

**VARUNA DRINKING WATER SOLUTIONS**  
**LIMITED**

**ANNUAL REPORT**  
**2017-18**

**BOARD OF DIRECTORS**

Mrs. Leena Doshi

Mr. Sanjay Nimbalkar

Mr. Anil Kumar Singh

**BANKERS**

HDFC BANK LIMITED

**AUDITORS**

G. C. PATEL & CO.

CHARTERED ACCOUNTANTS

**REGISTERED OFFICE**

6, LALWANI INDUSTRIAL ESTATE,  
14 G.D.AMBEKAR ROAD,  
WADALA, MUMBAI 400031.

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING FOR THE MEMBERS OF VARUNA DRINKING WATER SOLUTIONS LIMITED WILL BE HELD ON THURSDAY, SEPTEMBER 27, 2018 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 6, LALWANI INDUSTRIAL ESTATE, 14 G.D. AMBEKAR ROAD, WADALA, MUMBAI 400031 TO TRANSACT THE FOLLOWING BUSINESS**

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**ORDINARY BUSINESS:**

1. To consider and adopt the standalone and consolidated Audited Financial Statements for the financial year ended March 31, 2018 together with the Director's Report and Auditor's Report.
2. To appoint a Director in place of Tanvi Doshi [01277738] who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Harsh Doshi [07570529] who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Varun Chandrasekhar [00307712] who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
5. To ratify the Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to provision of Section 139 (1) of the Companies Act, 2013 and the rules made there-under M/s. G. C. Patel & Co., Chartered Accountants (Firm Registration No.113693W), be and are hereby ratified as auditors of the Company to hold the office for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

**By Order of the Board of Directors  
Varuna Drinking Water Solutions Limited**

**Place: Mumbai  
Date: 31/08/2018**

**Sanjay Nimbalkar  
Chairman**

**Notes**

1. A member entitled to attend and vote at the meeting is entitled to attend or appoint a proxy to attend and vote instead of himself only on poll and proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting.
3. Members are requested to bring their copy of Annual Report to the Meeting.
4. Members seeking further information on the accounts or any other matter contained in the Notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.

**DIRECTORS REPORT**

To,  
The Members,  
**Varuna Drinking Water Solutions Limited**

Your Directors present the Annual Report on the working of the Company together with the audited accounts for the year ended March 31, 2018

**FINANCIAL RESULTS**

Particulars	for the Year Ended	
	31.03.2018	31.03.2017
	Rupees	Rupees
Gross Profit / (Loss) before interest and depreciation	(2,580)	(11,245)
Less: Interest		
Depreciation		
Profit / (Loss) before tax	(2,580)	(11,245)
Less: Provision for Taxation	-	-
Profit / (Loss) after tax	(2,580)	(11,245)
Excess/(Short) provision of Income Tax	--	-
Deferred Tax	--	-
Profit / (Loss) after Tax	(2,580)	(11,245)

**STATE OF AFFAIRS AND DIVIDEND**

Your Company had a loss of Rs. 2,580/- in FY 2017-18 as compared to a loss of Rs. 11,245/- in FY 2016-17. In view of the Loss for the period, the dividend cannot be recommended.

**SUBSIDIARY COMPANIES**

There were 2 subsidiaries out of which 1 have been converted to LLP during the year. AS on 31<sup>st</sup> March 2018 there is only one subsidiary and that is geo thermal water limited

**MEETINGS OF THE BOARD**

The Board has met on following occasions i.e. 26/05/2017, 25/07/2017, 10/11/2017 and 10/02/2018.

**DIRECTORS**

The Directors have furnished a declaration to the board at the first meeting of the financial year 2017-2018 to the effect that they are not disqualified to act as directors under Section 164(2) of the Companies Act, 2013.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (5) of the Companies Act, 2013, the directors, to the best of their knowledge and ability, hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**FIXED DEPOSITS**

Pursuant to Chapter V of the Companies Act, 2013, the Company has not accepted any deposits from the public during the year under review.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

There are no particulars of loans, guarantees and investments to be disclosed in the financial statements.

**AMOUNT TRANSFER TO RESERVES**

No amount was transferred to the reserves during the financial year ended 31st March, 2017.

**FINANCIAL CONTROLS**

The Company has updated its internal control system and monitors the same regularly to manage the risks inherent in business and financial processes.

**SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by regulators or courts or tribunals which may affect the going concern status of the Company or its operations in the future.

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

Your Company has taken due care of conservation of energy by using more natural light and by using energy efficient equipment. Your company has not undertaken any research and development in the past year. There have been no foreign exchange earnings &/or outgo during the previous year.

**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 the prescribed limit.

**EXTRACT OF ANNUAL RETURN**

The Extract of annual return as provided under Section 92(3) of the Act, the extract of annual return is given in Annexure I in the prescribed Form MGT-9.

**GENERAL**

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 their sincere appreciation and thanks for the valuable co-operation and support received from the employees of the Company at all levels, Company's Bankers, lenders, suppliers, government authorities, and Members of the Company and look forward for the same in greater measure in the coming years.

**By Order of the Board of Directors  
Varuna Drinking Water Solutions Limited**

**Place: Mumbai  
Date: 31/08/2018**

**Sanjay Nimbalkar  
Chairman**

**ANNEXURE I - FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN As on financial year ended on 31.03.2018**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U41000MH2011PLC214211
2.	Registration Date	01/03/2011
3.	Name of the Company	VARUNA DRINKING WATER SOLUTIONS 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.
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY : NIL**

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary /Associate	% of Shares held	Applicable Section
1.	Vaarat Ventures Limited	L65990MH1993PLC074306	Holding	100%	2(46)
2.	*Geo Aquatech Limited	U41000MH2011PLC213405	Subsidiary	100%	2(87)(ii)
3.	Geo Thermal Water Limited	U41000MH2010PLC201691	Subsidiary	100%	2(87)(ii)

\*During the year it has been converted to LLP from 9<sup>th</sup> January, 2017

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

Varuna Drinking Water Solutions Limited is a wholly Owned Subsidiary of Vaarat Ventures Limited.

**Change in Promoter's Shareholding:** There is no change in the shareholding.

**Shareholding of Directors and Key Managerial Personnel**

Mr. Sanjay Nimbalkar, Ms Tanvi Doshi and Mrs. Leena Doshi, Directors, hold one share each jointly with Vaarat Ventures Limited.

**V) INDEBTEDNESS- NIL****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable
- B. Remuneration to other directors: All the directors have not claimed any sitting fees for their service rendered to the Company.
- C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD: Not Applicable

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OFFENCES: NIL**

**G. C. Patel & Co.**

102, Summer Villa Chs., 7<sup>th</sup> Road, Near HDFC Bank ATM,  
Santacruz (East), Mumbai 400055.

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**To the Members of Varuna Drinking Water Solutions Limited****Report on the financial statements**

We have audited the accompanying financial statements of M/s. Varuna Drinking Water Solutions Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss for the year then ended, the cash flow statement and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the 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 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 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 controls, 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 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.

The audit 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 and the company's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 aforesaid 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 31 March 2018 and its financial position 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 statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
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 purposes of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the balance sheet and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the 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 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f) . with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls; 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 does not have any pending litigations;
    - ii. the Company does not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise; and
    - iii. the company has not declared dividend and there are no dues to IEPF.

**Place: Mumbai**

**Date: 09<sup>th</sup> Aug 2018**



**ANNEXURE A TO THE AUDITOR'S REPORT****(This is the Annexure referred to in our Report of even date)**

The annexure referred to in our Independent Auditors' Report to the members of the company on the financial statements for the year ended 31 March 2018, we report that:

(i) The Company has no fixed assets. Accordingly, paragraph 3(i) of the Order is not applicable to the Company.

(ii) The Company has no inventory. Accordingly, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) The Company has not granted loans to any body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(b) There are no other loans granted to the bodies corporate listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.

(c) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) (c) of the Order is not applicable to the Company in respect of repayment of the principal amount.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and rules framed there under to the extent notified.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii)(a) According to the information and explanation given to us and the records of the company examined by us, in our opinion, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

(b) According to the information and explanation given to us and the records of the company examined by us, there are no disputed statutory dues as at 31st March 2018.

(viii) According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution, bank or government during the year. Company has not issued any debenture.

(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) During the Course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practice in India, and according to information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, notice or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided no managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to 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 the related parties are in compliance with sections 177 and 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 give 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 is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provision of clause 3(xvi) of the Order is not applicable to the company.

