



SWAROOP ANAND & CO.,
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To
The Members of Wellness Noni Ltd, Chennai

Report on the Financial Statements

We have audited the accompanying financial statements of Wellness Noni Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit & Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation 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 Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are 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.

1. 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.

2. 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 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 appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Disclaimer Opinion

1. As brought is in our Report last year, one of the items of Company's Fixed Assets namely Land and Land Development is being carried at Rs. 1,58,07,500/- (Rupees One Crore Fifty Eight Lakhs Seven Thousand Five Hundred Only) in the Balance Sheet as on 31st March 2019. We are unable to obtain sufficient and appropriate audit evidence about the carrying Cost of the Land and Land Development stated above in the Fixed Assets Schedule (Note 6 to Balance Sheet).

2. As brought is in our Report last year, further, we are not able to obtain sufficient and appropriate audit evidence about the amount of Investments (both Quoted and Unquoted) in the books of Investee Companies. Consequently, we are not able to determine whether any adjustments to the Investment Amount are necessary in the light of absence of information regarding the companies in which the Company holds investments as on Balance Sheet date, to the extent of Rs. 37,78,855/- (Rupees Thirty Seven Lakhs Seventy Eight Thousand Eight Hundred and Fifty Five only) as stated in Note 7 to Balance Sheet.

3. As brought is in our Report last year, according to the information and explanations given to us by Management, the Company carries a Loss of Rs.1,27,16,580 /- (Rupees One Crore Twenty Seven Lakhs Sixteen Thousand Five Hundred and Eighty only) as earlier year's loss under Intangible Asset in Note 6 to Balance Sheet. We understand that the Board had in an earlier year passed a Resolution to this effect to treat the said loss as Intangible Asset in the Balance Sheet.

4. According to the information and explanations given to us by Management, the Company has not paid VAT for the FY 2016-17 an amount of Rs.11,07,986/- (Rupees Eleven Lakhs Seven Thousand Nine Hundred Eighty Six Rupees Only) as stated in Note 4 to Balance Sheet.

Disclaimer Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Disclaimer Opinion Paragraph, the financial statements give the information required by the Act in manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2019;
- (b) in the case of the Profit & Loss Account, of its Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements



5. 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 paragraphs 3 and 4 of the Order.

6. As required by section 143(3) of the Act, we further 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) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above, 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, Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) Except for the possible effects of the matters described in the Basis for Qualified Opinion Paragraph, in our opinion, the financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.

e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

f) On the basis of 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.

g) The Qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the basis for Qualified Opinion Paragraph above.

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

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.

iii. There has not been an occasion in case of the Company, during the year under report, to transfer any sums to the Investor Education and Protection Fund. Hence the question of delay in transferring such sums does not arise.

Swaroop Anand & Co.,
Chartered Accountants
Registration No. 4324

R.S.T. Swaroop Anand
Membership No. 28457

Place : Chennai

Date : 30th May 2019



ANNEXURE- A

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 financial reporting of Wellness Noni Limited ("the Company") as of March 31, 2019 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

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

Auditors' 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 the 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 168 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 misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:



(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, 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.

Swaroop Anand & Co.,
Chartered Accountants
Registration No. 4324

R.S.T. Swaroop Anand
Membership No. 28457

Place : Chennai

Date : 30th May 2019



ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date

1. In respect of its Fixed Assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.

(b) The Company has a programmed of verification of Fixed Assets to cover all the items, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Fixed Assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

2. According to the information and explanations furnished to us,

a) Physical verification of its inventories has been conducted during the year by the Management. In our opinion, the frequency of the verification is reasonable.

b) In our opinion, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.

c) In our opinion, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of the inventories were not material in relation to the operations of the Company and the same have been properly dealt with in the books of accounts.

3. The Company has not granted any Loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Sec. 189 of the Act.

4. The Company does not have any outstanding Loans, Investments and has not given any Guarantees in contravention of Sec. 185 and 186 of Companies Act, 2013.

5. The Company has not accepted any Deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.

6. To the best of our knowledge and information provided to us, the Company is not required to maintain Cost Accounting Records under sub-section (1) of Section 148 of the Act.

7. (a) According to the information and explanations given to us and based on the records of the Company examined by us, the Company is regular in depositing the undisputed statutory dues, including Provident

Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable Except Sales Tax (VAT) which is payable, with the appropriate authorities in India;

The company has Sales Tax (VAT) arrears as at the last day of the financial year concerned, for a period of more than six months from the date they became payable. The details are as follows.



Statute	Nature of the Dues	Period to which amount relates	Outstanding Dues
Sales Tax/VAT Laws	Sales Tax/VAT	FY 2015-16: April 2015 to September 2015	Rs. 2,96,721/-
		FY 2016-17: April 2016 to March 2017	Rs. 8,11,265/-

(b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Income Tax, Wealth Tax, Goods & Service Tax, Service Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.

8. As per Information and Explanations given to us, there are no Loans or borrowing due to Financial Institution, Bank, Government or dues to Debenture holders.

9. Based on our examination and information given to us, Moneys raised by way of Initial Public Offer or Further Public Offer (including debt instruments) and Term Loans were applied for the purposes for which those are raised.

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

11. As per our Examination of Books of Accounts and information and explanations provided to us, No Managerial Remuneration has been paid during the Financial Year.

12. Since the Company is not a Nidhi Company, Nidhi Company Rules 2014 are not applicable to this Company.

13. As per Information and Explanations provided to us, all transactions with the Related Parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable Accounting Standards.

14. As per Information and Explanations provided to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

15. As per Information and Explanations provided to us, the Company has not entered into any non-cash transactions with Directors or persons connected with them.

16. In our Opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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