

Vaarad Ventures Limited

23rd ANNUAL REPORT

2016-2017

CONTENTS

1. Notice

2. Director's Report

Annexure to the Director's Report

3. Management Discussion and Analysis

4. Report on Corporate Governance

5. Standalone Financial Statements

a. Independent Auditor's Report

b. Balance Sheet

c. Profit and Loss A/c

d. Notes to Financial statements

e. Cash Flow Statement

6. Consolidated Financial Statements

a. Independent Auditor's Report

b. Balance Sheet

c. Profit and Loss A/c

d. Notes to Financial statements

e. Cash Flow Statement

BOARD OF DIRECTORS

Mr. Vickram Dosshi
Mrs. Leena Doshi
Mr. Piyush Vora
Mr. Dilip Mehta

Managing Director
Director
Director
Director

Mr. Sanjay Nimbalkar
Ms. Ishita Shah

Chief Financial Officer
Company Secretary & Compliance Officer

CIN:

L65990MH1993PLC074306

Registered Office:

6A, Lalwani Industrial Estate,
14 G. D. Ambekar Road,
Wadala, Mumbai-400031.

Telephone No's:

+91 22 24117080/ 24117082

Fax No.:

+91 22 24117085

E-mail:

cs.dept@vaaradventures.com

Website:

www.vaarad.com

Statutory Auditor

K.M Tapuriah & Chartered Accountants

Registrar and Transfer Agents:

Big shares Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri (East), Mumbai-400059

Telephone Nos.

+91 22 62638200

E-mail

sandeep@bigshareonline.com

BANKERS:

HDFC BANK LTD.
IDBI BANK LTD

NOTICE

Notice is hereby given that the **23rd Annual General Meeting** of the Members of Vaarad Ventures Limited will held on Friday, September 29, 2017 at 09:00 a.m. at 6A, Lalwani Industrial Estate, 14 G.D. Ambekar Road, Wadala, Mumbai 400031 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company i.e. Standalone and Consolidated for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon; and
2. To appoint a Director in place of Mrs. Leena Doshi (DIN- 00404404), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for reappointment.
3. Ratification of Auditors Appointment

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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Accounts) Rules, 2014 framed, as amended from time to time, the Company hereby ratifies the appointment of M/s. K.M. Tapuria & Co., Chartered Accountants (Firm Registration No.314043E), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty Fifth AGM of the Company to be held in the year 2019 (subject to ratification of their appointment at every AGM), to examine and audit the accounts of the Company, at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

4. Re-appointment of Mr. Vickram Dosshi as the Managing Director of the Company

To consider and if thought fit, to pass with or without modification the following resolution as Special Resolution.

“**RESOLVED THAT** in accordance with section 196, 197, 198 and 203 and other applicable provisions, if any of the Companies Act, 2013 and the rules made there under read with Schedule V of the Companies Act 2013 and subject to the approval of Central Government, if required and of any such other authorities as may be necessary, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Vickram Anantrai Dosshi as Managing Director of the Company for a period of five years commencing from 17.12.2017 and ending on 16.12.2022 on the terms and conditions contained in and as set out in the draft agreement between the Company and Mr. Vickram Dosshi, placed before the meeting and initialed by the Chairman for the purpose of identification and that the Board of Directors be and is hereby authorized to, alter or vary, his remuneration and / or perquisites and/or other terms and conditions as may be agreed upon with Mr. Vickram Dosshi, subject however, to the overall ceiling in remuneration specified in the said Schedule V and other applicable provisions of the Act for the time being in force and the approval of the Central Government, if and to the extent required or necessary.

RESOLVED FURTHER THAT that where in any Financial Year during the currency of the tenure of Mr. Vickram Dosshi as the Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Vickram Dosshi the Managing Director the above remuneration as the minimum remuneration by way of salary subject to receipt of the requisite approval, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to this resolution.”

5. To adopt new set of articles of Association of the Company in conformity with the new provisions of the Companies Act 2013

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

“RESOLVED THAT pursuant to provisions of Section 14 and all other applicable provisions of the Companies Act 2013 read with Companies (Incorporation) Rules 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, the new set of Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution to the existing Articles of Association of the Company

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and deeds and to take all such steps as may be necessary to give effect to this resolution.”

NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 23rd September, 2017 to 29th September, 2017, both days inclusive, for annual closing.
2. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. **A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company.**

Corporate Members intending to depute their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a duly certified true copy of the Board Resolution/Power of Attorney authorizing their representatives to attend and vote on their behalf at the meeting.
3. Members, Proxies and Authorized Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
4. **The Explanatory Statement pursuant to Section of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 4 & 5 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item No. 2 of the Notice, are also annexed.**
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least one week before the date of the Meeting, so that the information required may be made available at the Meeting, to the extent possible.
6. The Registers under the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during business hours between 9.00 a.m. and 12 noon except holidays before the AGM.
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's R&T Agents, Big Shares Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such

changes to Big Shares Services Pvt. Ltd.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Big Shares Services Pvt. Ltd.

8. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Big Shares Services Pvt. Ltd., the details of such folios together with the share certificates to consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
9. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
10. 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 email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same by submitting the same to Big Shares Services Pvt. Ltd or Secretarial Department of the Company. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the AGM.
11. Instructions for remote e-voting are annexed to this notice.

INSTRUCTIONS FOR REMOTE E-VOTING

- Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration), rules, 2014, as substituted by the Companies (Management and Administration), Amendment, Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 the Members are provided with the facility to cast their vote electronically on the resolution proposed to be passed at the AGM through the e-voting services provided by (CDSL).
- The facility for voting through electronic voting system or polling paper shall made be available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM. The Members who have cast their vote by e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- A member can opt for only single mode of voting, that is, through remote e-voting or voting at the Meeting. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the meeting shall be treated as INVALID.
- The voting period will commence at 9.00 a.m. on Tuesday, 26th September, 2017 and will end at 5.00 p.m. on Thursday, 28th September, 2017. In addition, the facility for voting shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by e-voting shall be eligible to vote at the AGM.

PROCEDURE FOR REMOTE E-VOTING:

1. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
 - (i) Now, select the "VAARAD VENTURES LTD" from the drop down menu and click on "SUBMIT"

- (ii) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iii) Next enter the Image Verification as displayed and Click on Login.
- (iv) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (v) If you are 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 8 digits of the Sequence number which is mentioned in address Label affixed on Annual Report, in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field. |

DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

OR

Dividend Bank Details Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

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.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) 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 on resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (ix) Click on the EVSN for the relevant <VAARAD VENTURES LTD> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print out of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF and NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
 - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

- (A) 1. In case a Member receives physical copy of the Notice of the AGM (for Members whose e-mail addresses are not registered with the Company / Depositories): i. Initial password is provided in the enclosed attendance slip: EVEN (E-voting Event Number) + USER ID and PASSWORD .

Please follow all steps for e-voting for shareholders holding shares in physical mode to cast vote, as given above.

- (B) The voting period begins on Tuesday 26th September, 2017 at 9.00 a.m. and ends at 5.00 p.m. on Thursday 28th September 2017. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through electronic voting system or poll paper.
- (D) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@cdsl.co.in. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting vote.
- (E) The Board of Directors has appointed M/s. Kushla Rawat & Associates, Practicing Company Secretary (Membership No.33413) as the Scrutinizer to scrutinize the remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (F) The Chairman shall, at the AGM, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (G) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, 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 three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- (H) The Chairman or authorized representative shall declare the results of the electronic voting after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company in the annual reports section.
- (I) The investors may contact the Compliance Officer for redressal of their grievances /queries. For this purpose, they may either write to the officer at the registered office address or e-mail their grievances /queries to the Compliance officer at the following e-mail address: compliance@vaaradventures.com.

For and on behalf of the Board

Sd/-

Place: Mumbai
Date: 26th July 2017

Mr. Vickram Dosshi
Managing Director

**Explanatory Statement
(Pursuant to Section 102 of the Companies Act, 2013)**

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. of the accompanying Notice:

Item No.4

The Board at its meeting held on 26/07/2017 re-appointed Mr. Vickram Dosshi as the Managing Director of the Company, and approved by the member in the General meeting , for a period of five (5) years effective from 17/12/2017 upon the remuneration including perquisites approved by the Remuneration Committee at its meeting held on 26/07/2017 and other terms and conditions set out to be the same as per the earlier agreement of appointment of Managing Director agreed between the Company & Mr. Vickram Dosshi.

The material terms of the said draft agreement, relating to Mr. Vickram Dosshi's re-appointment, will be same per the earlier agreement which are as follows:

1. Mr. Vickram Dosshi to serve the Company as the Managing Director for a term of five years from 17/12/2017 to 16/12/2022 unless previously determined in pursuance of any of the provisions of the Agreement.
2. Mr. Vickram Dosshi to carry out such functions, exercise such powers and perform such duties, as the Board shall from time to time, in its absolute discretion determine and entrust to him. Subject to the superintendence, control and direction of the Board, Mr. Vickram Dosshi to have the general control of the business of the Company and to be vested with the management and day-to-day affairs of the Company.
3. Mr. Vickram Dosshi be entitled to the following remuneration during his tenure as Managing Director:-
 - a) Basic salary with Annual Increments as may be decided by the Remuneration Committee/ Board upto maximum of Rs. 2,00,000/- Per month
 - b) House Rent Allowance upto a maximum of Rs.1,00,000/- Per month
 - c) Other benefits, perquisites and allowances upto maximum of Rs. 1,00,000/- per month and provision of car for use for use of Company's business & telephone at residence.
 - d) Perquisites including contribution to provident Fund, superannuation Fund, Gratuity Fund as per the rules of the Company.
 - e) Leave Encashment as per the rules of the Company.

The remuneration committee / Board may at its discussion fix and revise from time to time the actual remuneration and perquisites of Mr. Vickram Dosshi within the aforesaid limits provided that the aggregate of the remuneration and perquisites payable to Mr.Vickram Dosshi shall be within the limits prescribed under section 197 read with schedule V and other applicable provisions of the Companies Act. And shall be subject to the approval of Central Government if and to the extent required.

4. Where in any financial year during the currency of tenure of Mr. Vickram Dosshi as the Managing Director, the Company has no profits or its profits are inadequate, Mr. Vickram Dosshi to be entitled, subject to the

approval of the Central Government, if & to the extent required, to the above remuneration as minimum remuneration.

5. Mr. Vickram Dosshi to devote his whole time and attention to the business of the Company and exert his best endeavors to promote its interest and welfare.
6. Mr. Vickram Dosshi to undertake such traveling in and outside India as may be necessary in the interest of the Company's business or as may from time to time be required or directed by the Board in connection with or relation to the business of the Company.
7. Mr. Vickram Dosshi to be entitled to reimbursement of all expenses including traveling, entertainment/business promotion and other out of pocket expenses incurred by him in the course of the Company's business.
8. Mr. Vickram Dosshi not to be paid any sitting fees for Meetings of the Board or of any Committee thereof attended by him.
9. The Board of Directors of the Company to have the authority to fix, vary, increase, revise, expand or enhance the remuneration and perquisites to be granted and paid to the Managing Director during the currency of the Agreement and/or in the event of any revision in the provisions relating to payment of managerial remuneration, within the overall ceiling as per Section 197 and to vary/modify/amend any of the terms and conditions to bring them in conformity with the applicable provisions of the Act, as amended from time to time.
10. Mr. Vickram Dosshi not to have the following powers:
 - (a) Power to make calls on shareholders in respect of moneys unpaid on shares;
 - (b) Power to issue Debentures.
11. Mr. Vickram Dosshi as long as he functions as the Managing Director of the Company not to become interested or otherwise concerned directly or through his wife and/or minor children, in any selling agency of the Company without the prior approval of the Board and/or the Central Government.
12. Mr. Vickram Dosshi not to, except in the proper course of his duties during the continuance of his employment or any time thereafter, divulge or disclose to any person whomsoever or make any use whatsoever for his own purpose or for any purpose of any information or knowledge obtained by him as to the business and/or affairs of the Company.
13. Upon completion of Mr. Vickram Dosshi's employment or at the request of the Board (or any other designated persons) at any time during the course of his employment, Mr. Vickram Dosshi to deliver all notes, books, papers, memoranda and other documents or any trade secrets or confidential information concerning the business of the Company (and the associated companies) acquired, received or made by Mr. Vickram Dosshi.
14. In the event of Mr. Vickram Dosshi ceasing to be in the employment of the Company before the expiry of the period of two years, Mr. Vickram Dosshi not to, for the remainder of such period, either alone or jointly with or as an employee of any person, firm or company, directly or indirectly, carry on or engage in any activities or business which shall be in competition with the business of the Company.
15. The employment of Mr. Vickram Dosshi to be forthwith determined if he becomes insolvent or ceases to be a Director of the Company.

16. In case Mr. Vickram Dosshi dies during the course of his employment, the Company to pay to his legal personal representatives the salary and other emoluments payable for the then current month together with such further sum as the Board in its sole and uncontrolled discretion may determine.
17. If Mr. Vickram Dosshi be guilty of any misconduct or any breach of the terms of his appointment, the Company may determine his termination by giving not less than 30 days' notice in writing.
18. Either party to be entitled to determine the Agreement by giving not less than six calendar months' prior notice in writing in that behalf to the other party without the necessity of showing any cause and on the expiry of the period of such notice Mr. Vickram Dosshi to cease to be in the employment of the Company, provided however that the Company to be entitled to terminate the employment at any time by payment to him of six months' salary in lieu of such notice or part thereof, subject to approval of the board. The said notice period of six months can be varied as may be mutually agreed between Mr. Vickram Dosshi and the Company.
19. If Mr. Vickram Dosshi ceases to be the Managing Director, he shall be deemed to have resigned from the office of Director.

The foregoing material terms may also be treated as an abstract of the terms of Mr. Vickram Dosshi's appointment for the purposes of Section 190 of the Companies Act, 2013.

Mr. Vickram Dosshi, aged 58, is a Business Man by profession and has more than 20 years of experience in running the Business units in various capacities. Mr. Vickram Dosshi has extensive experience and expertise in the field of overall general Management and financial Management to run the business units as a profit center ahead. Mr. Vickram Dosshi holds 3750 shares of the Company by himself.

Other Directorships:

Committee Memberships: Mr. Vickram Dosshi is the member of the audit committee of the Company.

It will be in the interest of the Company to avail itself of the services of Mr. Vickram Dosshi as a Managing director.

Your Directors also consider the remuneration payable to Mr. Vickram Dosshi to be commensurate with his duties and responsibilities as the Managing Director having regard to this experience and in context of the emerging competitive environment. The Directors recommend the passing of the resolution. The approval of the Members is required under section 196,197,198 and 203 of the Act, read with Schedule V thereto.

A copy of the draft agreement referred to in the resolution will be available for inspection by the members at the registered office of the Company during 09.00 am to 12.00 pm on any working days except Saturdays.

Mr. Vickram Dosshi and Mrs. Leena Doshi being wife of Mr. Vickram Dosshi are deemed interested in the resolution since it relates to his appointment and remuneration payable to him.

Item No.5

The Existing MOA/AOA are based on the Companies Act 1956 and several regulations in the existing MOA/AOA contain references to specific section of the Companies Act 1956 and some regulations in the existing MOA/AOA are no longer in conformity with the new Companies Act 2013.Hence it is considered expedient to wholly adopt the new set of Articles of Association and to amend the Memorandum of Association which shall be in conformity with the Companies Act 2013.The proposed new set of MOA/AOA are being uploaded on the Company's website for perusal by the shareholders. The draft AOA/MOA shall be available for inspection

during the meeting and can also be inspected by the members during the office hours on the working days between 09.00 am to 12.00 pm at the registered office of the Company.

None of the Directors/ KMP of the Company/ their relatives is in any way concerned or interested in the Special resolution set out for members approval.

PROFILE OF DIRECTOR

DETAILS OF DIRECTORS SEEKING APPOINTMENT /REAPPOINTMENT AT THE
FORTHCOMING ANNUAL GENERAL MEETING

| Particulars | Mrs. Leena Doshi |
|--|--|
| Date of Birth | 01/05/1965 |
| Date of Appointment | 17/12/2007 |
| Qualification | B.Com |
| Expertise in Specific Area | Wide experience in the field of Human Resource |
| Directorships held in other public companies (excluding foreign companies and Section 8 companies) | 1. Kimaya Shoppe Limited 2. Atco Water Technologies Limited 3. Kimaya Wellness Limited 4. Geo Thermal Water Limited 5. Varuna Drinking Water Solutions Private Limited |
| Directorships held in private companies | 1. Doshi Enterprises Private Limited 2. Covet Securities & Leasing Private Limited 3. Anew Electronic Industries Private Limited 4. Print Superb Printers Private Limited |
| Number of shares held in the Company | 37929270 |

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of Mrs. Leena Doshi, please refer to the Corporate Governance Report.