**Place: Mumbai**

**Date: 09<sup>th</sup> Aug 2018**

### **ANNEXURE B TO INDEPENDENT AUDITORS REPORT**

Referred to in paragraph 8(f) of the Independent Auditor's Report of even date to the members of M/S. Varuna Drinking Water Solutions Ltd. on the standalone financial statements for the year ended 31 March 2018.

#### **Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of M/S. Varuna Drinking Water Solutions Limited (the Company') as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's responsibility for internal financial controls**

2. 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 accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's responsibility**

3. 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 the Guidance note of Internal Financial Controls Over Financial Reporting (the 'Guidance Note')

and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, both issued by the ICAI. 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.

4. Our audit involves performing procedures to 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 misstatement of the financial statements, whether due to fraud or error.
  
5. 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**

6. A company's internal financial control over financial reporting is a process designed to provide assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedure that (1) pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company ; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 limitation of internal financial controls over financial reporting**

7. Because of the inherent limitation of internal financial controls over financial reporting , including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluation of the internal financial 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**

8. 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 on 31 March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essentials components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India.

**Place: Mumbai**

**Date: 09<sup>th</sup> Aug 2018**

## Varuna Drinking Water Solution Ltd

### BALANCE SHEET AS AT 31ST MARCH , 2018

	Notes No.	AS AT 31.03.2018	AS AT 31.03.2017
<b>EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	932,500	932,500
(b) Reserves and surplus	3	16,802,240	16,804,820
(c) Money received against share warrants			
<b>2 Share application money pending allotment</b>			
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings			
(b) Deferred tax liabilities (net)			
(c) Other long-term liabilities			
(d) Long-term provisions			
<b>4 Current liabilities</b>			
(a) Short-term borrowings			
(b) Trade payables			
(c) Other current liabilities	4	62,760	60,180
(d) Short-term provisions	5	2,500	2,500
<b>TOTAL</b>		<b>17,800,000</b>	<b>17,800,000</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets			
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(v) Fixed assets held for sale			
(b) Non-current investments	6	17,300,000	17,800,000
(c) Deferred tax assets (net)			
(d) Long-term loans and advances			
(e) Other non-current assets			
<b>2 Current assets</b>			
(a) Current investments			
(b) Inventories			
(c) Trade receivables			-
(d) Cash and cash equivalents			
(e) Short-term loans and advances			
(f) Other current assets	7	500,000	
<b>TOTAL</b>		<b>17,800,000</b>	<b>17,800,000</b>

#### Significant Accounting Policies

In terms of our report attached.

1

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For and on behalf of the Board of Directors

In terms of our report attached.

For G.C.Patel & Co.

Chartered Accountants

FRN:113693W

Sanjay Nimbalkar  
Director

Tanvi Doshi  
Director

Chartered Accountants

Place : Mumbai

Date : 09/08/2018

## Varuna Drinking Water Solution Ltd

### STATEMENT OF PROFIT AND LOSS AS AT 31ST MARCH , 2018

	Notes No.	AS AT 31.03.2018	AS AT 31.03.2017
1			-
Revenue from operations (gross)			
Less: Excise duty			
Revenue from operations (net)			-
2			-
Other income			
3			-
Total revenue (1+2)			
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			
(e) Finance costs			
(f) Depreciation and amortisation expense			
(g) Other expenses	8	2,580	11,245
Total expenses		2,580	11,245
5		-2,580	(11,245)
Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)			
6		-	-
Exceptional items			
7		-2,580	(11,245)
Profit / (Loss) before extraordinary items and tax (5 + 6)			
8		-	-
Extraordinary items			
9		-2,580	(11,245)
Profit / (Loss) before tax (7 + 8)			
10		-	-
Tax expense:			
Total(10)			
11		-2,580	-11,245
Profit / (Loss) for the year(9 +10)			
12			
Earnings per share			
(a) Basic			
(i) Continuing operations		(0.00)	(0.01)
(b) Diluted			
(i) Continuing operations		(0.00)	(0.01)

Significant Accounting Policies

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For and on behalf of the Board of Directors

In terms of our report attached.

For G.C.Patel & Co.

