

GUJARAT MEDITECH LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2018

NOTE 22:

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:-

E. ACCOUNTING POLICIES :

viii) **Basis of Accounting:** The accounts of the company are prepared under the historical cost convention and in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India, except where otherwise stated and the relevant provisions of the Companies Act, 2013. For recognition of Profit or Loss, mercantile system of accounting is followed except in the following cases where accounting is done on payment/receipt basis:-

- m) Leave with wages & salary
- n) Rebate/claim on sales & purchases
- o) Legal and Professional Charges.

ii) **Fixed Assets:** Fixed assets acquired during the period are stated at cost of acquisition inclusive of all incidental expenses and any attributable cost for bringing the assets to its working condition and exclusive of CENVAT Credit on Capital Account.

ix) **Depreciation:** The depreciation of fixed assets has been provided on SLM Method in Schedule II to the Companies Act, 2013.

iv) **Investments:** The securities acquire with the intention of holding till maturity or for a longer period are classified as investments. Current Investments are cost arrived at on weighted average basis. Commission earned in respect of securities acquire upon development are reduced from the cost of acquisition. An appropriate provision is made for other than temporary diminution in the value of investments.



v) Inventories:

a) The securities acquired with the intention of holding for short term are classified as investment and securities acquired for trading are classified as stock-in-trade.

b) The securities held as stock-in-trade are valued at lower of cost arrived at on weighted average basis or market/ fair value, computed category-wise. In Case of investment transferred to stock in trade, carrying amount on the date of transfer is considered as cost. Commission earned in respect of securities acquired upon devolvement is reduced from the cost of acquisition. Fair market value of unquoted shares is taken at break-up value of shares as per the latest audited Balance Sheet of the concerned company. In case of debt instruments, fair market value is worked out on the basis of yield to maturity rate selected considered quotes where available and credit profile of the issuer and market related spreads over the government securities.

c) Discounted instruments like commercial paper/treasury bills/zero coupon instruments are valued at carrying cost. The difference between the acquisition cost and the redemption value of discounted instruments is apportioned on a straight line basis for the period of holding and recognized as interest income.

d) Units of mutual fund are valued at lower of cost and net asset value.

vi) **Gratuity:** The management has decided to adopt cash basis of accounting for gratuity liability hence no provision has been made for accrued liability in the accounts of the company.

vii) **Foreign Currency Transactions:** Transactions in foreign exchange are accounted for at exchange rates prevailing on the date on which the transaction takes place. Gains and Losses arising out of fluctuations in exchange rates, relating to the fixed assets, are adjusted to the carrying amount of fixed assets and in other cases transferred to revenue accounts.

viii) **Taxation:** - Provision for current tax is made on the basis of applicable Income Tax Provisions for the current accounting period



No provision is made for deferred tax as depreciation as not been charged by the company during the year.

- ix) **Borrowing Cost:-** Borrowing cost which are directly attributable to the acquisition/construction of fixed assets till the time such assets are ready for use are capitalized as part of the assets. Other borrowing costs are treated as revenue expenditure and charged to profit and loss account for the year.
- xv) **Segment Reporting:-** The company has identified its primary reportable segments under AS-17 and necessary disclosure is separately made in notes in accounts. The accounting policies adopted for segment report are in line with the accounting policies of the company with the following additional policies for segment reporting.
Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable". Segment assets and segment liabilities represents assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as "Unallocable"
- xi) **Related Party Disclosures:-** Related Party Disclosures as per AS-18 issued by ICAI is made and disclosed separately in notes of accounts.
- xii) **Earning Per Share:-** Earning Per Share has been calculated on weighted average of total number of shares as per AS-20 issued by ICAI.
- xiii) **Impairment of Assets:-** The Company has a policy of assessing the impairment of Intangible assets every year in accordance with AS-28 as prescribed by ICAI. This is done through comparing its carrying amount as per books of accounts with its recoverable value. Hence no provision is required as per AS-28.
- xiv) **Revenue Recognition :** Revenue from issue management services loan syndication, financial advisory services etc. is recognized based on the stage of completion of assignments and terms of agreement with the client.



Gain and losses of agreement with securities and derivatives are recognized on trade date.

Dividend income is recognized when right to receive the dividend is established.

Interest income is recognized on the time proportion basis.

xv) Derivatives Transactions:

- a) All open position are marked to market
- b) Gains are recognized only on settlement /expiry of the derivative instruments except for interest rate derivatives where even mark to market gains are recognized.
- c) Receivables/ payables on open position are disclosed as current assets/ current liabilities, as the case may be.