DIRECTOR'S REPORT

To The Members,

The Directors submit the 23rd Annual Report of Vaarad Ventures Limited along with the audited financial statements for the financial year (FY) ended March 31, 2017. Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL RESULTS:

FIGURES IN INR LAKH

| Particulars | Standalone | | Consolidated | |
|--|------------|---------|--------------|----------|
| | 2016-17 | 2015-16 | 2016-17 | 2015-16 |
| Sales & Other Income | 0.42 | 0.38 | 1.93 | 3.27 |
| Profit/(Loss) before Depreciation & Tax | (26.01) | (30.38) | (26.97) | (35.25) |
| Less: Depreciation | 5.06 | 4.19 | 16.47 | 39.66 |
| Profit Before tax | (31.08) | (34.58) | (43.44) | (74.91) |
| Less: Provision for Taxation | 0 | 0 | 0.00 | 0.00 |
| Add/(Less): Provision for deferred tax | 0.37 | 0.10 | 0.37 | 0.10 |
| Add/(Less): Prior Year Expenses | - | - | - | - |
| Profit after depreciation & tax | (30.70) | (34.47) | (43.07) | (74.81) |
| Add: Excess provision for Income Tax written Back | - | - | - | - |
| Profit for the year | (30.70) | (34.47) | (43.07) | (74.81) |
| Debit/Credit balance of profit & loss account brought forward | 162.79 | 197.26 | (443.92) | (370.83) |
| Change in depreciation provision acc. to Co. Act, 2013 and Other | - | - | | 1.72 |
| Amount Available for Appropriation | 132.08 | 162.79 | (487.47) | (443.92) |
| Balance Carried Forward to Balance Sheet | 132.08 | 162.79 | (487.47) | (443.92) |

PERFORMANCE:

Earnings Per share (basic and diluted) is Rs. (0.012) per share in financial year 2016-17, as compared to Rs. (0.014) per share in financial year 2015-16. The results however are strictly not comparable with the previous year. In the absence of profit, the board has not recommended any dividend.

SUBSIDIARY COMPANIES:

Subsidiary, Joint Ventures and Associate Companies

The Company has 4 direct subsidiaries and 5 step down subsidiaries as on 31st March, 2017. There are 2 associate companies within the meaning of Sec 2(6) of the Companies Act, 2013. 1 step down subsidiary i.e Geo Aquatech Limited has converted to a Limited Liability Partnership in the last year and Varuna Drinking Water Solutions Limited became a private limited company.

There has been no material change in the nature of business of the subsidiaries. Form AOC-1 is attached as **Annexure-I** to the Directors Report.

Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with separate audited accounts in respect of subsidiaries are available on the website of the Company – www.vaarad.com. They will also be available for inspection at our registered office during business hours between 9:00 am and 12:00 pm before the AGM as mentioned for inspection in the notice..

| Sr.No. | Subsidiaries | Business |
|--------|---|---|
| 1 | M/s Atco Limited and its wholly owned Subsidiary M/s Atcomaart Services Limited & M/s Innovamedia Publications Limited. | Industrial Supply Store Business & Publication Business |
| 2 | M/s Edesk Services Limited. | Software Development |
| 3 | M/s Varuna Drinking Water Solutions Private Limited and its wholly owned subsidiary M/s Geo Thermal Water Limited and M/s Geo Aquatech LLP. | Packaged Drinking Water Business |
| 4 | Mentor Capitalist Chambers Private Limited and its wholly owned subsidiary i.e. M/s Asset Resolution Services India Pvt. Limited | Consultancy and Advisory Services |

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;

- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by 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 2016-17.

RELATED PARTY TRANSACTIONS

None of the transactions in the current year with related parties falls under the scope of section 188(1) of the Act. The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website www.vaarad.com/Investorinformation.aspx.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONS

In the opinion of the Board, the independent directors are persons of integrity and possess relevant expertise and experience. Your Company has received the necessary declaration from the independent directors as required under Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013.

Mrs. Leena Doshi retires by rotation and being eligible has offered her for re-appointment.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees paid to them for the purpose of attending meetings of the Company.

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are - **Mr. Vickram Doshi**, Managing Director; **Mr. Sanjay Nimbalkar**, Chief Financial Officer; **Ms. Ishita Shah**, Company Secretary and Compliance Officer.

During the year under review, Ms. Ishita Shah, has been appointed as a Company Secretary and Compliance Officer of the Company with effect from 22nd September 2016. Mr. Sanjay Nimbalkar, CFO, ceased to be Compliance Officer of the Company.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"). The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows
- Decision-making on the basis of the Annual Report 2016-17 and the Board's report
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation
- Company's assessment of market opportunities

The performance of the board and committee was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board and committee composition and structure, effectiveness of board processes, information and functioning, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

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 evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

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. On March 31, 2017, the Board consists of four members, two of whom are promoter directors, and two 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.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

As part of the effort to evaluate the effectiveness of the internal control system, your Company's internal auditor reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The Audit Committee regularly reviews the audit findings and based on discussions with the internal and statutory auditors, recommends a number of control measures both in operational and accounting related areas, apart from security related measures which are then implemented by the company.

STATUTORY AUDITOR

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. K.M. Tapuriah & Co., Chartered Accountants (Firm Registration No.314043E), were appointed as statutory auditors of the Company from the conclusion of the 20th Annual General Meeting (AGM) of the Company held on 29th September 2014 till the conclusion of the 25th AGM to be held in the year 2019, subject to ratification of their appointment at every AGM. The Audit Report does not contain any qualification, reservation, adverse remark etc.

SECRETARIAL AUDITOR

The Board appointed Kushla Rawat & Associates, Practising Company Secretary to conduct the Secretarial Audit for the FY 2016-17. The Secretarial Audit Report for the financial year ended on March 31, 2017 is annexed herewith as **Annexure III**. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark etc.

TRAINING OF INDEPENDENT DIRECTORS

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor in the maintenance of high corporate governance standards of your Company. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of

Vaarad Ventures Limited 2016-17

Directors or otherwise.

The induction process is designed to:

- a. build an understanding of Vaarad Ventures, its businesses and the markets and regulatory environment in which it operates;
- b. fully equip Directors to perform their role on the Board effectively; and
- c. develop understanding of Company's people and its key stakeholder relationships.

RISK MANAGEMENT

The Board of Directors has assumed the responsibility of the Risk management Committee considering the size and nature of the business of your Company and in accordance with the provisions of the Companies Act, 2013 and Regulation 21 of the SEBI Listing Obligations and Disclosure Requirements Regulation 2015.

This involves:

1. Putting in place of Risk Management frameworks and processes.
2. Identifying risks and promoting a pro-active approach to treating such risks.
3. Allocating adequate resources to mitigate and manage risks minimize their adverse impacts on outcomes.
4. Striving towards strengthening the risk management system through continuous learning and improvement.
5. Communicating the required policy to the required shareholders through suitable means and periodically reviewing its relevance in a continuously changing business environment.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

EXTRACT OF ANNUAL RETURN

Extract of annual return as provided under Section 92(3) of the Act is given in **Annexure IV** in the prescribed Form MGT-9, which forms part of this report.

PARTICULARS OF EMPLOYEES

Particulars of Employees as required under Section 197 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not annexed hereto as none of the employees have drawn remuneration exceeding Rs. 5,00,000/- p.m. or Rs. 60,00,000/- p.a.

Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Nomination and Remuneration Committee continuously reviews the remuneration to align both the short term and long term business objectives of the Company.

Remuneration paid to Independent Directors:

| Name of the Director | Remuneration in fiscal 2017(Rs.) | Remuneration in fiscal 2016(Rs.) | No. of Stock Options | % increase of remuneration (2017-16) |
|----------------------|----------------------------------|----------------------------------|----------------------|--------------------------------------|
| 1. Piyush A. Vora | 30,000/- | 20,000/- | - | N.A |
| 2.Dilip Mehta | 30,000/- | 25,000/- | - | N.A |

| Title | Remuneration in fiscal 2017 (Rs.) | Remuneration in fiscal 2016 (Rs.) | No. of Stock Options | % increase of remuneration over (2017 over 2016) | Excl. WTD | Incl. WTD | Ratio of Rem. to | |
|-------|-----------------------------------|-----------------------------------|----------------------|--|--------------------------|------------------------------|---------------------------|-----------------------------|
| | | | | | Ratio of Rem. To MRE (2) | Ratio of Rem.to MRE &WTD (2) | Net Profit (Fiscal 2017)* | Net Profit (Fiscal 2016) ** |
| CFO | 2,73,840/- | 2,73,840/- | - | N.A. | N.A. | N.A. | N.A. | N.A. |
| CS | 2,40,000/- | 2,50,000/- | - | N.A. | N.A. | N.A. | N.A. | N.A. |

No others fall under Employees. Based on annualized average salary

** Being an Investment Company, there are no revenues against which salary can be seen.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

RBI GUIDELINES

The Company is complying with all the requirements of Reserve Bank of India for Non-Banking Finance Company. In terms of paragraph 9BB of the NBFC Regulations, the particulars as applicable to the company are appended to the Balance Sheet.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details as required by Companies Accounts Rules, 2014 in relation to the conservation of energy, technology absorption and foreign exchange outgo are annexed as **Annexure-II** to the Directors report.

SIGNIFICANT & MATERIAL ORDERS

There are no significant & material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

GENERAL

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

Your directors wish to place on record and acknowledge their appreciation for the continued support & co-operation received from Government Authorities, lending institutions, and esteemed shareholders of the company. Directors also record their appreciation for the total dedication of the employees.

For and on behalf of the Board

Sd/-

Mr. Vickram Dosshi
Managing Director

Place: Mumbai
Date: 26th July 2017

ANNEXURE TO THE DIRECTORS REPORT**ANNEXURE I - Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Account Rules, 2014)

Statement containing Salient Features of the Financial Statements of the Subsidiaries

| Name of Subsidiary Company | Reporting Currency | Share Capital | Reserves and Surplus | Total Assets | Total Liabilities | Turnover | Profit before Taxation | Provision for Taxation | Profit after Taxation | % of Share holding |
|---|-----------------------|------------------|-------------------------|--------------|-------------------|----------|---------------------------|---------------------------|--------------------------|-----------------------|
| M/s Atco Limited | INR | 2190250 | 166,344,218 | 212,715,855 | 44,181,387 | NIL | -70,779 | NIL | -70,779 | 100.00 |
| M/s Atcomaart Services Limited | INR | 5110000 | -15,296,357 | 441,499,186 | 451,685,543 | NIL | -91,575 | NIL | -91,575 | 100.00 |
| M/s Innovamedia Publication | INR | 1998000 | 14,035,910 | 16,501,444 | 467,534 | NIL | -6210 | NIL | -6210 | 100.00 |
| M/s Edesk Services Limited | INR | 4210000 | 32,465,643 | 249,094,140 | 212,418,497 | NIL | -12,369 | NIL | -12,369 | 100.00 |
| M/s Varuna Drinking Water Solutions Private Limited | INR | 932500 | 16,804,820 | 17,800,000 | 62,680 | NIL | -11,245 | NIL | -11,245 | 100.00 |
| M/s Geo Thermal Water Limited | INR | 980000 | 12522369 | 15690381 | 2188012 | NIL | -1027031 | NIL | -1027031 | 100.00 |
| M/s Mentor Capitalist Chambers Private Limited | INR | 100,000 | -339,759 | 100000 | 339759 | NIL | -5,252 | NIL | -5,252 | 52.50 |
| M/s Asset Resolution Services India Private Limited | INR | 100000 | -41519 | 4070267 | 4011786 | NIL | -5,914 | NIL | -5,914 | 52.50 |
| M/s Geo Aquatech LLP | INR | 500000 | -41,680 | 468714 | 10394 | NIL | -6,544 | NIL | -6,544 | 52.50 |

Part "B": Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

| Name of Associates | Anewera Marketing Private Limited | Kimaya Shoppe Limited |
|---|--|-------------------------------|
| 1. Latest audited Balance Sheet Date | 31/03/2017 | 31/03/2017 |
| 2. Shares of Associate/Joint Ventures held by the company on the year end No. | 95000 | 396900 |
| Amount of Investment in Associates/Joint Venture | 950000 | 3969000 |
| Extend of Holding% | 39.58% | 48.99% |
| 3. Description of how there is significant influence | Shareholding greater than 20% | Shareholding greater than 20% |
| 4. Reason why the associate/joint venture is not consolidated | It is immaterial in nature. | It is immaterial in nature. |
| 5. Net worth attributable to shareholding as per latest audited Balance Sheet | | |
| 6. Profit/Loss for the year | | |
| i. Considered in Consolidation | | |
| ii. Not Considered in Consolidation | | |

For and on behalf of the Board

Sd/-

Place: Mumbai
Date: 26th July 2017

Mr. Vickram Dosshi
Managing Director

ANNEXURE-II

[Pursuant to Section 134(3) (m) of The Companies Act, 2013 read with rule 8(3) of The Companies (Accounts) Rules, 2014]

(A) CONSERVATION OF ENERGY

a. Energy conservation measures taken:

- Use of natural light through bigger windows, skylights, etc.
- Increase in power factor by using additional capacitors and automation in control panel.
- Monitoring and control of running time of compressors of air conditioners.
- Replacement of conventional copper chokes with energy-efficient electronic ballast.
- Replacement of lights with LED bulbs.
- Replacement of older window air conditioners to star rated airconditioners for power saving.

b. Additional investment and proposals:

- It is planned to extend the measures taken during the current year, which yield good results, to other areas/equipment/offices.
- Electronizer equipment is actively being considered for optimizing energy consumption in lighting loads.
- The measures taken above have resulted in reduction of power consumption by upto 50% in some cases.

(B) TECHNOLOGY ABSORPTION

a. Research and Development (R&D)

Your Company being in financial services business does not conduct conventional research and development. However, the company wishes to become a listed private equity player and do newer innovation for the proposed business.

b. Technology absorption, adaptation and innovation: Not applicable

Benefits derived: Not applicable

Information regarding technology imported during the last five years:

- | | | |
|---------------------------------------|---|----------------|
| a. Technology imported | : | No |
| b. Year of Import | : | Not applicable |
| c. Has technology been fully absorbed | : | Not applicable |

Vaarad Ventures Limited 2016-17

d. If not fully absorbed, areas where

This has not been taken place, reasons:

Not applicable

Therefore and future plans of actions

(C) FOREIGN EXCHANGE EARNING/OUTGO

There has been no foreign currency earning/outgo during the previous year 2016-17.

| | 2016-17 | 2015-16 |
|---------|----------------|----------------|
| Earning | - | - |
| Outgo | - | - |

For and on behalf of the Board

Sd/-

Place: Mumbai

Date: 26th July 2017

Mr. Vickram Dosshi

Managing Director

ANNEXURE III

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

To,
The Members,
Vaarad Ventures Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Vaarad Ventures 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 my 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 my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017, 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 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (now known as SEBI (Prohibition of Insider Trading) Regulation 2015);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company for the year under review)

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company for the year under review)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company for the year under review)
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not applicable to the Company for the year under review).

(vi) Other applicable laws/acts to the Company:

- 1. Weekly Holidays Act, 1942
- 2. Bombay Stamp Act, 1958
- 3. Shops and Establishment Act, 1948
- 4. Service Tax and Profession Tax
- 5. Income Tax Act, 1961
- 6. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- 7. Maternity Benefit Act, 1961
- 8. RBI Act, 1934 under section 45-IA
- 9. Negotiable Instruments Act, 1881
- 10. Registration Act, 1908

Further we have relied on the company officials that, The Payment of Gratuity Act 1972, The Employees Provident Funds and Miscellaneous Provisions Act 1952 are being complied with. The Equal Remuneration Act 1976, Contract Labour (Regulation abolition) Act 1970 does not apply to the company as it is an investment company with no labourers and/ or is outside the purview of the Acts aforementioned.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to following observations:

- 1. Ms. Ishita Shah appointed as a whole time Company Secretary and Compliance Officer of the Company w.e.f 22nd September 2016.

We further report that;

The compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

Being a NBFC Company, during the audit period the company has complied with all the compliances of RBI and there were no notices or letters received from Reserve Bank of India (RBI).

We further report that;

There was no 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.

Adequate notice is given to all the directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

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

We further report that Based on the information received and records maintained 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 the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

For Kushla Rawat & Associates
Company Secretary

(Kushla Rawat)
Place: Mumbai
Date: 26th July 2017

ACS No: 33413
COP No: 12566

Note: 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 of the AUDITORS REPORT

To,
The Members,
Vaarad Ventures Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Kushla Rawat & Associates
Company Secretary

Place: Mumbai
Date: 26th July 2017

(Kushla Rawat)
ACS No: 33413
COP No: 12566

ANNEXURE IV - FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rule, 2014.