Chartered Accountants

FRN:113693W

Sanjay Nimbalkar  
Director

Tanvi Doshi  
Director

Chartered Accountants

Place : Mumbai

Date : 09/08/2018

**1. SIGNIFICANT ACCOUNTING POLICIES YEAR ENDED 31<sup>ST</sup> MARCH,2018****Basis of Preparation of financial statement :-**

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting to comply with the Accounting Standards prescribed in the Companies Act 2013

**1.1 Method of Accounting**

i. The method of accounting followed by the Company is mercantile / accrual basis

**1.2 Depreciation:**

- i. Depreciation is charged on Fixed Assets at the rate provided in Companies Act, 2013.
- ii Goodwill is amortized over its estimated useful life commencing from the year in which it is determined.

**1.3 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.

**1.4 Impairment of Assets:**

An asset is treated as impaired when the carrying cost of Assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which the asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**1.5 Inventories:**

- i. Raw and packing materials are valued at cost or market value, whichever is lower, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributed to their acquisition but excludes duties and taxes, which are subsequently recoverable from the taxing authorities.
- ii. The finished goods inventory is valued on the principle of cost, or market value whichever is lower. It includes material cost, conversion and other costs incurred in bringing the inventories at their present location and condition.
- iii. Work in process is valued at material cost and cost of conversion appropriate at their location in the manufacturing cycle.

**1.6 Sundry Debtors:**

Sundry debtors are stated after writing off debts considered as bad. Adequate provision is made for doubtful debts, if any. Discounts due yet to be quantified at the customer level are provided for under other provisions.



**1.7 Deferred Tax Assets / Liabilities:**

Deferred Tax assets or liability for timing difference between the profits per financial statements and the profit offered for income tax, based on tax rates that have been enacted or substantively enacted as at the Balancesheet 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.

**1.8 Prior Period Expenses/ Income:**

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

**1.9 Retirement Benefits:**

Liability in respect of retirement benefits is provided and/or charged to profit & loss account as follows:

- a) Gratuity: There are no define benefit plan to gratuity as there are only two employee entitle to gratuity and the amount of gratuity payable is in not material.
- b) Provident Fund: Company's contribution to Provident Fund is charged to the Profit and Loss Account if applicable. As the number of employees less than 10, provident fund is not applicable for current year.
- c) Leave Encashment is not applicable.

**1.10 Borrowing Cost:**

Borrowing cost directly attributed to the acquisition and construction of qualifying assets are capitalized. Other borrowing costs are recognized as expenses in the period, which they are incurred.

**1.11 Going Concern Assumption:**

The accounts are prepared on the going concern assumption. Amount payable/receivable in respect of sundry creditors, sundry debtors, loans given, unsecured loan obtained, advances recoverable, bank balance etc. are subject to reconciliation and confirmation.

**Other Accounting Policies**

These are consistent with generally accepted accounting practices

**Varuna Drinking Water Solution Ltd**

NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH , 2018

**Note No. "2":- SHARE CAPITAL**

Particulars	AS AT 31.03.2018		AS AT 31.3.2017	
	Number of shares	Amount	Number of shares	Amount
<b>(a) Authorised</b>				
10,00,000 Equity shares of Rs.1 each with voting rights (P.Y.10,00,000 Equity shares of Rs.1 each with voting rights)	1,000,000	1,000,000	1,000,000	1,000,000
<b>(b) Issued</b>				
9,32,500 Equity shares of Rs.1 each with voting rights (P.Y.9,32,500 Equity shares of Rs.1 each with voting rights)	932,500	932,500	932,500	100,000
<b>(c) Subscribed and fully paid up</b>				
9,32,500 Equity shares of Rs.1 each with voting rights (P.Y.9,32,500 Equity shares of Rs.1 each with voting rights)	932,500	932,500	932,500	932,500
<b>Total</b>		<b>932,500</b>		<b>932,500</b>

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

	AS AT 31.03.2018		AS AT 31.3.2017	
	Number of shares	Amount	Number of shares	Amount
At the Beginning of period	932,500	932,500	932,500	932,500
Add:- Issued during the year	-	-	-	-
Less:- Brought Back during the year	-	-	-	-
Outstanding at the end of period	<b>932,500</b>	<b>932,500</b>	<b>932,500</b>	<b>932,500</b>

