: L65990MH1993PLC074306 | Phone: +91 22 2200 7001

Email: [cs.dept@vaaradventures.com](mailto:cs.dept@vaaradventures.com) | Website: [www.vaaradventures.com](http://www.vaaradventures.com)

**CHAIRPERSON'S MESSAGE**

Dear Stakeholders,

On behalf of the Board of Directors, it gives me great pleasure to present the 25<sup>th</sup> Annual Report of the Company.

The year gone by was quieter than we would have liked as a Non-Banking Financial Company. However, I am glad to tell you that our immediate roadmap for the forthcoming financial year involves strengthening our core investment activities, which is the primary business of the Company.

As we enter a new financial year full of opportunities, we at Vaarad Ventures thank you for your continued support and for showing faith in us.

With warm regards,

Leena Doshi  
Managing Director

## BOARD'S REPORT

## TO THE MEMBERS OF VAARAD VENTURES LIMITED

The Directors hereby present their 25<sup>th</sup> Annual Report on the performance of the Company together with the audited financial statements for the Financial Year (FY) ended March 31, 2019.

## 1. FINANCIAL RESULTS

(Rs. in Lakhs)

Financial Results and Appropriations	Standalone		Consolidated	
	Year ended 31/03/2019	Year ended 31/03/2018	Year ended 31/03/2019	Year ended 31/03/2018
Revenue from Operations	0.00	0.00	0.00	0.00
Other Income	68.02	47.85	68.74	54.07
<b>Total Revenue</b>	<b>68.02</b>	<b>47.85</b>	<b>68.74</b>	<b>57.07</b>
<b>Profit Before Tax (PBT)</b>	<b>4.30</b>	<b>6.98</b>	<b>(7.52)</b>	<b>(5.66)</b>
Less : Tax expenses	(0.77)	1.29	(0.77)	1.29
<b>Net Profit after Tax (PAT)</b>	<b>3.52</b>	<b>5.69</b>	<b>(8.03)</b>	<b>(6.96)</b>
Other Comprehensive income (net of tax)	0.00	0.00	0.00	0.00
<b>Total comprehensive income for the year</b>	<b>3.52</b>	<b>5.69</b>	<b>(8.03)</b>	<b>(6.96)</b>
<b>Balance brought forward from Previous Year</b>	<b>137.77</b>	<b>132.08</b>	<b>(493.54)</b>	<b>(486.58)</b>
Profit/(Loss) for the year	3.52	5.69	(8.03)	(6.96)
<b>Balance carried to Balance Sheet</b>	<b>141.30</b>	<b>137.77</b>	<b>(501.85)</b>	<b>(493.54)</b>

## 2. NATURE OF BUSINESS

The Company is a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI), and is engaged in investment activities. There was no change in nature of the business of the Company during the year under review.

### 3. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report.

### 4. FINANCIAL PERFORMANCE

#### Standalone

During the year under review, the Company recorded total revenue of Rs. 68.02 lakh as compared to Rs. 47.85 lakh for the previous year and Profit before Tax stood at Rs. 3.52 lakh for the year under review as compared to Rs. 5.69 lakh for the previous year.

#### Consolidated

During the year under review, the Company recorded consolidated total revenue of Rs. 68.74 lakh as compared to Rs. 54.07 lakh for the previous year and Loss before Tax stood at Rs. 8.03 lakh for the year under review as compared to Loss of Rs. 6.96 lakh for the previous year.

### 5. DIVIDEND

Keeping in view the need to conserve resources of the Company, the Directors have not recommended any dividend for the year under review.

### 6. TRANSFER TO RESERVES

During the year under the review the Company has transferred of Rs.3.52 lakh to the Reserves and Surplus.