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|--|--|
| 1. | CIN | L65990MH1993PLC074306 |
| 2. | Registration Date | 04/10/1993 |
| 3. | Name of the Company | VAARAD VENTURES LIMITED |
| 4. | Category/Sub-category of the Company | Company limited by shares |
| 5. | Address of the Registered office & contact details | 6/A, Lalwani Industrial Estate, 14 G. D. Ambekar Road, Wadala, Mumbai 400031 Tel: 022-24117085 |
| 6. | Whether listed company | YES |
| 7. | Name, Address & Contact of R & T Agent | Bigshare Services Private Limited Bharat Tin Works Building 1 st Floor Opp. Vasant Oasis, Makwana Road, Marol Andheri – East Mumbai – 400059 TEL: 022- 62638200 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(The entire business activities contributing 10% or more of the total turnover of the company shall be stated)

| No. | Name and Description of main products /services | NIC Code of The Product/servi | % of total turnover of the Company |
|-----|---|-------------------------------|------------------------------------|
| 1 | Non-Banking Financial Company` | 649 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

| Sr. No. | Name and address of the Company | CIN/GLN | Holding / Subsidiary /Associate | % held | Applicable Section |
|---------|---|-----------------------|---------------------------------|--------|--------------------|
| 1 | Atcomaart Services Limited | U20100MH2004PLC112674 | Subsidiary | 100% | 2(87) |
| 2 | Atco Limited | U29219MH2010PLC201847 | Subsidiary | 100% | 2(87) |
| 3 | Innovamedia Publications Limited | U15540MH1997PTC222401 | Subsidiary | 100% | 2(87) |
| 4 | Asset Resolution Services India Private Limited | U74120MH2010PTC209454 | Subsidiary | 52.50% | 2(87) |
| 5 | Mentor Capitalist Chambers Private Limited | U93030MH2011PTC218429 | Subsidiary | 100% | 2(87) |
| 6 | Varuna Drinking Water Solutions Private Limited | U41000MH2011PLC214211 | Subsidiary | 100% | 2(87) |
| 7 | Geo Thermal Water Limited | U41000MH2010PLC201691 | Subsidiary | 100% | 2(87) |
| 8 | Anewera Marketing Pvt Limited | U51900MH1996PTC103451 | Associate | 40% | 2(6) |
| 9 | Edesk Services Limited | U15540MH2004PTC223176 | Subsidiary | 100% | 2(87) |
| 10 | Geo Aquatech LLP | AAI-2142 | Subsidiary | 100% | 2(87) |
| 11 | Kimaya Shoppe Limited | U15540MH1997PLC112666 | Associate | 49% | 2(6) |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

| Category of Shareholders | No. of Shares held at the beginning of the year[As on31-March-2016] | | | | No. of Shares held at the end of the year[As on31-March-2017] | | | | % Change during the year |
|--------------------------|---|----------|-----------|------------------|---|----------|-----------|-----------------|--------------------------|
| | Demat | Physical | Total | % of Total Share | Demat | Physical | Total | %of Total Share | |
| A. Promoters | | | | | | | | | |
| (1)Indian | | | | | | | | | |
| a)Individual/HUF | 173694090 | NIL | 173694090 | 69.50 | 173694240 | NIL | 173694240 | 69.50 | NIL |
| b) Central Govt | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| c) State Govt(s) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d) Bodies Corp. | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| e) Banks /FI | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| f) Any other | 4219600 | NIL | 4219600 | 1.69 | 4219600 | NIL | 4219600 | 1.69 | NIL |

| | | | | | | | | | |
|---|-----------|--------|-----------|-------|-----------|--------|-----------|-------|------|
| Total shareholding of Promoter(A) | 177913690 | NIL | 177913690 | 71.19 | 177913840 | NIL | 177913840 | 71.19 | NIL |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| a) Mutual Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| b) Banks /FI | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| c) Central Govt | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| d) State Govt(s) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| e) Venture Capital Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| f) Insurance Companies | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| g) FIIs | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| h) Foreign Venture Capital Funds | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| i) Others specify | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-total(B)(1):- | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 60594766 | 2600 | 60597366 | 24.25 | 60744892 | 2600 | 60747492 | 24.31 | 0.06 |
| ii) Overseas | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| b) Individuals | | | | | | | | | |
| i) Individuals Shareholders holding nominal share capital upto Rs. 2 lakh | 1823365 | 281850 | 2105215 | 0.84 | 2139815 | 276250 | 2416065 | 0.97 | 0.13 |
| ii) Individual shareholding nominal share capital in excess of Rs 2 lakh | 2021160 | NIL | 2021160 | 0.81 | 1710400 | NIL | 1710400 | 0.68 | 0.12 |
| c) Others(specify) | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |

Vaarad Ventures Limited 2016-17

| | | | | | | | | | |
|--|-----------|--------|-----------|--------|-----------|--------|-----------|--------|------|
| Non-Resident Indians | 260203 | NIL | 260203 | 0.10 | 111203 | NIL | 111203 | 0.04 | 0.06 |
| Overseas Corporate Bodies | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Foreign Nationals | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Clearing Members | 4366 | NIL | 4366 | 0.00 | 3000 | NIL | 3000 | 0.00 | NIL |
| Trusts | 7001000 | NIL | 7001000 | 2.80 | 7001000 | NIL | 7001000 | 2.80 | NIL |
| Foreign Bodies-D R | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Sub-total(B)(2):- | 71704860 | 284450 | 71989310 | 28.81 | 71710310 | 278850 | 71989160 | 28.81 | NIL |
| Total Public Shareholding(B)=(B)(1)+(B)(2) | 71704860 | 284450 | 71989310 | 28.81 | 71710310 | 278850 | 71989160 | 28.81 | NIL |
| C. Shares held by | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Custodian for GDRs & | | | | | | | | | |
| ADRs | | | | | | | | | |
| Grand Total(A+B+C) | 249618550 | 284450 | 249903000 | 100.00 | 249624150 | 278850 | 249903000 | 100.00 | NIL |

*The additional 150 shares shown in the promoter holding is due to clubbing of folios.

B) Category-wise Shareholding: Promoters

| | | Shareholding at the beginning of the year as on 31-03-2016 | | | Shareholding at the end of the year as on 31-03-2017 | | | % Change in shareholding during the year |
|----|--|--|---------|--------------|--|---------|--------------|--|
| SN | Shareholders | No. of shares | Total % | % Encumbered | No. of shares | Total % | % Encumbered | |
| 1 | Leena V. Doshi | 37929270 | 15.18 | NIL | 37929270 | 15.18 | NIL | NIL |
| 2 | Vikram A. Doshi | 3600 | 0.01 | NIL | 3750 | 0.01 | NIL | NIL |
| 3 | Harsh V. Doshi | 30471038 | 12.19 | NIL | 30471038 | 12.19 | NIL | NIL |
| 4 | Tanvi V. Doshi | 105188982 | 42.09 | NIL | 105188982 | 42.09 | NIL | NIL |
| 5 | Vikram Anantrai HUF | 101200 | 0.04 | NIL | 101200 | 0.04 | NIL | NIL |
| 6 | Kimaya Shoppe Limited | 2676000 | 1.07 | NIL | 2676000 | 1.07 | NIL | NIL |
| 7 | Covet Securities & Leasing Pvt Limited | 1543600 | 0.62 | NIL | 1543600 | 0.62 | NIL | NIL |

*The additional 150 shares shown in the promoter holding is due to clubbing of folios.

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

There is no change in promoter's shareholding.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| | | Shares as on 31-03-2016 | % of total shares of the company | Shares as on 31-03-2017 | % of total shares of the company |
|----|---|-------------------------|----------------------------------|-------------------------|----------------------------------|
| 1 | Kimaya Wellness Limited | 37789180 | 15.12 | 37789180 | 15.12 |
| 2 | Kans Trading Company Private Limited | 10500000 | 4.2 | 10500000 | 4.2 |
| 3 | Nitin Datanwala (as trustee) | 7000000 | 2.8 | 7000000 | 2.8 |
| 4 | Mehta Brokerage Private Limited | 3555155 | 1.42 | 3255155 | 1.3 |
| 5 | Nimish Brokerage Private Limited | 3000000 | 1.2 | 3000000 | 1.2 |
| 6 | Mehta Media and Entertainment Private Limited | 3000000 | 1.2 | 3000000 | 1.2 |
| 7 | Shrishti Earthmovers LLP | 2625000 | 1.05 | 2775000 | 1.1 |
| 8 | Rajesh K. Mehta | 569998 | 0.23 | 503025 | 0.2 |
| 9 | Ketan Mehta | 648129 | 0.26 | 497567 | 0.2 |
| 10 | Pallaviben Ketankumar Mehta | 610839 | 0.24 | 610839 | 0.24 |

E) Shareholding of Directors and Key Managerial Personnel:

| | Shareholding at the beginning of the year 31-03-2016 | | Shareholding at the beginning of the year 31-03-2017 | |
|----------------------------------|--|----------------------------------|--|----------------------------------|
| | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| For Each of the Directors | | | | |
| 1. Vickram A. Dosshi | 3600 | 0 | 3750 | 0 |
| 2. Leena V. Doshi | 37929270 | 15.18 | 37929270 | 15.18 |

*The additional 150 shares shown in the promoter holding is due to clubbing of folios.

V) INDEBTEDNESS-

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|--|--------------------|----------|-----------------------|
| Indebtedness at the Beginning of the year | | | | |
| i) Principal Amount | 189228 | 56668996 | NIL | 56858224 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (I + ii+iii) | 189228 | 56668996 | NIL | 56858224 |
| Change in Indebtedness during the year | | | | |
| *Addition | NIL | 17812821 | NIL | 17812821 |
| * Reduction | NIL | -30675423 | NIL | -30675423 |
| Net Change | | | NIL | |
| Indebtedness at the end of the year | | | | |
| i) Principal Amount | 189228 | 43806394 | NIL | 43995622 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total(i +ii +iii) | 189228 | 43806394 | NIL | 43995622 |

VI.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

| Sr. No | Particulars of Remuneration | Managing Director, Whole-time Directors and/or Manager |
|--------|---|--|
| 1 | Gross salary | MD – Mr. Vickram Dosshi |
| | (a) Salary as per provisions contained in section17(1) of the Income-tax Act,1961 | 6,60,000 |
| | (b) Value of perquisites u/s 17(2)Income-tax Act,1961 | NA |
| | (c) Profits in lieu of salary undersection17(3) Income-tax Act,1961 | NA |
| 2 | Stock Option | NA |
| 3 | Sweat Equity | NA |
| 4 | Commission - as % of profit Others specify... | NA |
| 5 | Salary Paid | 6,60,000/- |
| 6. | Ceiling as per Act | 84,00,000/- |

B. Remuneration to other directors:

| SN. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|-----|--|-------------------|-----------------|-----------------|--------------|
| | | Mrs. Leena Doshi | Mr. Piyush Vora | Mr. Dilip Mehta | |
| 1 | Independent Directors | | | | |
| | Fee for Attending Board and Committee Meetings | NIL | 30,000 | 30,000/- | 60,000/- |
| | Commission | NIL | NIL | NIL | NIL |
| | Others, please specify | NIL | NIL | NIL | NIL |
| | Total (1) | NIL | 30,000 | 30,000/- | 60,000/- |
| 2 | Other Non-Executive | | | | |
| | Fee for Attending Board and Committee Meetings | 20,000/- | NIL | NIL | 20,000/- |
| | Commission | NIL | NIL | NIL | NIL |
| | Others, please specify | NIL | NIL | NIL | NIL |
| | Total (2) | 20,000/- | NIL | NIL | |
| | Total(B)=(1+2) | 20,000/- | 30,000/- | 30,000/- | 80,000/- |
| | Total Managerial Remuneration | | | | |
| | Overall Ceiling as per the Act | 400,000/- | 500,000/- | 500,000/- | 13,00,000/- |

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTM

| Sr. No | Particulars of Remuneration | Key Managerial Personnel | | Total |
|--------|---|--------------------------|----------------------|------------|
| | | CS | CFO | |
| | | | Mr. Sanjay Nimbalkar | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 2,40,000/- | 2,73,840/- | 5,13,840/- |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | NIL | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | NIL | NIL | NIL |
| 2 | Stock Option | NIL | NIL | NIL |
| 3 | Sweat Equity | NIL | NIL | NIL |
| 4 | Commission | NIL | NIL | NIL |
| | - as % of profit | NIL | NIL | NIL |
| | Others specify... | NIL | NIL | NIL |
| 5 | Salary Paid | 2,40,000/- | 2,73,840/- | 5,13,840/- |

The salaries above are annualized.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

| 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 | None and Not Applicable | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | None and Not Applicable | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. Others Officers in Default | | | | | |
| Penalty | None and Not Applicable | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

MANAGEMENT DISCUSSION AND ANALYSIS

• **INDUSTRY STRUCTURE AND DEVELOPMENTS.**

Non- Banking Finance Companies (NBFC) are integral part of the country's financial system because of their complementary as well as competitive role. They act as a critical link in the overall financial system catering to a large market of niche customers. As a result of consolidation and restructuring in the financial sector and liberalization and globalization of markets only few strong NBFCs now remain in business. However, competition continues to be intense, as there are several Indian and foreign funds scouting new investment opportunities. NBFCs can sustain in this competitive environment only through optimization of funding costs, identification of potential business areas, widening geographical reach, and use of technology and with an execution oriented focus. **VAARAD VENTURES LIMITED** is the holding company of diverse business activities which are being carried on through its wholly owned subsidiaries. It has been set up by entrepreneurs and professionals having four decades of experience in strategizing, building, managing, internationalizing and understanding toughest growth challenges while aspiring to reach to the top and multiplying value for their businesses.

• **OPPORTUNITIES AND THREATS:**

The performance of capital market in India has a direct correlation with the prospect of economic growth and political stability. Though the growth projections for FY 2016-2017 appeared reasonable given due importance to the event of demonetisation, and the pace of recovery along with other microeconomic factors. There is lot of opportunities for investment in capital market. Your Company has a separate research and analysis department, which analyze the market and advice the management in building good portfolio. Our business performance may also be impacted by increased competition from local and global players operating in India, regulatory changes and attrition of employees.

• **RISKS & CONCERNS:**

In financial services business, effective risk management has become very crucial. As an NBFC, your Company is exposed to credit risk, liquidity risk & interest rate risks. Your company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analyzed and reviewed at various levels of management through an effective information system.

• **HUMAN RESOURCES:**

Your company continues to lay emphasis on people. It considers human resource as its most valuable resource. Your company strives to focus on attracting and retaining the right talent. Your Company is taking various steps to develop the skills and enhance the knowledge of the Human Resources.

Your Company's human resource philosophy aims at nurturing an organizational culture that respects people, empowers and enables them to deliver high-quality performance and reward talent with competitively superior compensation and accelerated career growth opportunities. Your Company values its people's integrity, excellence and the entrepreneurial passion to achieve. The Company has elaborate processes in place to prevent discrimination and harassment including sexual harassment. A Whistle blower policy is also in place.

• **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward-looking 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. The actual results may be different from those expressed or implied since the company's operations are affected by the many external and internal factors, which are beyond the control of the management. Hence, the Company assumes no responsibility in respect of forward – looking statements that may be amended or modified in future on the basis of subsequent developments, information or events. Important factors that could influence the Company's operation and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all the transactions in every sense and meet its stakeholder's aspirations and expectations. Good governance practices stem from the culture and the mindset of the organization and at Vaarad we are committed to meet all our aspirations of the stakeholders of the company.

The Board of Directors has adopted 'Code of Conduct' for the Company which is a statement of practices and the procedures to be followed by the Company's directors. The copy of the code is available on Company's website Board of Directors (URL: <http://www.vaarad.com/Investors.aspx>)

THE BOARD OF DIRECTORS

The Board of Directors comprises professionals drawn from diverse fields, who bring with them a wide range of skills, expertise and experience. The Non-Executive and the Independent Directors bring external and wider perception and independence in the decision making. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosures) Regulations, 2015 read with Section 149 of the Act.

The company has received written representations from the directors stating their compliance with Regulation 26 of the SEBI (Listing Obligations and Disclosures) Regulations, 2015. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2017 have been made by the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosures) Regulations, 2015 Regulations read with Section 149(6) of the Act.

The details of the meetings of the board of directors are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.

CATEGORY AND ATTENDANCE OF DIRECTORS

| Name of Director | Category | Number of Board Meetings attended during the year 16-17 | Whether attended last AGM held on 29th September, 2016 | Number of directorships in other Public Companies | Number of committee positions held in other public companies | |
|------------------|------------|---|--|---|--|--------|
| | | | | | Chairman | Member |
| Mr. Vickram | Chairman & | 5 | Yes | 8 | - | 2 |

| | | | | | | |
|--|--|---|-----|---|---|---|
| Dosshi DIN:00063455 | Managing Director | | | | | |
| Mrs. Leena Doshi DIN:00404404 (Related to Mr. Vickram Dosshi) | Non-Executive/ Promoter | 5 | Yes | 4 | - | - |
| Mr. Piyush Vora DIN:00018995 | Non-Executive/ Independent Director Shareholding - 0 | 4 | Yes | - | - | 2 |
| Mr. Dilip Mehta DIN:00991101 | Non-Executive/ Independent Director Shareholding - 0 | 4 | Yes | - | 2 | - |

Board meetings are normally held at the Registered Office of the company. The dates of the Board Meetings are fixed well in advance.

During the year, in all five 5 Board Meetings were held, i.e. 30th May 2016; 12th August 2016; 17th September, 2016; 11th November, 2016 and 10th February, 2017. The time interval between any two meetings was not more than 120 days. The necessary quorums were present for all the meetings. The directors evaluation meeting was held on 29th March 2017.

During the year 2016-17, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration. The terms and conditions of appointment of the independent directors are disclosed on the website of the Company. The familiarization programme of the independent directors can be seen on (www.vaarad.com/investors.aspx).

Meeting of Independent Directors

During the year a separate meeting of the independent directors was held on 29th March, 2017 inter-alia to review the performance of non-independent directors and the board as a whole. The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company.

COMMITTEES OF THE BOARD

1. AUDIT COMMITTEE

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

The objective of Audit Committee is to assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the company and its compliances with legal and regulatory requirements.

TERMS OF REFERENCE

The Audit Committee reviews the reports of the Statutory Auditors periodically and discusses their findings, and suggests corrective measures. The role of the Audit Committee is as follows:

1. 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.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

Matters being included in the Director's Responsibility Statement to be included in the Board's report in terms section 134 of the Companies Act, 2013.

Changes, if any, in accounting policies and practices and reasons for the same

Major accounting entries involving estimates based on the exercise of judgment by management

Significant adjustments made in the financial statements arising out of audit findings

Compliance with listing and other legal requirements relating to financial statements

Disclosure of any related party transactions

Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Examination of the financial statement and the auditors' report thereon;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Establish and review functioning of the vigil mechanism and whistle blower policy for directors and employees to report genuine concerns in such manner as may be prescribed;
14. The audit committee shall review the information required as per SEBI Listing Regulations.
15. Reviewing the findings of any internal investigations by the internal auditors 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;
16. 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;
17. 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
18. reviewing performance and adequacy of the statutory and internal audit functions and discussions on significant findings
19. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
20. Call for comments on the internal control system and review the financial statements before they are submitted to the board of directors

The composition of the Audit Committee and the details of meetings attended by its members are given below:

| Name of the Member | Category | No. of Meetings attended during 2016-17 | |
|-------------------------------|----------------------------|---|----------|
| | | Held | Attended |
| Mr. Dilip Mehta, Chairman | Independent, Non-Executive | 4 | 4 |
| Mr. Piyush Vora, Member | Independent, Non-Executive | 4 | 4 |
| Mr. Vickram Dosshi, Member | Executive, Promoter | 4 | 4 |

Four audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows: May 30, 2016; August 12, 2016; November 11, 2016; and February 10, 2017.