**Details of each shareholder holding more than 5% shares:**

Name of Shareholder	AS AT 31.03.2018		AS AT 31.3.2017	
	%	Qty	%	Qty
Vaaraad Ventures Limited	100.00	932,500	100.00	932,500

**Varuna Drinking Water Solution Ltd****NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH , 2018****Note No. "3":- RESERVES AND SURPLUS**

	<b>AS AT 31.03.2018</b>	<b>AS AT 31.03.2017</b>
Opening Balance of securities Premium	16,867,500	16,867,500
Add:During the year	-	-
Closing Balance of the year	16,867,500	16,867,500
Opening Balance of Profit and loss	(62,680)	(51,435)
Add/(Less):Profit/(Loss) during the year	(2,580)	(11,245)
Closing Balance of the year	(65,260)	(62,680)
<b>Total</b>	<b>16,802,240</b>	<b>16,804,820</b>

**Note No. "4":-OTHER CURRENT LIABILITIES**

	<b>AS AT 31.03.2018</b>	<b>AS AT 31.03.2017</b>
Others	7,889	7,889
Vaarad Ventures Ltd	54,871	52,291
<b>Total</b>	<b>62,760</b>	<b>60,180</b>

**Note No. "5":-SHORT TERM PROVISION**

	<b>AS AT 31.03.2018</b>	<b>AS AT 31.03.2017</b>
Provision for Expenses	2,500	2,500
<b>Total</b>	<b>2,500</b>	<b>2,500</b>

**Note No. "7":- OTHER CURRENT ASSETS**

	<b>AS AT 31.03.2018</b>	<b>AS AT 31.03.2017</b>
Other Current Assets	500,000	-
<b>Total</b>	<b>500,000</b>	<b>-</b>

**Note No. "8":- OTHER EXPENSES**

	<b>AS AT 31.03.2018</b>	<b>AS AT 31.03.2017</b>
Audit Fees	1,180	1,145
Fees and Taxes	1,400	10,100
Preliminary Exp.written off		-
Misc. exp		
<b>Total</b>	<b>2,580</b>	<b>11,245</b>

**Varuna Drinking Water Solution Ltd**

NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH , 2018

Note No. "6":- Non - Current Investments						
	AS AT 31.03.2018			AS AT 31.03.2017		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investment(at Cost)						
(a) Investment in Subsidiary companies(Unquoted)						
Geo Aquatech limited						
5,00,000 (500,000) Equity Shares of Rs.1/- each	-			-	500,000	500,000
Geo Thermal Water Limited						
4,90,000 (4,90,000) Equity Shares of Rs.2/- each	-	490,000	17,300,000	-	490,000	17,300,000
<b>Total</b>			<b>17,300,000</b>			<b>17,800,000</b>



**Varuna Drinking Water Solution Ltd****CASH FLOW STATEMENT AS AT 31ST MARCH 2018**

	AS AT 31.3.2018	AS AT 31.3.2017
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Profit Before Tax	(2,580)	(11,245)
<b>Adjustments</b>		
Depreciation		
<b>Changes in assets and liabilities</b>		
Inventories		
Trade & other Receivables		
Trade payable & Provisions	2580	11,245
Other Current Assets	-	
Loans & Advances		
<b>Extra ordinary Items</b>		
Prior Years Expenses Written off		
<b>Taxation for the year</b>		
Income tax and Deffered Tax		
<b>Net Cash Generated from Operating Activities(A)</b>		-
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Purchase of Fixed Assets		
Capital WIP Tranferred		
Sale of Fixed Assets		
Investment		
<b>Net Cash Generated from Investing Activities(B)</b>		
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Proceeds from Loan		
Proceeds to issue of shares		
Securities premium received		
<b>Net Cash Generated from Financing Activities('C)</b>		
<b>Net Cash flow (A+B+C)</b>		
Opening balance of Cash & Cash Equivalents	-	-
Closing balance of Cash & Cash Equivalents	-	-
Net Cash & Cash Equivalents for the year	-	-

Significant Accounting Policies

1

In terms of our report attached.

For G.C.Patel &amp; Co.

Chartered Accountants

FRN:113693W

For and on behalf of the Board of Directors

Sanjay Nimbalkar    Tanvi Doshi  
Director                      Director

Chartered Accountants

Place : Mumbai

Date : 09/08/2018

