

Schedules – Significant Accounting Policies and Notes to the Accounts for the year ended March 31, 2020.

1. Significant Accounting Policies

A. Method of Accounting

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply in all material aspects as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the Historical Cost Convention on Accrual basis unless otherwise stated.

B. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and amortization cost comprises the purchase price and other attributable expenses.

C. Depreciation and Amortization

Depreciation on Tangible assets is provided on Written down Value method over useful lives of assets estimated by management. Depreciation for assets purchased or sold during the period is proportionally charged. Intangible assets are amortized over their respective individual estimated useful lives on WDV basis, commencing from the date the asset is available to the Company for its used. The management estimates the useful lives as follows

Name of the Asset	Useful life as per Companies Act, 2013	Expired useful life	Balance useful life

Useful lives depreciation and amortization, residual values are reviewed periodically at the end of each financial year.

D. Cash Flow Statement

Cash flows are reported using indirect method, whereby the profit before tax is adjusted for the effects of transaction of non-cash nature, any difference or accruals of past or future operating cash receipts and payments and items of income or expenses associated with investing or financing cash flow. The cash flow for operating, investing and financing are segregated.

E. Revenue Recognition

Sale of goods is recognized at the point of dispatch of goods to customers.



F. Income Tax

Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

G. Employee Benefits

(i) Provident Fund

In accordance with the applicable local laws, eligible employees of the Company are entitled to receive benefits under provident fund, a defined contribution plan to which both the employee and employer contribute monthly at a determined rate (currently up to 12% of an employee's salary). These contributions are made to the respective Regional Provident Fund Commissioner and are expensed as incurred.

(ii) Liability for Leave

No liability for compensated absences is made as there is no accumulation of and encashment of leave at the end of the year.

H. Foreign Exchange Transactions

	2020	2019
Earnings in foreign exchange	Rs.NIL	Rs.NIL
Expenditure in foreign exchange	Rs.NIL	Rs.NIL

I. Deferred Income Tax

Current tax determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Liability comprise of the following:

	As at March 31, 2020	As at March 31,2019
a. Deferred Tax Liability		
Arising on account of timing difference- Depreciation	Nil	Nil
Net Deferred Tax Liability		

J. Related Party Disclosures:

Information relating to Related Party Transactions as per Accounting Standard 18 notified by the Companies (Accounting Standards) Rules,2006.



(i) List of Related Parties

Key Managerial Personnel	Designation	Relatives (Relation)

*Relatives of the key management personnel with whom there were transactions during the year.

(ii) Other entities under the control of key management personnel and their relatives

Description	Name of the Related Party	Key Management Personnel		Entity over which key management personnel is able to exercise significant influence	
		2019-20	2018-19	2019-20	2018-19

- K. Balances standing to the credit/debit of the parties are subject to confirmation, reconciliation and consequential adjustments.
- L. On account of revision in the useful lives of assets as per Companies Act, 2013 the “(carrying amount-Residual Value)” amounting to Nil.
- M. Sundry creditors includes Rs.Nil due to Micro and Small Enterprises as defined under Micro Small and Medium Enterprises Development Act 2006 (MSMED Act 2006). The Company has not received any memorandum (as required to be filed by the supplier with the notified authority under the MSMED Act 2006) claiming their status as Micro or Small or Medium Enterprises.
- N. Previous year figures have been regrouped/ reclassified wherever necessary to conform to current year classification.

For KAMESWARA RAO DSVS & Co
(Chartered Accountants)
Reg No. :0049205



DSVS KAMESWARA RAO
(Partner)

Membership No.018396

Place: Hyderabad

Date: 10/08/2020

UDIN: 20018396AAAAAT6657