The necessary quorum was present for all the meetings.

2. NOMINATION & REMUNERATION COMMITTEE:

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

TERMS OF REFERENCE

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors 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;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 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.

COMPOSITION AND ATTENDANCE DURING THE YEAR

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

| Name of the Member | Category | No. of Meetings attended during 2016-17 | |
|------------------------------|-------------------------------|---|----------|
| | | Held | Attended |
| Mr. Dilip Mehta, Chairman | Independent, Non Executive | 1 | 1 |
| Mr. Piyush Vora Member | Independent, Non Executive | 1 | 1 |

The Committee met one time during the year, on 8th March, 2017.

xii. The Company does not have any Employee Stock Option Scheme.

xii. Performance Evaluation Criteria for Independent Directors: The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. A list of factors that may be evaluated including participation and contribution by a director, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of the directors.

Remuneration Policy

Executive Directors and Non-Executive Directors (including Independent Directors)

Remuneration of the Executive Directors consists of a fixed component and is decided as per contract and as approved in accordance with economic conditions in the board meetings. The Non-Executive Directors shall only be entitled to sitting fees, as approved by the Board of Directors on recommendation of Nomination & Remuneration Committee and in accordance with the maximum limits provided in the provisions of Sections 197 of the Companies Act, 2013. During the year 2016-17 the Company paid sitting fees of Rs. 5000 per meeting to its non- executive Directors for attending meetings of the Board and Audit Committee.

The Managing Director, Mr. Vickram Dosshi being an Executive Director of the Company is entitled to fixed component of Rs. 48,00,000/- p.a as per the contract signed on 17/12/2012. He has however decided to waive off a significant portion of the same this year. The fees and payments made to the directors are shown in MGT-9.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.

The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:

| Name of the Member | Category |
|-----------------------------|-----------------------------|
| Mr. Dilip Mehta Chairman | Independent, Non –Executive |
| Mr. Piyush Vora Member | Independent, Non –Executive |

| Pending at the Beginning of the Year | Received during the | Resolved during the | Remaining Unresolved during the year |
|---|---------------------|---------------------|---|
| | | Year | |
| 0 | 0 | 0 | 0 |

Compliance Officer

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent / issued within 7-10 days except in case of dispute over facts or other impediments. No investor grievances remained unattended / pending for more than 30 days as on March 31, 2017.

During the Financial year Mr. Sanjay Nimbalkar, Chief Financial Officer has ceased to be the compliance officer of the Company and Ms. Ishita Shah was appointed as the Compliance officer of the Company w.e.f 22nd September 2016.

Name and Designation of the Compliance Officer:

Ms. Ishita Shah
Company Secretary and Compliance Officer
6A, Lalwani Industrial Estate,
14 G D Ambekar Rd, Wadala, Mumbai 31
Tel: 0222-4117082

GENERAL BODY MEETINGS

a) Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed:

| | | | |
|--|---|----------|--|
| Thursday, 29 th September, 2016 | 6A, Lalwani Industrial Estate, 14 G D Ambekar Rd, Wadala, Mum 31 | 10.00 am | NIL |
| Wednesday, 30 th September, 2015 | 6A, Lalwani Industrial Estate, 14 G D Ambekar Rd, Wadala, Mum 31 | 10.00 am | NIL |
| Monday, 29 th September, 2014 | 6A, Lalwani Industrial Estate, 14 G D Ambekar Rd, Wadala, Mum 31 | 9:00 AM | 1. Appointment of Mr. Nitin Datanwala as Independent Director for a period of 5 years. 2. Power to borrow money beyond the limits specified in Section 180(1)(c) of Companies Act, 2013 |

All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.

b) No Extra-ordinary General Meeting of the shareholders was held during the year.

During the previous year under review, no special resolution was passed through postal ballot.

c) Details of Special Resolutions proposed to be conducted through postal ballot:

No special resolution is to be conducted through postal ballot at the AGM to be held on 29th September, 2017.

RELATED PARTY TRANSACTION

The Company has not entered into any related party transaction during the year. As per the requirements of Companies Act and Listing Regulations the policy is adopted by the company for related party transaction and is available on the Company's website ([URL:http://www.vaarad.com/InvestorInformation.aspx#Disclosures](http://www.vaarad.com/InvestorInformation.aspx#Disclosures))

OTHER DISCLOSURES & COMPLIANCES

a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at Large.

During the year, there were no transactions of materially significant nature with the Promoters or Directors or the Management or the Subsidiaries or relatives etc. that had potential conflict with the interests of the Company at large. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website.

(<http://www.vaarad.com/InvestorInformation.aspx#Disclosures>)

b. Disclosure of accounting treatment

The amount written off on account of loan settlement has been taken to the general reserve.

c. CFO certification

The Chief Financial Officer, Mr. Sanjay Nimbalkar has provided the Certificate to the Board in accordance with Clause 49 IX of the Listing Agreement pertaining to CFO certification for the Financial Year ended 31st March, 2017.

d. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

e. Whistle Blower policy

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy has also been placed on the Company's website. (<http://www.vaarad.com/InvestorInformation.aspx#Disclosures>)

f. Code for Prevention of Insider Trading:

The Company has adopted a Code of Conduct for Prohibition of Insider Trading to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code has also been posted on the Company's website (URL:<http://www.vaarad.com/InvestorInformation.aspx#InsiderTrading>)

All Promoters, Directors, Key Managerial Personnel and other specified persons who could have access to unpublished price sensitive information of the Corporation are governed by this Code

g. Disclosures under the Prevention of Sexual Harassment of Women at workplace(Prevention, Prohibition and Redressal Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013 and the rules there under for prevention and redressal of complaints of sexual harassment at workplace.

The Company has not received any complaint on sexual harassment during the year 2016-17.

h. The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations:

a. G. C. Patel & Co., the internal auditors of the Company, make representations directly to the audit committee on their findings and suggestions.

i. Web link where policy for determining 'material' subsidiaries is disclosed:

The policy adopted by the company for material subsidiaries is available on the Company' website (URL:

<http://www.vaarad.com/InvestorInformation.aspx#Disclosures>)

SECRETARIAL AUDIT

- Pursuant to Clause 47 (c) of the Listing Agreement with the Stock Exchanges, certificates have been issued, on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with CDSL).
- M/s Kushla Rawat& Associates, Practicing Company Secretaries have conducted a Secretarial Audit of the Company for the year 2016-17. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, its Memorandum and Articles of Association, Listing Agreements with the Stock Exchanges and the applicable SEBI Regulations.

CODE OF CONDUCT

All Board members and senior management personnel have affirmed compliance with the code for the year ended on March 31, 2016. Declaration to this effect signed by the Managing Director for the year ended on March 31, 2016 is annexed to this report.

The Directors and Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

SUBSIDIARY COMPANY

The Company's Audit Committee reviews the consolidated financial statements of the Company as well as financial statements of the subsidiaries including investment made by the Company. The Minutes/resolutions of the Board Meetings of all the subsidiary Companies are placed before the Board periodically. The Management periodically reviews a statement of all significant transactions, if any entered into by all the subsidiary Companies.

The Company has formulated a policy for determining material subsidiaries and the Policy is disclosed on the Company's website URL: (<http://www.vaarad.com/InvestorInformation.aspx#Disclosures>).

MEANS OF COMMUNICATION

a. The quarterly and the half yearly results, published in the proforma prescribed by the Listing Agreement, are approved and taken on record by the Board of Directors of the Company within prescribed time of the close of the relevant quarter. The approved results are forthwith sent to the Stock Exchanges where the Company's shares are listed. The results are also published within 48 hours in Free Press Journal/ Business Standard (in English) and Navshakti /Mumbai Tarun Bharat (in regional language) Newspaper. The results are displayed on the Company's website, and filed with BSE Ltd.

b. The Company publishes the audited annual results within the stipulated period from the close of the financial year as required by the Listing Agreement. The annual audited results are also communicated to the Stock Exchanges where the Company is listed, published in the newspapers and displayed on the Company's website and BSE Online Portal.

c. The "Financial Information" section on the website gives information relating to financial results, annual reports, shareholding pattern.

d. The quarterly Shareholding Pattern and Corporate Governance Report of the Company are available on the Company website. They are also filed with the BSE Ltd. through BSE Online Portal.

e. Management Discussion and Analysis Report forms a part of the Annual Report.

Financial Calendar 2016-17 : 1st April 2016-31st March 2017

Listing on Stock Exchange : The Company's Equity Shares are listed on the following Stock Exchange:

BSE Ltd.

PhirozeJeejeebhoy Towers Exchange
Dalal Street,
Mumbai 400-001

The Company has paid the listing fees to these Stock Exchanges for the year 2016-17.

Stock Code on BSE Ltd.: 532320

Demat International Security

Identification Number (ISIN) in

CDSL for Equity Share: INE418B01048.

MARKET INFORMATION:

- a. Market Price Data :High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2016-17 on BSE:

| Month | Stock Of Vaarad Ventures Limited | | | BSE Sensex | |
|----------------|----------------------------------|-------|--------------------------------------|------------|----------|
| | High | Low | Total Number of Equity Shares Traded | High | Low |
| April 2016 | 26.80 | 23.25 | 9704 | 26100.54 | 24523.20 |
| May 2016 | 25.65 | 23.25 | 255 | 26837.20 | 25057.93 |
| June 2016 | 23.20 | 22.10 | 1080 | 27105.41 | 25911.33 |
| July 2016 | 23.20 | 18.05 | 4274 | 28240.20 | 27034.14 |
| August 2016 | 17.20 | 16.50 | 2337 | 28532.25 | 27627.97 |
| September 2016 | | | | 29077.28 | 27716.78 |
| October 2016 | 16.00 | 14.50 | 974 | 28477.65 | 27488.30 |
| November 2016 | 13.95 | 13.80 | 752 | 28029.80 | 25717.93 |
| December 2016 | 16.92 | 14.63 | 12 | 26803.76 | 25753.74 |
| January 2017 | 21.95 | 17.75 | 24 | 27980.39 | 26447.06 |
| February 2017 | 19.90 | 14.65 | 1337 | 29065.31 | 27590.10 |
| March 2017 | 15.65 | 14.25 | 4578 | 29824.62 | 28716.21 |

REGISTRAR AND SHARE TRANSFER AGENT:

The Contact Details are mentioned in MGT 9. Documents for transfer of shares in physical form can be lodged with **Big Share Services Private Limited** at its registered address. The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2017 IS AS FOLLOWS

- a. Distribution of equity shareholding as on March 31, 2017:

| Sr. No. | Range | Number of Shareholders | % of Total | Shares Amount | % of Total |
|---------|------------------|------------------------|------------|---------------|------------|
| 1. | 1-5000 | 1419 | 93.85 | 808524 | 0.32 |
| 2. | 5001-10000 | 26 | 1.72 | 180534 | 0.07 |
| 3. | 10001-20000 | 18 | 1.19 | 279957 | 0.11 |
| 4. | 20001-30000 | 9 | 0.59 | 225469 | 0.09 |
| 5. | 30001-40000 | 5 | 0.33 | 168090 | 0.07 |
| 6. | 40001-50000 | 3 | 0.19 | 137087 | 0.05 |
| 7. | 50001-100000 | 8 | 0.52 | 608105 | 0.24 |
| 8. | 100001-999999999 | 24 | 1.59 | 247495234 | 99.04 |

Categories of equity shareholders as on March 31, 2017:

| Sr. No. | Category of Shareholder | Total Holding | Percentage |
|---------|---|------------------|-------------|
| 1. | Promoters* | 173694240 | 69.50 |
| 2. | Group Companies | 4219600 | 1.69 |
| 3. | Bodies Corporate | 60747492 | 24.31 |
| 4. | Individuals holding nominal capital up to Rs. 2 lakh | 2416065 | 0.97 |
| 5. | Individuals holding nominal capital in excess of Rs. 2 lakh | 1710400 | 0.68 |
| 6. | Trusts | 7001000 | 2.80 |
| 7. | Clearing Members | 3000 | 0.0012 |
| 8. | NRI's | 111203 | 0.0445 |
| | Total | 249903000 | 100% |

*Promoters include Mr. Vikram Doshi, Mrs. Leena Doshi, Mr. Harsh Doshi, Ms. Tanvi Doshi and Vikram Anantrai Doshi HUF,

** Group Companies include Covet Securities & Leasing Pvt. Limited, Kimaya Shoppe Limited.

DEMATERIALISATION OF SHARES AND LIQUIDITY

Equity shares of the Company representing 99.89% of the Company's equity share capital are dematerialized as on March 31, 2017.

The Company's equity shares are regularly traded BSE, in dematerialized form. Percentage of shares held in physical and dematerialized form as on 31st March, 2017

| | |
|---------------------------|-----------|
| Physical Form | 278850 |
| Electronic Form with NSDL | 246206436 |
| Electronic Form with CDSL | 3417714 |

REGISTERED OFFICE ADDRESS FOR CORRESPONDENCE

6/A, Lalwani Industrial Estate, 14,
G.D. Ambekar Road, Wadala,
Mumbai – 400031.. Tel No:022-
24117080

Email: compliance@vaaradventures.com

Website: www.vaarad.com

For and on behalf of the Board

Sd/-

Place: Mumbai
Date: 26th July 2017

Mr. Vickram Doshi
Managing Director

CEO and CFO certification

The Board of Directors
Vaarad Ventures Limited
Mumbai

Dear members of the Board,

We, Mr. Vickram Dosshi, Managing Director and Mr. Sanjay Nimbalkar, Chief Financial Officer of Vaarad Ventures Limited to the best of our knowledge and belief, certify that:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity 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 the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

- (1) significant changes in internal control over financial reporting during the year;
- (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

E. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.

F. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Sd/-
Mr. Sanjay Nimbalkar
CFO

Place: - Mumbai

PRACTISING COMPANY SECRETARY'S COMPLIANCE CERTIFICATE
(For Corporate governance)

To The Members,
VAARAD VENTURES LIMITED

We have examined the compliance of the conditions of Corporate Governance by **VAARAD VENTURES LIMITED ("the Company")** for the year ended 31st March, 2017 as stipulated in:

- ▣ **Clause 49 of Listing Agreements**
- ▣ **Regulations under SEBI (Listing and Obligations Requirements) Regulations, 2015**

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

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanations given to us, therefore, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement and various regulations mentioned under SEBI (Listing and Obligations Disclosures Requirements), Regulations, 2015.

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

For Kushla Rawat & Associates
Company Secretary

Place: Mumbai
Date: 26th July 2017

(Kushla Rawat)
ACS No: 33413
COP No: 12566

Independent Auditor's Report

To the Members of Vaarad Ventures Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **Vaarad Ventures Limited** ("the Company"), which comprise the Balance Sheet as at **31st March 2017**, the Statement of Profit and Loss and Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there-under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at **31st March 2017**, its **loss**, and its **cash flows** for the year ended on that date.

Report on other Legal and Regulatory Requirements

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

- 2) As required by section 143(3) of the Act, 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 purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ;
 - e) On the basis of the written representations received from the directors as on **31st March 2017** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March 2017** 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"** and
 - 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer notes to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosure in Financial Statements as regards its holding and dealings in Specified Bank Notes as defined in Notification No S.O.3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management – refer notes to the financial statements.

For K. M. Tapuriah & Co

Chartered Accountants

Firm Registration number: 314043E

CA Naveen Mohta

Partner

Membership Number: 048111

Mumbai, 26th July 2017

Annexure "A" to the Independent Auditors' Report of even date to the members of
Vaarad Ventures Limited on the financial statements for the year ended **31st March 2017**.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of freehold land are held in the name of the Company.
- (ii) The company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) The Company has granted unsecured loans to 2 parties covered in the register maintained under Section 189 of the Act.
 - (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
 - (b) In respect of the aforesaid loans, there is no stipulation of schedule of repayment of principal.
 - (c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
(b) According to the information and explanation given to us and the records of the Company examined by us, the dues outstanding of income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute, are as follows

| Name of the statute | Nature of dues | Amount (in Rs.) | Period to which the amount relates | Forum where dispute is pending |
|---|--|------------------------------------|------------------------------------|--|
| Service Tax Act, 1994 | Service Tax | Rs. 4,34,000 | FY 2012-13 | Arbitration Tribunal |
| Sales Tax Act, 1956 & MVAT 2002 Central Sales Tax 1956 | Sales Tax (MVAT) Central Sales Tax | Rs. 28,69,641 Rs. 15,61,192 | FY 2008-09 FY 2008-09 | Appeal pending Deputy Commissioner of Sales Tax - Mumbai |
| Sales Tax Act, 1956 & MVAT 2002 Central Sales Tax 1956 | Sales Tax (MVAT) Central Sales Tax | Rs. 49,33,992 Rs. 15,415 | FY 2009-10 FY 2009-10 | Appeal pending Commissioner of Sales Tax - Mumbai |
| Sales Tax Act, 1956 & MVAT 2002 | Sales Tax (MVAT) | Rs. 9,92,86,279 Rs. 1,737 | FY 2010-11 FY 2011-12 | Appeal pending Deputy Commissioner OF Sales Tax - Mumbai |
| Central Excise Act, 1944 | Central Excise | Rs. 50,00,000 | FY 1998-1999 | Bombay High Court |
| Sales Tax Act, 1956 (Gujarat) / Gujarat Value Added Tax Act, 2003 | Sales Tax | Rs.30,57,784/- | FY 2009-10 | The Deputy Commissioner of Sales tax – Appeal |
| Sales Tax Act, 1956 (Gujarat) / Gujarat Value Added Tax Act, 2003 | Sales Tax | Rs.23,75,921 | FY 2010-11 | The Deputy Commissioner of Sales tax – Appeal |
| The Income Tax Act, 1961 | Income tax | Rs.8,55,26,540 | FY 2010-11 | The Commissioner of Income Tax - Appeal |
| The Income Tax Act, 1961 | Income tax | Rs.8,46,590/- | FY 2012-13 | The Commissioner of Income Tax - Appeal |

- (viii) The Company does not have any loan or borrowing from any financial institution, banks, government or debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and section 188 of the Act

where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company has obtained registration under section 45-IA of the Reserve Bank of India Act 1934.