B. NOTES ON ACCOUNTS

9. Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosure has been made in the accounts. However, in view of the management, the impact of interest, if any, that can be payable in accordance with the provisions of this act is not expected to be material.
10. In the opinion of the management and to the best of their knowledge and belief, the value on realization of loans and advances and other current assets, in the ordinary course of business, will not be less than the amount at which they are stated in the Balance Sheet.
3. Balance of Sundry Debtors, Sundry Creditors, and Loans & Advances are subject to Conformation .
12. Considering the deductions and exemptions available as per the provisions of Income Tax Act, 1961 no provision made in the accounts towards current income tax for the year..
13. Of the total creditors, amount due to Small Scale Industrial Undertaking can not be segregated pursuant to the Notification issued by, the Department of Company Affairs , as the necessary information regarding suppliers status is not available with the company.



18. Previous years figures have been regrouped and rearranged wherever necessary. A monetary value at all places, except where other-wise stated, are in terms of rupees.

19. There is no contingencies liabilities no provision is made.

20. Depreciation has not been provided on assets by the company.

9. Disclosure of Related Parties/Related Party Transactions:-

A. Relationship:

I Key Management Personals

Name of Related parties	Nature of Relationship
Mr. Praveen Deshmukh	Managing Director
Mrs. Shewta Rathore	Director
Mr. Jayesh Babulal Shah	Director
Mr. Ashok Rathore	Director

II Associate Entities : NIL

III Relations of Key Management Personnel: NIL

B. The following transactions were carried out with the related parties' returned in above in the ordinary Course of business:

Particulars	Relative of Key Management Personal
Managerial Remuneration & Sitting Fees	Nil Nil

10. Purchases, Sales and Stock of Goods Traded:-

CLASS OF GOODS TRADED	UNIT	OPENING STOCK		PURCHASE		SALES		STOCK	
		QTY	VALUE	QTY	VALUE	QTY	VALUE	QTY	VALUE
Soil	Nos.	0	0	0	0	0	0	0	0

	2017-18	2016-17
a) Imported and Indigenous consumption of Raw Materials	NIL	NIL
b) Value of Imports on CIF basis	NIL	NIL
c) Expenditure in Foreign Currency	NIL	NIL
d) Earnings in Foreign Currency	NIL	NIL
e) Payment to Auditors		



PARTICULARS	2017-2018		2016-2017	
	2017-2018	2016-2017	2017-2018	2016-2017
STATUORY AUDIT FEE	5100		5000	
TAX AUDIT FEE	0		0	

f) Managerial Remuneration under Section 197 of the Companies Act, 2013

11. INFORMATION ABOUT BUSINESS SEGMENT:-

	TRADING		Consultancy and Brokerage		CONSOLIDATED TOTAL	
	2017-2018	2016-17	2017-2018	2016-2017	2017-2018	2016-2017
Total Revenue(Sales)	7514550	0	0	4378650	7514550	4378650
Segment Result						
Unallocated Corporate Expenses	0	0	0	4373146	7511459	4373146
Operating Profit	0		0	5504	3091	5504
Interest & Other Income					0	0
Interest & Other Exp.					0	0
Profit Before Tax			0	5504	3091	5504
Income Tax & DTL			0	1701	0	1701
Profit After Tax			0	3803	3091	3803

Note:- The company has identified three reportable segments viz. Trading, Consultancy, Brokerage Share Transactions and Others have been identified and reported taking into account nature of products and services, the differing risks and returns internal business reporting systems.

12. Earning per share (EPS) :

In terms of Accounting Standard-20, the calculation of EPS is given below:-

S.No	Nature of Transaction	Current year	Previous year
1	Number of Shares at Commecment	4110000	4110000
2	Shares issued during the Year	0	0
3	No. of Shares at the end of the year	4110000	4110000
4	Profit After Taxes (Rs.)	3091	3804
5	Extra ordinary Items (Within the meaning of AS-5, Net Profit or Loss for the period, Prior Period items and Changes in the Accounting Policy)	-	-
6		0.00	0.001
7	Dilute Value Per Share	0.001	0.001



13. The Company has advances certain amount to Various Party. Such advances are outstanding on which interest has not been charged.

SIGNATURES TO SCHEDULES 01-18
AS PER OUR REPORT OF EVEN DATE

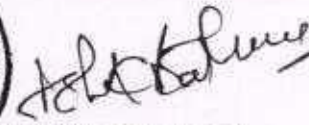
For:-NAHAR V & COMPANY,
Chartered Accountants,



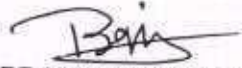
VISHAL NAHAR
Partner
M.NO. 400217
FRN : 010443C



FOR AND ON BEHALF OF THE BOARD,



ASHOK RATHORE
Director



PRAVIN DESHMUKH
Director

PLACE:- INDORE
DATED:-

 Value
Research