### 7. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis report is set out in this Annual Report.

### 8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2019, the Company has three subsidiary companies namely Varuna Drinking Water Solutions Limited, Atco Limited and Edesk Services Limited, three step-down subsidiaries namely Geo Thermal Water Limited, Innovamedia Publications Limited and Atcomaart Services Limited, and one associate company namely Kimaya Shoppe Limited. A statement containing brief financial details of the subsidiaries and associates is included in the Annual Report. As on 29<sup>th</sup> March 2019, the company entered into an agreement to sell its subsidiary Mentor Capitalist Chambers Pvt Ltd. The financials of Mentor Capitalist Chambers Pvt Ltd are also included in the consolidated results for the year ended 31<sup>st</sup> March 2019 because the transaction though initiated, was not completed until then.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a consolidated financial statement of the Company and its subsidiaries is attached. The consolidated financial statements have been prepared in accordance with the relevant accounting standards as

prescribed under Section 129 (3) of the Act. These financial statements disclose the assets, liabilities, income, expenses and other details of the Company and its subsidiaries.

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with rules framed thereunder and pursuant to Clause 33 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company had prepared consolidated financial statements of the company and its subsidiaries, and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 forms part of the Directors' Report as *Annexure – I*.

## 9. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls maintained by the Company and work performed by the internal, statutory and secretarial auditors , including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

Accordingly, pursuant to Section 134 (5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 10. SECRETARIAL STANDARDS

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.



## 11. CORPORATE GOVERNANCE

The Company recognises the importance of good Corporate Governance, which is the tool for building strong and beneficial relationships with customers, suppliers, bankers and investors. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation & integrity.

Our Corporate Governance Report for the year 2018-19 forms an integral part of this Annual Report, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The members of the Board of Directors of the Company are of proven competence and integrity. Besides having financial literacy, experience, leadership qualities and the ability to think strategically, the Directors have a significant degree of commitment to the Company and devote adequate time for the meetings, preparation and attendance.

### Appointment

Mr. Harsh Doshi was appointed as an Additional Director of the Company w.e.f. March 16, 2019. Mrs. Leena V Doshi was appointed as Managing Director of the Company w.e.f. March 12, 2019.

### Cessation

Mr. Vikram Doshi resigned from the Board of Directors w.e.f. March 16, 2019. The Board places on record its appreciation for the valuable services rendered by Mr. Vikram Doshi.

### Independent Directors

In terms of Section 149 of the Act, Mr. Nitin Datanwala and Mr. Piyush Vora are the Independent Directors of the Company as on March 31, 2019. The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent from the management.

Details of Familiarisation Programme for the Independent Directors are provided separately in the Corporate Governance Report.

### Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder.

Mrs. Leena Doshi	-	Managing Director w.e.f. March 12, 2019
Ms. Tanvi Doshi	-	Chief Financial Officer w.e.f. March 12, 2019
Mr. Rustom Deboo	-	Company Secretary w.e.f. March 16, 2019

**Policy on Directors' Appointment and Remuneration**

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. The Board consists of four members, two of whom are independent directors. The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report.

**Board Evaluation**

The Board has carried out the annual evaluation of its own performance and that of its Committees and individual Directors for the year pursuant to the provisions of the Act and the corporate governance requirements prescribed under the Listing Regulations.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance evaluation of the Board was based on the Guidance Notice issued by SEBI on Board Evaluation, which included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long-term strategic planning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members. The criteria for performance evaluation of the Committees was based on the Guidance Note issued by SEBI on Board Evaluation, which included aspects such as structure and composition of committees, effectiveness of committee meetings, etc.

In a separate meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole. They also evaluated the performance of the Chairperson of the Board Meetings. The Nomination and Remuneration Committee (NRC) reviewed the performance of the Board, its Committees and of the Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors and NRC, at which the feedback received from the Directors on the performance of the Board and its Committees was also discussed.

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

Information relating to conservation of energy, technology absorption and foreign exchange earning and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read together with Rule 8(3) of the Companies (Accounts) Rules, 2014, forms part of this Report as *Annexure II*.

**14. EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the Extract of the Annual Return as at March 31, 2019 in Form MGT-9 can be accessed on the website of the Company can be seen at <https://www.vaaradventures.com/annual-report>.