For K. M. Tapuria & Co

Chartered Accountants

Firm Registration number: 314043E

CA Naveen Mohta

Partner

Membership Number: 048111

Mumbai, 26th July 2017.

Annexure –B to the Auditor’s Report

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

We have audited the internal financial controls over the financial reporting of **Vaarad Ventures Limited** (“the Company”) as of **31st March 2017** in conjunction with our audit of the 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 (‘ICAI’). 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 based on our audit. We conducted our audit in accordance with our Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatements 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 controls 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 the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure 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 unauthorized 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 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, 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 **31st March 2017**, 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.

For K. M. Tapuriah & Co

Chartered Accountants

Firm Registration number: 314043E

CA Naveen Mohta

Partner

Membership Number: 048111

Mumbai, 26th July 2017.

**VAARAD VENTURES LIMITED
STANDALONE BALANCE SHEET**

| | Notes No. | AS AT 31.3.2017 | AS AT 31.3.2016 |
|----------|--|--------------------|--------------------|
| A | EQUITY AND LIABILITIES | | |
| 1 | Shareholders' funds | | |
| | (a) Share capital | 2.1 | 249,903,000 |
| | (b) Reserves and surplus | 2.2 | 49,877,947 |
| | | | 43,846,101 |
| 2 | Share application money pending allotment | | |
| 3 | Non-current liabilities | | |
| | (a) Long-term borrowings | 2.3 | 43,995,622 |
| | (b) Deferred tax liabilities (net) | | 56,858,224 |
| | (c) Other long-term liabilities | | |
| | (d) Long-term provisions | 2.4 | 22,430 |
| | | | 22,430 |
| 4 | Current liabilities | | |
| | (a) Short-term borrowings | | |
| | (b) Trade payables | 2.5 | 7,233,450 |
| | (c) Other current liabilities | 2.6 | 7,321,441 |
| | (d) Short-term provisions | 2.7 | 714,280 |
| | | | 714,280 |
| | TOTAL | 359,068,170 | 360,162,373 |
| B | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Fixed assets | | |
| | (i) Tangible assets | 2.8 | 1,900,701 |
| | (ii) Intangible assets | | 1,049,468 |
| | (iii) Capital work-in-progress | | |
| | (iv) Intangible assets under development | | |
| | (v) Fixed assets held for sale | | |
| | | | |
| | (b) Non-current investments | 2.9 | 279,554,935 |
| | (c) Deferred tax assets (net) | 2.10 | 279,554,935 |
| | (d) Long-term loans and advances | 2.11 | 101,469 |
| | (e) Other non-current assets | | 64,321 |
| | | | 74,790,341 |
| 2 | Current assets | | |
| | (a) Current investments | | |
| | (b) Inventories | | |
| | (c) Trade receivables | 2.12 | 2,585,593 |
| | (d) Cash and cash equivalents | 2.13 | 3,424,079 |
| | (e) Short-term loans and advances | | 256,334 |
| | (f) Other current assets | 2.14 | 137,861 |
| | | | 864,296 |
| | | | 1,141,368 |
| | TOTAL | 359,068,170 | 360,162,373 |

Significant Accounting Policies & Notes to Accounts

Annexed

The accompanying notes are an integral part of the financial statements.

In terms of our report attached.

For K M Tapuria & Co
Chartered Accountants

Mem No. 314043E

For and on behalf of Board of Directors

Sd/-

Naveen Mohta

Partner

Mem No.048111

Place: Mumbai

Date: 26th July 2017

Sd/-

Vickram Dosshi

Managing Director

Sd/-

Leena Doshi

Director

VAARAD VENTURES LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS

| | Notes No. | AS AT 31.3.2017 | AS AT 31.3.2016 |
|---|-----------|--------------------|-------------------|
| 1 Revenue from operations (gross) | | | |
| Less: Excise duty | | | |
| Revenue from operations (net) | | | |
| 2 Other income | 2.15 | 42,482 | 38,533 |
| 3 Total revenue (1+2) | | 42,482 | 38,533 |
| 4 Expenses | | | |
| (a) Cost of materials consumed | | | |
| (b) Purchases of stock-in-trade | | | |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | | | |
| (d) Employee benefits expense | 2.16 | 3,369,282 | 1,223,790 |
| (e) Finance costs | 2.17 | 230 | 2,237 |
| (f) Depreciation and amortisation expense | 2.8 | 506,907 | 419,546 |
| (g) Other expenses | 2.18 | 6,291,535 | 1,851,003 |
| Total expenses | | 10,167,954 | 3,496,576 |
| 5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - | | -10,125,472 | -3,458,043 |
| 6 Exceptional items | | 7,017,395 | |
| 7 Profit / (Loss) before extraordinary items and tax (5 + 6) | | -3,108,077 | -3,458,043 |
| 8 Extraordinary items | | | |
| 9 Profit / (Loss) before tax (7 + 8) | | -3,108,077 | -3,458,043 |
| 10 Tax expense: | | | |
| (a) Current Tax | | | |
| (b) MAT credit | | | |
| (c) Income Tax Adjustments earlier years (Net) | | | |
| (d) Prior Years Expenses | | | |
| (e) Deferred Tax | 2.10 | 37,149.0 | 10,199 |
| Total(10) | | 37,149 | 10,199 |
| PROFIT OR LOSS FOR THE YEAR | | -3,070,928 | -3,447,844 |
| 11 Earnings per share (of ` Rs.1/- each) | | | |
| (a) Basic | | -0.012 | -0.014 |
| (i) Continuing operations | | | |
| (b) Diluted | | -0.012 | -0.014 |
| (i) Continuing operations | | | |

Significant Accounting Policies & Notes to Accounts

Annexed

The accompanying notes are an integral part of the financial statements.

In terms of our report attached.

For K M Tapuriah & Co
Chartered Accountants
Mem No. 314043E

For and on behalf of Board of Directors

Sd/-
Naveen Mohta
Partner
Mem No.048111
Place: Mumbai
Date: 26th July 2017

Sd/-
Vickram Dosshi
Managing Director

Sd/-
Leena Doshi
Director

1 SIGNIFICANT ACCOUNTING POLICIES YEAR ENDED 31ST MARCH,2017

1.1 Basis of Accounting:

The accounts have been prepared under the historical cost on an accrual basis as a going concern. Revenue recognition and expenses incurred are accounted on accrual basis and applicable mandatory standards and in accordance with the requirements of the Companies Act, 2013

1.2 Dividend and Interest:

Dividend income from investments is recognized when right to receive to payment is established. Interest income is accounted on its accrual on a time proportion.

1.3 Depreciation:

Depreciation is charged on Fixed Assets on Straight Line Method and in the manner prescribed in the Companies Act, 2013.

1.4 Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. All costs relating to the acquisition and installation of fixed assets are capitalized and include financing costs relating to the borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets are put to use.

1.5 Investments:

Investments are classified as long term Investment and carried at cost. Provision for diminution in value of long term investments is made only, if such a decline is not temporary, in the opinion of the management.

1.6 Deferred Tax Assets I Liabilities:

Deferred Tax assets or liability for timing difference between the profits as per financial statements and the profit offered for income tax, based on tax rates that have been enacted or substantively enacted as at the Balance sheet date. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available, against which it can be realized. The carrying amount of deferred tax assets is reviewed at each Balance Sheet Date and reduced if sufficient taxable profits are not like to be available to realize all or part of the deferred tax assets.

- 1.7 The Company has obtained the registration as a Non- Banking Finance Company from Reserve Bank of India duly approved through its letter dated 11th June, 2012 having registration number as N-13.02016

1.8 Managerial Remuneration to Directors

| | 2016-17 | 2015-16 |
|---|----------------|----------------|
| Salary | 6,60,000 | 4,80,000 |
| Profit/(loss) computed in accordance with section 198 of the Companies Act | | |
| Net profit/(loss) before Tax | Rs.(30,70,928) | Rs.(34,47,844) |

1.9 Prior Period Expenses/ Income:

All identifiable items of income and expenditure pertaining to prior period are accounted as "Prior Period Adjustment".

1.10 Other Accounting Policies

These are consistent with generally accepted accounting practices. The figures have been regrouped for comparison purpose wherever applicable.

1.11 Grouping: Heads for the previous year have been regrouped to be comparable to figures from the current year.**STANDALONE NOTES TO FINANCIAL STATEMENTS****Notes No. "2.1":- SHARE CAPITAL**

| | AS AT 31.3.2017 | | AS AT 31.3.2016 | |
|---|------------------------|--------------------|------------------------|--------------------|
| | No.of Shares | Amount | No.of Shares | Amount |
| (a) Authorised 36,50,00,000 Equity shares of Re.1 each with voting rights (P.Y.36,50,00,000 Equity Share of Re.1/- each) | 365,000,000 | 365,000,000 | 365,000,000 | 365,000,000 |
| 5,00,000 Unclassified Share of Rs.100/-each (P.Y.5,00,000 Share of Rs 100/- each) | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| (b) Issued (i) 24,99,03,000 Equity shares of `Re.1/- each with voting rights (P.Y.24,99,03,300 Equity Share of Re.1/-each) | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |
| (c) Subscribed and Fully Paid Up (i) 24,99,03,000 Equity shares of `Re.1/- each with voting rights (P.Y.24,99,03,000 Equity Share of Re.1/-each) | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |
| Total | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |

Reconciliation of number of Share outstanding and the amount of Share Capital

| | AS AT 31.3.2017 | | AS AT 31.3.2016 | |
|--|------------------------|--------------------|------------------------|--------------------|
| | No.of Shares | Amount | No.of Shares | Amount |
| Number of Shares at the beginning at Re.1 each | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |
| Addition/Cancellation/Buyback | - | - | - | - |
| Number of Shares at the end at Re.1 each | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |
| Total | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |

Shares in the Company held by each Shareholder holding more than 5 Percent

| Name of Shareholder | AS AT 31.3.2017 | | AS AT 31.3.2016 | |
|----------------------------|------------------------|--------------------|------------------------|--------------------|
| | % | Qty | % | Qty |
| Leena Doshi | 15.18 | 37,929,270 | 15.18 | 37,929,270 |
| Harsh Doshi | 12.19 | 30,471,038 | 12.19 | 30,471,038 |
| Tanvi Doshi | 42.09 | 105,188,982 | 42.09 | 105,188,982 |
| Kimaya Wellness Limited | 15.12 | 37,789,180 | 15.12 | 37,789,180 |
| Total | 84.58 | 211,378,470 | 84.58 | 211,378,470 |

| Notes No. "2.2":- RESERVES AND SURPLUS | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Opening Balance of Share Premium | 19,542,000 | 19,542,000 |
| Add:- During the year | | |
| Closing Balance of Share Premium | 19,542,000 | 19,542,000 |
| Opening Balance of General Reserve | 8,025,000 | 8,025,000 |
| Add:- During the year | 9,102,774 | |
| Closing Balance of General Reserve | 17,127,774 | 8,025,000 |
| Opening Balance of Profit and Loss | 16,279,101 | 19,726,945 |
| Add/(Less):- Profit/(Loss) for the year | -3,070,928 | -3,447,844 |
| Amount Available for Appropriation | 13,208,173 | 16,279,101 |
| Closing Balance of Profit and loss | 13,208,173 | 16,279,101 |
| Total | 49,877,947 | 43,846,101 |

| Notes No. "2.3":-LONG TERM BORROWINGS | | |
|--|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| (1) From banks | | |
| Secured Loan from HDFC Bank | | |
| Secured Loan from icici Bank | 189,228 | 189,228 |
| (2) Unsecured Loans & Advance from Related Parties (Interest Free) | | |
| (3) Unsecured Loans & Advance from others | 43,806,394 | 56,668,996 |
| Total | 43,995,622 | 56,858,224 |
| Notes: | | |

1. Loan from ICICI are a Car loan and it is secured by way of hypothication of Car, the same is disputed.

| Notes No. "2.4":-LONG TERM PROVISIONS | | |
|--|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Long Term Provisions | 22,430 | 22,430 |
| Total | 22,430 | 22,430 |

| Notes No. "2.5":-TRADE PAYABLE | | |
|---------------------------------------|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Trade payable | 7,233,450 | 7,233,450 |
| Total | 7,233,450 | 7,233,450 |

| Notes No. "2.6":- OTHER CURRENT LIABILITIES | | |
|--|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Withholding and other taxes payable | 1,528,689 | 986,379 |
| Other Liabilities | 5,792,752 | 598,509 |
| Total | 7,321,441 | 1,584,888 |

| Notes No. "2.7":- SHORT TERM PROVISION | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Provision for Income Tax | 714,280 | 714,280 |
| Total | 714,280 | 714,280 |

Note 2.8

| Particulars | Gross block | | | | Depreciation | | | | Net Block | |
|--------------------------|------------------------|--|---|-------------------------|------------------------|----------------|--|-------------------------|-------------------------|-------------------------|
| | As at 1 April, 2016 | Additions/Adjustment during the period | Deductions/ Retirement during the period | As at 31 March, 2017 | As at 1 April, 2016 | For the period | Additions/ Adjustment during the period | As at 31 March, 2017 | As at 31 March, 2017 | As at 31 March, 2016 |
| Tangible assets:- | | | | | | | | | | |
| Air Conditioner | 122,038 | - | - | 122,038 | 122,038 | | - | 122,038 | - | - |
| Furniture and Fixture | 2,853,573 | - | - | 2,853,573 | 2,524,898 | 285,356 | - | 2,810,254 | 43,319 | 328,675 |
| Office Equipment | 2,285,789 | 58,990 | - | 2,344,779 | 2,283,879 | 2,041 | - | 2,285,920 | 58,859 | 1,910 |
| Computer and Printing | 1,267,907 | | - | 1,267,907 | 1,267,907 | - | - | 1,267,907 | - | - |
| Motor Car | 1,275,021 | 1,299,150 | | 2,574,171 | 562,785 | 218,622 | - | 781,407 | 1,792,764 | 712,236 |
| Tools and Equipments | 13,300 | - | - | 13,300 | 6,653 | 888 | - | 7,541 | 5,759 | 6,647 |
| Total | 7,817,628 | 1,358,140 | - | 9,175,768 | 6,768,160 | 506,907 | | 7,275,067 | 1,900,701 | 1,049,468 |
| Previous Year | 7,817,628 | - | - | 7,817,628 | 6,348,614 | 419,546 | | 6,768,160 | 1,049,468 | 1,469,014 |

Notes No. "2.9":- NON-CURRENT INVESTMENTS

| Particulars | AS AT 31.3.2017 | | | AS AT 31.3.2016 | | |
|---|------------------|--------------------|--------------------|------------------|--------------------|--------------------|
| | Quoted | Unquoted | Total | Quoted | Unquoted | Total |
| Investment(at Cost) | | | | | | |
| (a) Investment in Subsidiary companies(Unquoted) | | | | | | |
| Edesk Services Limited | - | 74,700,000 | 74,700,000 | - | 74,700,000 | 74,700,000 |
| 42,10,000(500000) equity shares of Rs.1/- each | | | | | | |
| Varuna Drinking Water Solutions Limited | - | 17,800,000 | 17,800,000 | - | 17,800,000 | 17,800,000 |
| 9,32,500 (932500) equity shares of Rs.1/- each | | | | | | |
| Atco Limited | - | 169,525,000 | 169,525,000 | - | 169,525,000 | 169,525,000 |
| 21,90,250(2190250) equity shares of Rs.1/-each | | | | | | |
| Mentor Capitalist Chambers Private Limited | - | 105,000 | 105,000 | - | 105,000 | 105,000 |
| 52,500 (52,500) equity shares of Rs.2/-each | | | | | | |
| | | | | | | |
| (b) Other Investments | | | | | | |
| Shares of other Company (Quoted Investment) | | | | | | |
| Atcom Technologies Limited | 1,648,487 | - | 1,648,487 | 1,648,487 | - | 1,648,487 |
| 5,07,913(507913) equity shares of Rs.10/- each | | | | | | |
| | | | | | | |
| Shares of other Company (Unquoted Investment) | | | | | | |
| Kimaya Shoppe Limited | - | 3,969,000 | 3,969,000 | - | 3,969,000 | 3,969,000 |
| 3,96,900(396900) equity shares of Rs.10/- each | | | | | | |
| Kimaya Wellness Limited | - | 776,880 | 776,880 | - | 776,880 | 776,880 |
| 66,400(66400) equity shares of Rs.10/-each | | | | | | |
| Smart Sensors & Transducers Limited | - | 10,070,568 | 10,070,568 | - | 10,070,568 | 10,070,568 |
| 25,17,642(2517642) equity shares of Rs.10/- each | | | | | | |
| Anewera Marketing private Limited | - | 950,000 | 950,000 | - | 950,000 | 950,000 |
| 25,17,642(2517642) equity shareas of Rs.10/- each | | | | | | |
| Saraswat Co-op Bank Limited | - | 10,000 | 10,000 | - | 10,000 | 10,000 |
| 1000 (1000) equity shares of Rs.10/- each | | | | | | |
| | | | | | | |
| TOTAL | 1,648,487 | 277,906,448 | 279,554,935 | 1,648,487 | 277,906,448 | 279,554,935 |

