



SUNIL K. KANSARA & ASSOCIATES

Sunil K. Kansara

Chartered Accountants

B.Com., A.C.A.

PAN : ADYPK6846K

GSTIN: 24ADYPK6846K1ZQ

34 A, Shree Laxminagar Co-op. Housing Society Ltd.

Gandevi Road, NAVASARI - 396 445 (Gujarat)

Phone (02637) 254771

Auditors' Report

To the Members,

VARELI TRADING COMPANY LIMITED

We have audited the accompanying standalone financial statements of **VARELI TRADING COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and as prescribed under section 133 of the Act read with the Companies Accounting Standard Rules 2015,

- (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2019;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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 of these standalone 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 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.

Key Audit Matters :

Key audit matters are that matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no other key audit matters to communicate in our report.

Auditor's Responsibility :

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken in to 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material mis-statement 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the





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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 standalone financial statements.

Report on Other Legal and Regulatory Requirements :

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the afore said 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 31st March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) 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 March 31, 2019, 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.
 - 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 which have any impact on its financial position in its financial statements.
 - ii) The Company did not have any long term contracts including derivative contracts, for which there were any material foreseeable losses, and
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Sunil K. Kansara & Associates

Chartered Accountants

Firm Registration No. 124120W



Kansara

(CA. Sunil K. Kansara)

Proprietor

Membership No. 115295

UDIN : 19115295AAAAET5656

Navsari, dated: August 31, 2019



SUNIL K. KANSARA & ASSOCIATES

Sunil K. Kansara

Chartered Accountants

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Annexure referred to in Point 1 of Report on Other Legal and Regulatory Requirements of our report of even date on the accounts of VARELI RADING COMPANY LIMITED for the year ended 31st March, 2019

- i. The Company has no fixed assets, hence paragraphs (i)(a) and (b) of the Order are not applicable.
- ii. As per the information and explanations given to us and records produced before us, there were no inventories lying with the company any time during the year. Hence paragraphs (ii)(a)(b)(c) of the Order is not applicable during the year.
- iii. a) The Company has not granted any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, paragraphs (iii)(b) of the Order is not applicable.
- 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 public.
- vi. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the products of the Company.
- vii. a) According to information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues as applicable with the appropriate authorities during the year.
b) According to information and explanation given to us, there are no statutory dues as applicable which have not been deposited on account of any dispute.
- viii. The Company has not taken any loans or borrowings from any financial institutions or banks or governments or debenture holders. Accordingly, paragraph 3(viii) of the order is 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 information and explanations given to us, no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. According to information and explanations given to us and based on the examinations of the records of the Company, no managerial remunerations has been paid or provided by the Company during the year.
- xii. In our opinion and according to 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 information and explanations given to us and based on the examinations of the records of the Company, transactions with the related party are in compliance with section 177 and 188 of the Companies Act, 2013 and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to information and explanations given to us and based on the examinations 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 information and explanations given to us and based on the examinations of the records of the Company, the Company has not entered into any non-cash transactions with any directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Sunil K. Kansara & Associates

Chartered Accountants

Firm Registration No. : 124120W



Kansara

(CA. Sunil K. Kansara)

Proprietor

Membership No. 115295

UDIN : 19115295AAAAET5656

Navsari, dated: August 31, 2019