| Notes No. "2.10":- DEFERRERED TAX ASSETS (NET) | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Closing Balance | -101470 | -64321 |
| Opening Balance | -64321.44 | -54122 |
| Adjustment from previous year | | |
| Transferred to Profit And Loss Account | 37149 | 10199 |
| | | |

| Notes No. "2.11":- LONG TERM LOANS AND ADVANCE | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| (a) Advance income tax and TDS(Including MAT) | 1,166,183 | 2,085,795 |
| Amount paid towards purchase of debt (Pending execution of documentation) | 17,358,949 | 17,358,949 |
| Amount paid towards purchase of Actionable Claims | 5,000,000 | 5,000,000 |
| | | |
| (b) Other loans and advances | | |
| Unsecured, considered good to others | 50,279,710 | 50,345,597 |
| | | |
| Total | 73,804,842 | 74,790,341 |

| Notes No. "2.12":- TRADE RECEIVABLES | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Trade Receivables | | |
| Older than six months, held and considered good | 2,585,593 | 3,424,079 |
| | | |
| Total | 2,585,593 | 3,424,079 |

| Notes No. "2.13":- CASH & CASH EQUIVALENTS | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| (a) Cash on hand | 351 | 55,056 |
| | | |
| (b) Balances with banks | | |
| (i) In current accounts | 192,714 | 19,536 |
| (ii) Fixed Deposits | 40,839 | 40,839 |
| (iii)unpaid dividend account | 22,430 | 22,430 |
| | | |
| Total | 256,334 | 137,861 |

| Notes No. "2.14":- OTHER CURRENT ASSETS | | |
|--|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Prepaid Expenses | 864,296 | 1,141,368 |
| | | |
| Total | 864,296 | 1,141,368 |

| | | |
|--|------------------------|------------------------|
| Notes No. "2.15":- OTHER INCOME | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Dividend Received | | |
| Misc.income | 42,482 | 38,533 |
| Total | 42,482 | 38,533 |
| Notes No. "2.16":- EMPLOYEES BENEFIT EXPENSES | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Salary & allowances | 2,968,831 | 1,109,457 |
| Contribution to Provident & Other funds | | 22,884 |
| Staff Welfare | 400,451 | 91,449 |
| Total | 3,369,282 | 1,223,790 |
| Notes No. "2.17":- FINANCE COST | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Interest paid on loan | | 1,762 |
| Bank Charges | 230 | 475 |
| Total | 230 | 2,237 |

| | | |
|---|------------------------|------------------------|
| Notes No. "2.18":- OTHER EXPENSES | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Advertising Expense | 43,721 | 53,540 |
| Audit Fees | 72,500 | 50,000 |
| Conveyance & Travelling | 487,110 | 43,171 |
| Courier Charges | 43,272 | 17,800 |
| Court Fees | | 297,000 |
| Depository Services | | 1,500 |
| Electricity Charges | 150,278 | 256,355 |
| Fees And Taxes including 77000 spent towards retrieveing 11 property document | 110,583 | 22,606 |
| General Office Expenses | 89,746 | 69,724 |
| Housekeeping expenses | 84,000 | |
| Insurance Charges | 44,842 | 14,184 |
| Listing Charges | 330,000 | 275,000 |
| Misc Chgs | 59,853 | 13,353 |
| Branded office stationery | 10,000 | |
| Printing Expenses | 84,674 | |
| Stationery expenses | 90,790 | 39,739 |
| Legal fees | 615,000 | |
| Professional Fees | 213,873 | 150,523 |
| Rent Charges | 72,000 | 72,000 |
| Retainership Fees | 345,217 | 105,953 |
| Subscription Charges | 292,072 | 291,572 |
| Telephone & Internet Charges | 106,014 | 76,983 |
| Repairs and Maintainence | 550,939 | |
| Interest on Service Tax and TDS | 585,256 | |
| Software and IT expenses | 121,103 | |
| Sitting and consultancy fees | 238,000 | |
| Recruitment and Training expense | 35,750 | |
| Sundry balance written off | 1,414,942 | |
| Total | 6,291,535 | 1,851,003 |

Vaarad Ventures Limited 2016-17

VAARAD VENTURES LIMITED
STANDALONE CASH FLOW STATEMENT

| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
|---|--------------------|-------------------|
| <u>CASH FLOW FROM OPERATING ACTIVITIES</u> | | |
| Profit Before Tax | 6031846 | -3,458,043 |
| Adjustments | | |
| Depreciation | 506,907 | 419,546 |
| Profit on Sale of Asset | | |
| Sale of WIP | | |
| Deposit | | |
| Total | 6,538,753 | -3,038,497 |
| Changes in assets and liabilities | | |
| Trade & other Receivables | 838,486 | -708 |
| Trade payable & Provisions | 5,736,553 | 0 |
| Other Current Assets | 277,072 | 280,086 |
| Loans & Advances | | |
| Short Term Provisions | | |
| Other Current Liabilities | | 313,705 |
| Deferred Tax | | 10,199 |
| Taxation for the year | | |
| Income tax and Deffered Tax | -37,148 | -10,199 |
| Net Cash Generated from Operating Activities(A) | 13,353,716 | -2,445,414 |
| <u>CASH FLOW FROM INVESTING ACTIVITIES</u> | | |
| Purchase of Fixed Assets | -1358140 | - |
| Sale of Fixed Assets | | |
| Capital WIP | | - |
| Sale of Investments | | - |
| Investment in Subsidiaries | | - |
| Net Cash Generated from Investing Activities(B) | -1358140 | |
| <u>CASH FLOW FROM FINANCING ACTIVITIES</u> | | |
| Repayment of Loan | -12,862,602 | |
| Dividend and Dividend Distribution Tax | | - |
| Proceed from borrowing | 985,499 | 2,373,342 |
| Receipt from Loans and Advances | | 22,015 |
| Net Cash Generated from Financing Activities('C) | -11,877,103 | 2,395,357 |
| Net Cash flow (A+B+C) | 118,473 | -50,057 |
| Opening balance of Cash & Cash Equivalents | 137,861 | 187,918 |
| Closing balance of Cash & Cash Equivalents | 256,334 | 137,861 |
| Net Cash & Cash Equivalents for the year | 118,473 | -50,057 |

The accompanying notes are an integral part of the financial statements.

In terms of our report attached.

For K M Tapuria & Co
Chartered Accountants
Mem No. 314043E

For and on behalf of Board of Directors

Sd/-
Naveen Mohta
Partner
Mem No.048111
Place: Mumbai
Date: 26th July 2017

Sd/-
Vickram Doshi
Managing Director

Sd/-
Leena Doshi
Director

1.13 FURTHER NOTES ON FINANCIAL STATEMENTS**1. Earning per share (EPS):**

| | 2016-17 | 2015-16 |
|---|--------------|--------------|
| (a) Profit/ (Loss) after Extra ordinary Item & Taxation | (30,70,928) | (34,47,844) |
| (b) Weighted Average Number of Equity Shares of Rs. 1/- each (P.Y.Rs.1/- each) outstanding during the year | 24,99,03,000 | 24,99,03,000 |
| (c) Nominal Value of Equity Shares (Rs.) | 1/- | 1/- |
| (d) Basic/ Diluted Earnings Per share Rs. (a / b) | (0.012) | (0.014) |

2. As per the information available with the company, there is no small scale (SSI) undertakings to whom the company owes a sum which is outstanding for more than 30 days. The company has not received any information from the supplier regarding their status under the Micro Small & Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amount unpaid as at the end together with interest paid/ payable as required under the said Act have not been given.

3. Disclosure as per Accounting Standard 15 (Revised)

Gratuity: There are no defined benefit plans for gratuity as there are no employees entitled to gratuity.

Leave Encashment: Provision for leave encashment has not been made in Accounts. As per the present service rules the leave is required to be enjoyed or utilized. Hence no leave entitlement is permissible.

4. Auditors' Remuneration:

| Particulars | 2016-17 | 2015-16 |
|--|----------|----------|
| For Audit Fees | 45,000/- | 45,000/- |
| For Tax Audit | | - |
| For Sales Tax Audit | | - |
| For other services (including certification etc) | 5,000/- | 5,000/- |
| For Expenses | | |
| Total | 50,000/- | 50,000/- |
| Services Taxes | 7,500/- | 7,250/- |
| Grand Total | 57,500/- | 57,250/- |

5. Out of 5,07,913 Equity shares of Atcom Technologies Ltd, 50,000 Equity shares held by the company are lying with the Income Tax authority in connection with a long pending income tax matter.

6. Contingent Liabilities:

Pursuant of the Accounting Standard (AS 29) – Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st March 2017 is as shown in the independent auditors report.

7. Pending Litigations:

There is no pending litigation.

8. The Company has only one business segment as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard -17 'Segment information' notified pursuant to the companies (Accounting Standard) Rules, 2006 (as amended).
9. The balance of certain Creditors, other liabilities and loans and advances are subject to confirmation /reconciliation.
10. No Provision for diminution in the value of certain long term investments has been considered necessary, since in the opinion of the management, such diminution in their value is temporary in nature considering the nature of investments, inherent value, and investees' assets and expected future cash flows from such investments.
11. Disclosure of balances with subsidiaries, associates, directors and Key managerial personnel

| Amount payable to/ (receivable from) subsidiaries and associates | AS AT 31.3.2017 | | AS AT 31.3.2016 | |
|--|--------------------|------------------------|--------------------|------------------------|
| | Amount Outstanding | Max Amount Outstanding | Amount Outstanding | Max Amount Outstanding |
| Subsidiary Companies | | | | |
| 1. Varuna Drinking Water Solutions Ltd. | -0.49 | -0.49 | -0.42 | -0.4 |
| 2. Geo Aquatech Ltd. | 4.67 | 4.73 | 4.73 | 4.75 |
| 3. Geo Thermal Water Limited | 58.85 | 58.85 | 57.82 | 57.82 |
| 4. Atco Ltd. | -421.48 | -421.48 | -421.47 | -421.47 |
| 5. Atcomaart Services Ltd. | 24.17 | 24.17 | 12.77 | 12.77 |
| 6. Innovamedia Publications Ltd. | 30.32 | 30.33 | 29.84 | 29.84 |
| 7. E-Desk Services Ltd | 3.81 | 3.83 | 2.92 | 3.18 |
| 8. Mentor Capitalist Chambers Private Limited | -0.08 | -0.08 | -0.07 | -0.07 |
| 9. Asset Resolution Services India Pvt. Ltd. | 0.67 | 0.68 | 0.68 | 0.71 |
| Associates | | | | |
| Kimaya Shoppe Ltd. | 70.31 | 70.33 | 70.33 | 70.36 |
| Anewera Marketing Pvt Ltd | -3.58 | -4.28 | -4.28 | -5.00 |
| Leena Doshi | 39.14 | 39.14 | 13.44 | 13.44 |
| Vikram Doshi | 15.13 | 15.13 | 5.49 | 5.49 |
| Doshi Enterprises | 11.57 | 11.57 | -11.56 | -11.56 |
| Covet Securities and Leasing Pvt Ltd | 147.41 | 147.41 | 17.53 | 17.56 |

Note: Positive ones are Credit.

12. Specified Bank Notes table

| Particulars | SBNs | Other denomination notes | Total |
|---------------------------------------|-------------|---------------------------------|--------------|
| Closing cash in hand as on 08.11.2016 | 33,500 | 56,080 | 89,580 |
| (+) Permitted receipts | - | - | - |
| (-) Permitted payments | - | - | - |
| (-) Amount deposited in Banks | - | 33,500 | 33,500 |
| Closing cash in hand as on 30.12.2016 | - | - | 56,080 |

VAARAD VENTURES LIMITED**SCHEDULE TO AUDITED BALANCESHEET AS ON 31.03.2017****Schedule to the Balancesheet of Non-Banking Financial Company**

(as required in the terms of paragraph 13 of NBFC Prudential Norms (Reserved Bank) Directions, 2007)

| | Particulars | Amount Out-Standing |
|---|---|----------------------------|
| | Liabilities Side | |
| 1 | Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid | |
| | a) Debentures : Secured | - |
| | : Unsecured | - |
| | (other than falling within the meaning of public deposit*) | - |
| | b)Deferred Credits | - |
| | c)Terms Loans | - |
| | d)Inter- Corporate loans & borrowing | - |
| | e) Commercial Paper | - |
| | g)Other Loans (Specify nature) | |
| | (1) From banks | |
| | Secured Loan from HDFC Bank | |
| | Secured Loan from ICICI Bank | 189,228 |
| | (2) Unsecured Loans & Advance from Related Parties (Interest Free) | 38,600,768 |
| | (3) Unsecured Loans & Advance from others | 5,205,626 |
| | | |
| | Assets Side | Amount Out-Standing |
| 2 | Break- up of Loans and Advances including bills receivable (other than those included in (4) below) | |
| | a)Secured | |
| | b) unsecured | 50,279,710 |
| 3 | Break- up of Leased Assets and stock on hire and other assets counting towards AFC activities | |
| | i) Lease assets including lease rentals under sundry debtors: | |
| | (a)Financial Lease | - |
| | (b) Operating Lease | - |
| | (ii) Stock on hire including hire charges under sundry debtors: | |
| | (a) Assets on hire | - |
| | (b) Repossessed Assets | - |
| | (iii) Hypothecation loans towards EL/HP activities | |
| | a) Loans where assets have been repossessed | - |
| | b) Loans other than (a) above | - |
| 4 | Current Investments: | |
| | 1. Quoted | |
| | (i) Shares: (a) Equity Share | - |
| | (b) Preference | - |
| | (ii)Debentures and Bonds | - |
| | (iii)Units of Mutual Funds | - |
| | (iv)Government Securities | - |
| | (v)Others(Please Specify) | - |
| | Long Term Investment: | |
| | 1. Quoted | |
| | (i) Shares: (a) Equity Share | 1,648,487 |
| | (b) Preference | - |
| | (ii)Debentures and Bonds | - |
| | (iii)Units of Mutual Funds | - |
| | (iv)Government Securities | - |
| | (v)Others(Please Specify) | - |
| | 2.Unquoted | |
| | (i) Shares: (a) Equity Share | 277,906,448 |
| | (b) Preference | - |
| | (ii)Debentures and Bonds | - |
| | (iii)Units of Mutual Funds | - |
| | (iv)Government Securities | - |
| | (v)Others(Please Specify) | - |

Vaaraad Ventures Limited 2016-17

Borrowers group-wise classification of assets, financed as in (2) and (3) above:

| Category | Amount net of provision | | |
|-------------------------------|-------------------------|-------------------|-------------------|
| | Secured | Unsecured | Total |
| 1. Related Parties** | | | |
| a)Subsidiaries | - | 26,718,166 | 26,718,166 |
| b)Companies in the same group | | | - |
| c)Other related parties | - | 1,516,692 | 1,516,692 |
| 2.Other than related parties | | 22,044,852 | 22,044,852 |
| Total | - | 50,279,710 | 50,279,710 |

Investor group-wise classification of all investments(current an long term) in shares and securities (both quoted and unquoted)

| Category | Market Value/ Break or fair Value or NAV | Book Value(Net of Provision) |
|-------------------------------|--|-------------------------------|
| 1. Related Parties** | | |
| a)Subsidiaries | | 262,130,000 |
| b)Companies in the same group | | 4,919,000 |
| c)Other related parties | | |
| 2.Other than related parties | | 12,505,935 |
| Total | | 279,554,935 |

Other information

| Particulars | Amount | Amount |
|---|--------|--------|
| (i) GrossNon- Performing Assets | | |
| (a) related Parties | 0 | 0 |
| (b) Other than related parties | 0 | 0 |
| (ii)Net Non-Performing Assets | | |
| (a) Related Parties | 0 | 0 |
| (b) Other than related parties | 0 | 0 |
| (iii) Assets acquired in satisfaction of debt | 0 | 0 |

To the Members of Vaarad Ventures Limited

Report on the audit of the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Vaarad Ventures Limited** ("the Holding Company"), and its subsidiaries and associates (the Holding Company and its subsidiaries and associates together referred to as 'Group'), which comprise the consolidated Balance Sheet as at **31st March 2017**, the consolidated Statement of Profit and Loss and consolidated Cash Flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 and presentation of these consolidated financial statements, that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective board of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the Group are responsible for assessing Group to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative to do so.

Auditor's Responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Group as at **31st March 2017**, its **loss**, and its **cash flows** for the year ended on that date.

Other matters

We did not audit the financial statements of nine subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 3835.42 lakhs as at 31 March 2017, total revenues of Rs. 1.52 lakhs and net cash inflows amounting to Rs. 0.24 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of section 143(3) and (11) of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

We further report that in respect of two associates, we did not carry out the audit. The consolidated financial statements include the net carrying cost of investments of Rs. 49.19 lakhs and but not the current year share of net loss of Rs. 0.006 lakhs in respect of the associate. These financial statements have been audited by another auditor, whose report has been furnished to us, and our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on the report of such auditor. Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on other Legal and Regulatory Requirements

- 3) As required by section 143(3) of the Act, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
 - c) The consolidated financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 ;
 - e) On the basis of the written representations received from the directors of the Holding Company as on **31st March 2017** taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors and associate company incorporated in India, none of the directors of the Group companies or its associate company, incorporated in India is disqualified as on **31st March 2017** 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 Holding Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**" and

- 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, in our opinion and to the best of our information and according to the explanations given to us:
- i The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates – refer notes to the financial statements;
 - ii The Group and its associates incorporated in India, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its associates incorporated in India.
 - iv The company has provided requisite disclosure in Financial Statements as regards its holding and dealings in Specified Bank Notes as defined in Notification No S.O.3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management – refer notes to the financial statements.

For K. M. Tapuria & Co

Chartered Accountants

Firm Registration number: 314043E

CA Naveen Mohta

Partner

Membership Number: 048111

Mumbai, 26th July 2017

Annexure – A to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause(i) of Sub- section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over the financial reporting of **Vaarad Ventures Limited** (hereinafter referred to as 'the Holding Company') and its subsidiary companies and its associate company, which are incorporated in India as of 31 March 2017, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the Holding company, its subsidiary companies and its associate company, which are incorporated in India, are 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 ('ICAI'). 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 based on our audit. We conducted our audit in accordance with our Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatements 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 controls 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 the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure 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 unauthorized 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 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, the Group 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 **31 March 2017**, 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 issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial control over financial reporting in so far as it relates to nine subsidiary companies and two associate company, which are companies incorporated in India, is based on corresponding reports of the auditors of such companies incorporated in India.

For K. M. Tapuriah & Co

Chartered Accountants

Firm Registration number: 314043E

CA Naveen Mohta

Partner

Membership Number: 048111

Mumbai, 26th July 2017

VAARAD VENTURES LIMITED
CONSOLIDATED BALANCE SHEET

| | Notes No. | AS AT 31.3.2017 | AS AT 31.3.2016 |
|----------|--|-----------------|--------------------|
| A | EQUITY AND LIABILITIES | | |
| 1 | Shareholders' funds | | |
| | (a) Share capital | 2.1 | 249,903,000 |
| | (b) Reserves and surplus | 2.2 | -12,077,494 |
| 2 | Share application money pending allotment | | |
| 3 | Non-current liabilities | | |
| | (a) Long-term borrowings | 2.3 | 32,534,859 |
| | (b) Deferred tax liabilities (net) | | 137,833.0 |
| | (c) Other long-term liabilities | | |
| | (d) Long-term provisions | 2.4 | 1,076,013 |
| 4 | Current liabilities | | |
| | (a) Short-term borrowings | 2.5 | 4,281,392.0 |
| | (b) Trade payables | 2.6 | 450,361,667 |
| | (c) Other current liabilities | 2.7 | 15,170,806 |
| | (d) Short-term provisions | 2.8 | 1,222,413 |
| | TOTAL | | 742,610,489 |
| B | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Fixed assets | | |
| | (i) Tangible assets | 2.9 | 145,953,830 |
| | (ii) Intangible assets | | 146,242,784 |
| | (iii) Capital work-in-progress | | 45,900,000 |
| | (iv) Intangible assets under development | | |
| | (v) Fixed assets held for sale | | |
| | (b) Non-current investments | 2.10 | 17,477,435 |
| | (c) Deferred tax assets (net) | | 638,703 |
| | (d) Long-term loans and advances | 2.11 | 33,451,208 |
| | (e) Other non-current assets | 2.12 | 2,311,878.00 |
| 2 | Current assets | | |
| | (a) Current investments | | |
| | (b) Inventories | 2.13 | 37,538,614.00 |
| | (c) Trade receivables | 2.14 | 454,890,064 |
| | (d) Cash and cash equivalents | 2.15 | 410,957 |
| | (e) Short-term loans and advances | 2.16 | 3,000,000.00 |
| | (f) Other current assets | 2.17 | 1,037,800 |
| | TOTAL | | 742,610,489 |

Significant Accounting Policies & Notes to Accounts

Annexed

The accompanying notes are an integral part of the financial statements.

In terms of our report attached.

 For K M Tapuriah & Co
 Chartered Accountants
 Mem No. 314043E

For and on behalf of Board of Directors

 Sd/-
 Naveen Mohta
 Partner
 Mem No.048111
 Place: Mumbai
 Date: 26th July 2017

 Sd/-
 Vickram Dosshi
 Managing Director

 Sd/-
 Leena Doshi
 Director

VAARAD VENTURES LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

| | | Notes No. | AS AT 31.3.2017 | AS AT 31.3.2016 |
|-----------|---|-----------|--------------------|-------------------|
| 1 | Revenue from operations (gross) | | | 37,300 |
| | Less: Excise duty | | | |
| | Revenue from operations (net) | | | 37,300 |
| 2 | Other income | 2.18 | 193,732 | 290,071 |
| 3 | Total revenue (1+2) | | 193,732 | 327,371 |
| 4 | Expenses | | | |
| | (a) Cost of materials consumed | | | |
| | (b) Purchases of stock-in-trade | | | |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | | | 17,933.00 |
| | (d) Employee benefits expense | 2.19 | 3,530,365 | 1,380,183 |
| | (e) Finance costs | 2.20 | 2,558 | 4,318 |
| | (f) Depreciation and amortisation expense | 2.9 | 1,647,092 | 3,966,109 |
| | (g) Other expenses | 2.21 | 6,375,943 | 2,450,166 |
| | Total expenses | | 11,555,958 | 7,818,709 |
| 5 | Profit / (Loss) before exceptional and extraordinary items and tax (3 - | | -11,362,226 | -7,491,338 |
| 6 | Exceptional items | | 7,017,396 | |
| 7 | Profit / (Loss) before extraordinary items and tax (5 + 6) | | -4,344,830 | -7,491,338 |
| 8 | Extraordinary items | | | |
| 9 | Profit / (Loss) before tax (7 + 8) | | -4,344,830 | -7,491,338 |
| 10 | Tax expense: | | | |
| | (a) Current Tax | | | 494 |
| | (b) MAT credit | | | |
| | (c) Income Tax Adjustments earlier years (Net) | | | |
| | (d) Prior Years Expenses | | | |
| | (e) Deferred Tax | | 37,149.0 | 10,199 |
| | Total(10) | | 37,149 | 10,199 |
| | PROFIT OR LOSS FOR THE YEAR | | -4,307,681 | -7,481,633 |
| 11 | Earnings per share (of ` Rs.1/- each) | | | |
| | (a) Basic | | -0.017 | -0.030 |
| | (i) Continuing operations | | | |
| | (b) Diluted | | -0.017 | -0.030 |
| | (i) Continuing operations | | | |

Significant Accounting Policies and Notes to Account

Annexed

The accompanying notes are an integral part of the financial statements.
In terms of our report attached.

For K M Tapuria & Co
Chartered Accountants
Mem No. 314043E

For and on behalf of Board of Directors

Sd/-
Naveen Mohta
Partner
Mem No.048111
Place: Mumbai
Date: 26th July 2017

Sd/-
Vickram Doshi
Managing Director

Sd/-
Leena Doshi
Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES YEAR ENDED 31ST MARCH, 2017

1.1 Basis of Accounting:

The accounts have been prepared under the historical cost on an accrual basis as a going concern. Revenue recognition and expenses incurred are accounted on accrual basis and applicable mandatory standards and in accordance with the requirements of the Companies Act, 2013

1.2 Dividend and Interest:

Dividend income from investments is recognized when right to receive to payment is established. Interest income is accounted on its accrual on a time proportion.

1.3 Depreciation:

Depreciation is charged on Fixed Assets on Straight Line Method and in the manner prescribed in the Companies Act, 2013.

1.4 Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. All costs relating to the acquisition and installation of fixed assets are capitalized and include financing costs relating to the borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets are put to use.

1.5 Investments:

Investments are classified as long term Investment and carried at cost. Provision for diminution in value of long term investments is made only, if such a decline is not temporary, in the opinion of the management. The good will over the share capital has been represented in the investment table in the current year. Previous years figures have been shown in the same manner.

1.6 Deferred Tax Assets I Liabilities:

Deferred Tax assets or liability for timing difference between the profits as per financial statements and the profit offered for income tax, based on tax rates that have been enacted or substantively enacted as at the Balance sheet date. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available, against which it can be realized. The carrying amount of deferred tax assets is reviewed at each

Balance Sheet Date and reduced if sufficient taxable profits are not like to be available to realize all or part of the deferred tax assets.

1.7 The Company has obtained the registration as a Non- Banking Finance Company from Reserve Bank of India duly approved through its letter dated 11th June, 2012 having registration number as N-13.02016.

1.8 Prior Period Expenses/ Income:

All identifiable items of income and expenditure pertaining to prior period are accounts as per "Prior Period Adjustment".

1.9 Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.10 Other Accounting Policies

These are consistent with generally accepted accounting practice. The figures have been regrouped for comparison purpose wherever applicable.

Vaaraad Ventures Limited 2016-17

Notes No. "2.1":- SHARE CAPITAL

| | AS AT 31.3.2017 | | AS AT 31.3.2016 | |
|--|--------------------|--------------------|--------------------|--------------------|
| | No.of Shares | Amount | No.of Shares | Amount |
| (a) Authorised 36,50,00,000 Equity shares of Re.1 each with voting rights (P.Y.36,50,00,000 Equity Share of Re.1/- each) | 365,000,000 | 365,000,000 | 365,000,000 | 365,000,000 |
| 5,00,000 Unclassified Share of Rs.100/-each (P.Y.5,00,000 Share of Rs 100/- each) | 500,000 | 50,000,000 | 500,000 | 50,000,000 |
| (b) Issued (i) 24,99,03,000 Equity shares of `Re.1/- each with voting rights (P.Y.24,99,03,300 Equity Share of Re.1/-each) | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |
| (c) Subscribed and Fully Paid Up (i) 24,99,03,000 Equity shares of `Re.1/- each with voting rights (P.Y.24,99,03,000 Equity Share of Re.1/-each) | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |
| Total | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |

Reconciliation of number of Share outstanding and the amount of Share Capital

| | AS AT 31.3.2017 | | AS AT 31.3.2016 | |
|--|--------------------|--------------------|--------------------|--------------------|
| | No.of Shares | Amount | No.of Shares | Amount |
| Number of Shares at the beginning at Re.1 each | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |
| Addition/Cancellation/Buyback | - | - | - | - |
| Number of Shares at the end at Re.1 each | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |
| Total | 249,903,000 | 249,903,000 | 249,903,000 | 249,903,000 |

Shares in the Company held by each Shareholder holding more than 5 Percent

| Name of Shareholder | AS AT 31.3.2017 | | AS AT 31.3.2016 | |
|-------------------------|-----------------|--------------------|-----------------|--------------------|
| | % | Qty | % | Qty |
| Leena Doshi | 15.18 | 37,929,270 | 15.18 | 37,929,270 |
| Harsh Doshi | 12.19 | 30,471,038 | 12.19 | 30,471,038 |
| Tanvi Doshi | 42.09 | 105,188,982 | 42.09 | 105,188,982 |
| Kimaya Wellness Limited | 15.12 | 37,789,180 | 15.12 | 37,789,180 |
| Total | 84.58 | 211,378,470 | 84.58 | 211,378,470 |

Notes No. "2.2":- RESERVES AND SURPLUS

| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
|---|--------------------|--------------------|
| Opening Balance of Share Premium | 19,542,000 | 19,542,000 |
| Add:- During the year | | |
| Closing Balance of Share Premium | 19,542,000 | 19,542,000 |
| Opening Balance of General Reserve | 8,025,000 | 8,025,000 |
| Add:- During the year | 9,102,774 | |
| Closing Balance of General Reserve | 17,127,774 | 8,025,000 |
| Opening Balance of Profit and Loss | -44,392,087 | -37,083,519 |
| Add/(Less):- Profit/(Loss) for the year | -4,307,681 | -7,481,633 |
| Amount Available for Appreciation | -48,699,768 | -44,565,152 |
| Appropriation:- | | |
| Adjustment for minority | | 125,560 |
| Adjustment for subsidiaries reserve | 47,500 | 47,500 |
| | - | - |
| Closing Balance of Profit and loss | -48,747,268 | -44,392,092 |
| Total | -12,077,494 | -16,825,092 |

| | | |
|---|------------------------|------------------------|
| Notes No. "2.3":-LONG TERM BORROWINGS | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| (1) From banks | | |
| Secured Loan from HDFC Bank | | |
| Secured Loan from icici Bank | 189,228 | 189,228 |
| (2) Unsecured Loans & Advance from Related Parties (Interest Free) | | |
| (3) Unsecured Loans & Advance from others | 32,345,631 | 46,118,169 |
| Total | 32,534,859 | 46,307,397 |
| Notes: | | |
| 1. Loan from ICICI are a Car loan and it is secured by way of hypothication of Car, the same is disputed. | | |
| | | |
| Notes No. "2.4":-LONG TERM PROVISIONS | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Long Term Provisions | 1,076,013 | 1,108,251 |
| Total | 1,076,013 | 1,108,251 |
| Notes No. "2.5":-SHORT TERM BORROWING | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Short Term Borrowing | 4,281,392 | 1,172,392 |
| Total | 4,281,392 | 1,172,392 |
| Notes No. "2.6":-TRADE PAYABLE | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Trade payable | 450,361,667 | 452,289,772 |
| Total | 450,361,667 | 452,289,772 |
| Notes No. "2.7":- OTHER CURRENT LIABILITIES | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Withholding and other taxes payable | 1,528,689 | 986,379 |
| Other Liabilities | 13,642,117 | 5,942,773 |
| Total | 15,170,806 | 6,929,152 |
| Notes No. "2.8":- SHORT TERM PROVISION | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Provision for Income Tax | 1,222,413 | 1,150,485 |
| Total | 1,222,413 | 1,150,485 |

SCHEDULE 2.9: DEPRECIATION & ASSETS

| PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|----------------------------|----------------------|--|--|---------------------|--------------------|----------------|--|---------------------|---------------------|---------------------|
| | AS AT 1ST APRIL 2016 | ADDITIONS\ADJUSTMENT DURING THE PERIOD | DEDUCTIONS\RETIEMENT DURING THE PERIOD | AS AT 31 MARCH 2017 | AS AT 1 APRIL 2016 | FOR THE PERIOD | ADDITIONS\ADJUSTMENT DURING THE PERIOD | AS AT 31 MARCH 2017 | AS AT 31 MARCH 2016 | AS AT 31 MARCH 2017 |
| TANGIBLE ASSETS :- | | | | | | | | | | |
| AIR CONDITIONER | 122,038 | | | 122,038 | 122,038 | | | 122,038 | | |
| FURNITURE & FIXTURE | 3,541,868 | | | 3,541,868 | 2,921,309 | 354,185 | | 3,275,494 | 266,374 | 620,559 |
| OFFICE EQUIPMENT | 3,986,298 | 58,990 | | 4,045,288 | 3,949,888 | 25,102 | | 3,974,990 | 70,298 | 36,410 |
| COMPUTER & PRINTING | 2,346,656 | | | 2,346,656 | 2,346,656 | - | | 2,346,656 | | - |
| MOTOR CAR | 2,676,013 | 1,299,150 | | 3975163 | 1,963,777 | 218,622 | | 2,182,399 | 1,792,764 | 712,236 |
| TOOLS & EQUIPMENTS | 71,320 | | | 71320 | 64,673 | 888 | | 65,561 | 5,759 | 6,647 |
| Computer Accessories | 25,048 | - | - | 25,048 | 25,048 | | - | 25,048 | - | - |
| Electrical Fittings | 220,326 | - | - | 220,326 | 132,196 | 22,033 | - | 154,229 | 66,097 | 88,130 |
| BOREWELL | 65343 | 0 | 0 | 65343 | 22870 | 4356 | 0 | 27226 | 38117 | 42473 |
| PLANT AND MACHINERY | 12639913 | 0 | 0 | 12639913 | 4617247 | 842661 | 0 | 5459908 | 7180005 | 8022666 |
| SERVICE EQUIPMENT | 165935 | 0 | 0 | 165935 | 58077 | 11062 | 0 | 69139 | 96796 | 107858 |
| ELECT INSTALLATION | 47751 | 0 | 0 | 47751 | 19292 | 4175 | 0 | 23467 | 24284 | 28459 |
| ELECTRONIC TIME RECORD | 7672 | 0 | 0 | 7672 | 7672 | | 0 | 7672 | 0 | 0 |
| PRINTER | 20750 | 0 | 0 | 20750 | 20750 | | 0 | 20750 | 0 | 0 |
| COMPUTER EQUIPMENT | 437952 | 0 | 0 | 437952 | 437952 | 0 | 0 | 437952 | 0 | 0 |
| INTANGIBLE ASSETS : | | | | | | | | | | |
| COMPUTER SOFTWARE | 25,000,000 | - | - | 25,000,000 | 25,000,000 | - | - | 25,000,000 | - | - |
| Computer Software 1 | 6,697,212 | - | - | 6,697,212 | 6,697,212 | | - | 6,697,212 | - | |
| GOODWILL | 124,071,639 | - | - | 124,071,639 | 820,040 | 164,008 | - | 984,048 | 123,087,591 | 123,251,599 |
| BRANDBUILDING(GOODWILL) | 13,325,747 | - | - | 13,325,747 | - | - | - | - | 13,325,747 | 13,325,747 |
| CAPITAL WIP | 45,900,000 | - | - | 45,900,000 | - | - | - | - | 45,900,000 | 45,900,000 |
| SOFTWARE | 14,581,100 | | - | 14,581,100 | 14,581,100 | - | | 14,581,100 | - | - |
| TOTAL | 255,950,581 | 1,358,140 | - | 257,308,721 | 63,807,797 | 1,647,092 | - | 65,454,889 | 191,853,832 | 192,142,784 |
| PREVIOUS YEAR | 255,950,581 | | | 255950581 | 59841690 | 3966109 | | 63807797 | 192142784 | 196108890 |

Notes No. "2.10":- NON-CURRENT INVESTMENTS

| Particulars | AS AT 31.3.2017 | | | AS AT 31.3.2016 | | |
|---|------------------|-------------------|-------------------|------------------|-------------------|-------------------|
| | Quoted | Unquoted | Total | Quoted | Unquoted | Total |
| Investment(at Cost) | | | | | | |
| Mentor Capitalist Chambers Private Limited | - | 52,500 | 52,500 | - | 52,500 | 52,500 |
| 52,500 (52,500) equity shares of Rs.2/-each | | | | | | |
| (b) Other Investments | | | | | | |
| Shares of other Company (Quoted Investment) | | | | | | |
| Atcom Technologies Limited | 1,648,487 | - | 1,648,487 | 1,648,487 | - | 1,648,487 |
| 5,07,913(507913) equity shares of Rs.10/- each | | | | | | |
| Shares of other Company (Unquoted Investment) | | | | | | |
| Kimaya Shoppe Limited | - | 3,969,000 | 3,969,000 | - | 3,969,000 | 3,969,000 |
| 3,96,900(396900) equity shares of Rs.10/- each | | | | | | |
| Kimaya Wellness Limited | - | 776,880 | 776,880 | - | 776,880 | 776,880 |
| 66,400(66400) equity shares of Rs.10/-each | | | | | | |
| Smart Sensors & Tranducers Limited | - | 10,070,568 | 10,070,568 | - | 10,070,568 | 10,070,568 |
| 25,17,642(2517642) equity shares of Rs.10/- each | | | | | | |
| Anewera Marketing private Limited | - | 950,000 | 950,000 | - | 950,000 | 950,000 |
| 25,17,642(2517642) equity shareas of Rs.10/- each | | | | | | |
| Saraswat Co-op Bank Limited | - | 10,000 | 10,000 | - | 10,000 | 10,000 |
| 1000 (1000) equity shares of Rs.10/- each | | | | | | |
| TOTAL | 1,648,487 | 15,828,948 | 17,477,435 | 1,648,487 | 15,828,948 | 17,477,435 |

| Notes No. "2.11":- LONG TERM LOANS AND ADVANCE | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| (a) Advance income tax and TDS(Including MAT) | 1,166,183 | 2,085,795 |
| Amount paid towards purchase of debt (Pending execution of documentation) | 17,358,949 | 17,358,949 |
| Amount paid towards purchase of Actionable Claims | 5,000,000 | 5,000,000 |
| (b) Other loans and advances | | |
| Unsecured, considered good to others | 9,926,076 | 8,514,721 |
| Total | 33,451,208 | 32,959,465 |

| Notes No. "2.12":-OTHER NON CURRENT ASSETS | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Deposits | 25,000 | 25,000 |
| Other Non Current Assets | 2,286,878 | 2,286,878 |
| Total | 2,311,878 | 2,311,878 |

| Note No. "2.13":- INVENTORIES | | |
|--------------------------------------|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Finished goods | 37,538,614 | 37,538,614 |
| Total | 37,538,614 | 37,538,614 |

| Notes No. "2.14":- TRADE RECEIVABLES | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Trade Receivables | | |
| Older than six months, held and considered good | 454,890,064 | 457,512,464 |
| Total | 454,890,064 | 457,512,464 |

| Notes No. "2.15":- CASH & CASH EQUIVALENTS | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| (a) Cash on hand | 27,482 | 82,187 |
| (b) Balances with banks | | |
| (i) In current accounts | 320,206 | 123,559 |
| (ii) Fixed Deposits | 40,839 | 40,839 |
| (iii)unpaid dividend account | 22,430 | 22,430 |
| Total | 410,957 | 269,015 |

| Notes No. "2.16":- SHORT TERM LOANS AND ADVANCES | | |
|---|------------------------|------------------------|
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Short Term Loan and Advances | 3,000,000 | 10,123 |
| Total | 3,000,000 | 10,123 |

| | | |
|--|------------------------|------------------------|
| Notes No. "2.17":- OTHER CURRENT ASSETS | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Prepaid Expenses | 1,037,800 | 1,349,857 |
| Others | | |
| Total | 1,037,800 | 1,349,857 |
| Notes No. "2.18":- OTHER INCOME | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Dividend Received | | |
| Misc.income including exceptional income | 7,212,012 | 290,071 |
| Total | 7,212,012 | 290,071 |
| Notes No. "2.19":- EMPLOYEES BENEFIT EXPENSES | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Salary & allowances | 3,129,914 | 1,265,850 |
| Contribution to Provident & Other funds | | 22,884 |
| Staff Welfare | 400,451 | 91,449 |
| Total | 3,530,365 | 1,380,183 |
| Notes No. "2.20":- FINANCE COST | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Interest paid on loan | | 1,762 |
| Bank Charges | 2,558 | 2,243 |
| Interest to bank | - | 313 |
| Total | 2,558 | 4,318 |
| Notes No. "2.21":- OTHER EXPENSES | | |
| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
| Advertising Expense | 43,721 | 53,540 |
| Audit Fees | 79,375 | 59,725 |
| Conveyance & Travelling | 487,110 | 43,171 |
| Courier Charges | 43,272 | 17,800 |
| Court Fees | | 297,000 |
| Depository Services | | 1,500 |
| Electricity Charges | 150,278 | 256,355 |
| Fees And Taxes including 77000 spent towards retrieveing 11 property documet | 166,545 | 92,306 |
| General Office Expenses | 89,746 | 74,074 |
| Housekeeping expenses | 84,000 | |
| Insurance Charges | 44,842 | 14,184 |
| Listing Charges | 330,000 | 275,000 |
| Misc Chgs | 60,053 | 18,787 |
| Branded office stationery | 10,000 | |
| Printing Expenses | 84,674 | |
| Stationery expenses | 90,790 | 39,739 |
| Legal fees | 615,000 | |
| Professional Fees | 213,873 | 157,323 |
| Rent Charges | 72,000 | 82,000 |
| Retainership Fees | 345,217 | 105,953 |
| Subscription Charges | 292,072 | 291,572 |
| Telephone & Internet Charges | 127,385 | 149,976 |
| Repairs and Maintainence | 550,939 | |
| Interest on Service Tax and TDS | 585,256 | 2,832 |
| Software and IT expenses | 121,103 | 4,550 |
| Sitting and consultancy fees | 238,000 | |
| Recruitment and Training expense | 35,750 | |
| Sundry balance written off | 1,414,942 | |
| Loss in investment | | 400,000 |
| Preliminary expense written off | | 8,255 |
| Prior period expense | | 4,524 |
| Total | 6,375,943 | 2,450,166 |

Vaarad Ventures Limited 2016-17

VAARAD VENTURES LIMITED CONSOLIDATED CASH FLOW STATEMENT

| Particulars | AS AT 31.3.2017 | AS AT 31.3.2016 |
|---|--------------------|-------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit Before Tax | 4795093 | -7491338 |
| Adjustments | | |
| Depreciation | 1,647,092 | 3,966,109 |
| Expenses and Profit of 4 subsidiaries | | 125558 |
| Minority Interest | -47500 | 41800 |
| Total | 6394685 | -3,357,871 |
| Changes in assets and liabilities | | |
| Trade & other Receivables | 2,622,400 | -1280192.75 |
| Trade payable & Provisions | -1,928,104 | 49331 |
| Other Current Assets | 312,057 | 889421 |
| Other non current assets | | |
| Loans & Advances | -2,989,876.00 | 999892 |
| Short Term Provisions | 71,929 | 17419 |
| Other Current Liabilities | 8,241,655 | 436106.75 |
| Inventories | 0 | 17932.86 |
| Deferred Tax | | |
| Taxation for the year | | |
| Income tax and Deffered Tax | -37,148 | -494 |
| Net Cash Generated from Operating Activities(A) | 12687598 | 1129415.86 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | -1358140 | - |
| Sale of Fixed Assets | | |
| Capital WIP | | - |
| Sale of Investments | | - |
| Investment in Subsidiaries | | - |
| Net Cash Generated from Investing Activities(B) | -1358140 | |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Long term borrowings | -13,772,537 | 1181056 |
| Short term borrowings | 3109000 | |
| long term provisions | -32,237 | -11151 |
| Proceed from borrowing | | 12000 |
| Repayment of Loan | -491,742 | 638331 |
| Net Cash Generated from Financing Activities('C) | -11,187,516 | 1,820,236 |
| Net Cash flow (A+B+C) | 141,942 | -408,219 |
| Opening balance of Cash & Cash Equivalents | 269015 | 677234 |
| Closing balance of Cash & Cash Equivalents | 410,957 | 269015 |
| Net Cash & Cash Equivalents for the year | 141,942 | -408,219 |

The accompanying notes are an integral part of the financial statements.
In terms of our report attached.

For K M Tapuriah & Co
Chartered Accountants
Mem No. 314043E

For and on behalf of Board of Directors

Sd/-
Naveen Mohta
Partner
Mem No.048111
Place: Mumbai
Date: 26th July 2017

Sd/-
Vickram Dosshi
Managing Director

Sd/-
Leena Doshi
Director

FURTHER NOTES ON FINANCIAL STATEMENTS

1. Managerial remuneration under section 198 of the companies Act 1956, paid or payable during the financial year as given in the notes to standalone financial statements.

There is no other managerial remuneration paid by subsidiaries.

2. Earning per share (EPS):

| | 2016-17 | 2015-16 |
|---|--------------|--------------|
| (a) Profit/ (Loss) after Extra ordinary Item & Taxation | (43,07,681) | (74,81,633) |
| (b) Weighted Average Number of Equity Shares of Rs. 1/- each (P.Y.Rs.1/- each) outstanding during the year | 24,99,03,000 | 24,99,03,000 |
| (c) Nominal Value of Equity Shares (Rs.) | 1/- | 1/- |
| (d) Basic/ Diluted Earnings Per share Rs. (a / b) | (0.017) | (0.03) |

3. As per the information available with the company, there is no small scale (SSI) undertakings to whom the company owes a sum which is outstanding for more than 30 days. The company has not received any information from the supplier regarding their status under the Micro Small & Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amount unpaid as at the end together with interest paid/ payable as required under the said Act have not been given.

4. Disclosure as per Accounting Standard 15 (Revised)

Gratuity: There are no defined benefit plans for gratuity as there are no employees entitled to gratuity.

Leave Encashment: Provision for leave encashment has not been made in Accounts, as per the present service rules the leave is required to be enjoyed or utilized. Hence no leave entitlement is permissible.

5. Out of 5,07,913 Equity shares of Atcom Technologies Ltd, 50,000 Equity shares held by the company are lying with the Income Tax authority in connection with long pending income tax matter.

6. **Contingent Liabilities:**

Pursuant of the Accounting Standard (AS 29) – Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st

March 2017 is as follows: (Refer to Independent Auditors Report- Standalone for a detailed table)

1. Income Tax Appeal for removal of Penalty for the FY 12-13 has been filed with CIT(A) for Atcomaart Services Ltd. For Rs.3,75,829/-

2. Sales Tax – Appeal pending:

Edesk Services Ltd

Sales demand (Penalty order)

Year Amount

2010 -11 14,962,890

2011-12 50,756,393

2012-13 54,916,555

2013-14 9,368,526

Atcomaart Services Ltd.

Year Amount

2010 -11 104,837,912

2011-12 86,798,665

2012-13 123,610,641

2013-14 45,033,395

7. Pending Litigations:

There is no pending litigation.

8. Segment Reporting:

| Particulars | Packaged Drinking Water | Industrial Business Supply Stores and Publication | Software | Investment | Others | Total |
|--------------------------|-------------------------|---|-------------|-------------|------------|----------------|
| REVENUE | | | | | | |
| External Sales | - | - | - | - | - | - |
| Other Income | 151,350 | 720 | - | - | - | 152,070 |
| TOTAL REVENUE | 151,350 | 720 | - | - | - | 152,070 |
| SEGMENT RESULT | (1,043,381) | (162,354) | (12,369) | (4,313,636) | (11,462) | (5,543,202) |
| INTEREST EXPENSES | - | - | - | - | - | - |
| DEPRECIATION | 1,012,644 | 127,541 | - | 1,647,133 | - | 2,787,318 |
| OTHER INFORMATION | | | | | | |
| Segment assets | 33,960,244 | 654,215,041 | 249,094,140 | 746,680,715 | 16,601,445 | 1,700,551,585 |
| Segment liabilities | 2,259,936 | 495,866,930 | 212,418,497 | 508,796,769 | 807,293 | 1,220,149,425 |

Segment information for primary segment reporting (by business segment)

The Company has three reportable business segments:

- Packaged Drinking Water
- Industrial Business Supply Stores
- Software/ software products/ information technology services (software)

The Company has only one reportable geographical segment and hence disclosures for secondary segment are not given.

9. The balance of certain Creditors, other liabilities and loans and advances are subject to confirmation /reconciliation.

10. No Provision for diminution in the value of certain long term investments has been considered necessary, since in the opinion of the management, such diminution in their value is temporary in nature considering the nature of investments, inherent value, and investees' assets and expected future cash flows from such investments.

11. Balance Disclosure as required by LODR:

| | AS AT 31.3.2017 | | AS AT 31.3.2016 | |
|--|--------------------|-------------------------|--------------------|-------------------------|
| Amount payable to/ (receivable from) subsidiaries and associates | Amount Outstanding | Max. Amount Outstanding | Amount Outstanding | Max. Amount Outstanding |
| Subsidiary Companies | | | | |
| 1. Varuna Drinking Water Solutions Ltd. | -0.49 | -0.49 | -0.42 | -0.4 |
| 2. Geo Aquatech Ltd. | 4.67 | 4.73 | 4.73 | 4.75 |
| 3. Geo Thermal Water Limited | 58.85 | 58.85 | 57.82 | 57.82 |
| 4. Atco Ltd. | -421.48 | -421.48 | -421.47 | -421.47 |
| 5. Atcomaart Services Ltd. | 24.17 | 24.17 | 12.77 | 12.77 |
| 6. Innovamedia Publications Ltd. | 30.32 | 30.33 | 29.84 | 29.84 |
| 7. E-Desk Services Ltd | 3.81 | 3.83 | 2.92 | 3.18 |
| 8. Mentor Capitalist Chambers Private Limited | -0.08 | -0.08 | -0.07 | -0.07 |
| 9. Asset Resolution Services India Pvt. Ltd. | 0.67 | 0.68 | 0.68 | 0.71 |
| Associates | | | | |
| Kimaya Shoppe Ltd. | 70.31 | 70.33 | 70.33 | 70.36 |
| Anewera Marketing Pvt Ltd | -3.58 | -4.28 | -4.28 | -5.00 |
| Leena Doshi | 39.14 | 39.14 | 13.44 | 13.44 |
| Vikram Doshi | 15.13 | 15.13 | 5.49 | 5.49 |
| Doshi Enterprises | 11.57 | 11.57 | -11.56 | -11.56 |
| Covet Securities and Leasing Pvt Ltd | 147.41 | 147.41 | 17.53 | 17.56 |

Note: Positive ones are Credit.

12. Specified Bank Notes:

| Particulars | SBNs | Other denomination notes | Total |
|---------------------------------------|-------|--------------------------|--------|
| Closing cash in hand as on 08.11.2016 | 33500 | 83215 | 116715 |
| (+) Permitted receipts | 14000 | 6000 | 20000 |
| (-) Permitted payments | - | - | - |
| (-) Amount deposited in Banks | 14000 | 39500 | 53500 |
| Closing cash in hand as on 30.12.2016 | 33500 | 49715 | 83215 |

VAARAD VENTURES LIMITED

CIN: L65990MH1993PLC074306

Regd. Off: 6A, Lalwani Industrial Estate, 14 G. D. Ambekar Road, Wadala, Mumbai-400031.

Phone: 24117080, Fax: 022 – 24117085, E-mail: cs.dept@vaaradventures.com Website: www.vaarad.com

PROXYFORM

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

| |
|------------------------------|
| Name of the Member(s): |
| Registered Address: |
| Email Id: |
| Folio No./ DP ID Client No.: |

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: _____

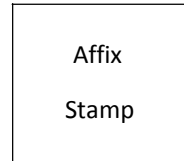
as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company, to be held on Friday, the 29th September, 2017 at 09.00 a.m. at 6A, Lalwani Industrial Estate, 14 G. D. Ambekar Road, Mumbai – 400031 and at any adjournment thereof in respect of the following resolutions:

| Resolution No. | Resolution |
|-------------------|------------|
| Ordinary Business | |
| 1. | |
| 2. | |
| 3. | |
| 4. | |
| 5. | |

Signed this _____ day of _____ 2017

Signature of Shareholder: _____

Signature of Proxy holder: _____ Revenue



NOTES:

1. This form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at 6A, Lalwani Industrial Estate, 14 G. D. Ambekar Road, Mumbai – 400031, not less than FORTY-EIGHT (48) HOURS before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the TWENTY THIRD ANNUAL GENERAL MEETING of the Company.

VAARAD VENTURES LIMITED
CIN: L65990MH1993PLC074306

Regd. Off: 6A, Lalwani Industrial Estate, 14 G. D. Ambekar Road, Wadala, Mumbai-400031

ATTENDANCE SLIP

(To be filled in and handed over at the entrance of the Meeting Hall)

23rd Annual General meeting to be held on Friday, 29th September, 2017 at 09:00 A.M. at Off: 6A,
Lalwani Industrial Estate, 14 G. D. Ambekar Road, Wadala, Mumbai – 400031.

Folio No. _____

Registered Folio/
DP ID and Client ID

Name and Address of
The Shareholders

Joint Holder 1

Joint Holder 2

I/ We hereby record my/ our presence at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company at
6A, Lalwani Industrial Estate, 14 G. D. Ambekar Road, Wadala, Mumbai – 400031.,
On **Friday, 29th September, 2017 at 09:00 A.M.**

Member's Folio/

Member's/ Proxy's

Member's/ Proxy's

DP ID-Client ID No.name in Block Letters

Signature

NOTES:

1. Only Member/ Proxyholder can attend the Meeting.
2. Please complete the Folio/ DP ID-Client ID No. and name of the Member/ Proxy, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. Shareholder/ Proxyholder desiring to attend the Meeting should bring his/her copy of the Annual Report for reference at the Meeting

BOOK POST

If undelivered please return to: -

VAARAD VENTURES LIMITED

6A, Lalwani Industrial Estate,
14 G.D. Ambekar Road, Wadala,
Mumbai 400031