1.Corporate Information

Dwitiya Trading Limited is a public company incorporated in India. Its shares are listed on the Calcutta Stock Exchange Ltd. and BSE Ltd. in India. The Company is engaged in the trading business.

2.Significant accounting policies & Notes to Financial Statements

2.1 Basis of Accounting

The financial statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under Companies Act, 2013.

2.2 Application of Indian Accounting Standards (Ind-AS)

As the year end figures are taken from the source and rounded to the nearest digits, the figures reported in the previous quarters might not always add up to the year end figures reported in this statement. Effective 1st April, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First time Adoption of Indian Accounting Standards, with 1st April, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.3 Use of Estimates

The preparation of financial statements in conformity with the Ind AS requires the management of the company to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, as at the date of the financial statements and reported amounts of income and expenses during the period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years. Future results may vary from these estimates.

2.4 Revenue Recognition

a) **Revenue recognition: -** Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

<u>Sale of goods</u>
Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

<u>Interest</u>
Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from operations" in the statement of profit and loss.

<u>Dividends</u>
Dividend income is recognized when the company's right to receive dividend is established by the reporting date and it is certain that the economic benefits will flow to the company and the amount of income can be measured reliably.

<u>Profit on Sale of Investment</u>
Profit on sale of investment is recognised upon transfer of title by the company and is determined as the difference between the sales price and the then carrying value of the investment.

<u>Other Income</u>
The amounts receivable from various agencies are accounted on accrual basis to the extent it is possible to ascertain the income with reasonable accuracy.

ARUN JAIN & ASSOCIATES
M. No.- 53693
Chartered Accountants

2.5 Employees Benefit

Retirement and other employee benefits:- No liability in respect of retirement benefits has been provided for since; none of its employee are eligible for entitlement of retirement benefit for non attainment of duration of services.

2.6 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated using the effective interest method and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

2.7 Depreciation and Amortization

The Company has taken the exemption available in IND-AS-101 with respect to recognition of Tangible and intangible assets at their carrying value, as there deemed cost on the date of transition and the same became the new gross block as on 01.04.2016. Opening Balance as on 01.04.2016 of the Tangible fixed assets and intangible fixed assets shall be deemed cost (Gross Block) as per IND-AS.

The depreciable amount of assets is allocated on a straight line basis over its useful life prescribed in Part C of Schedule II of the Companies Act. The residual value and the useful life of an asset are reviewed, at each financial year-end. Depreciation on all assets have been provided from the date they are 'Put to Use' till the date of sale and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated.

The residual value of all such items is taken at 5% of the original cost of individual asset.

From the date Ind AS came into effect, the carrying amount of an asset is depreciated over the remaining useful life of the asset as per estimate of remaining useful life. Wherever, the remaining useful life of an asset is nil, the carrying amount is recognized in the opening balance of retained earnings after retaining the residual value.

Tangible assets are stated at cost, less accuumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on assets purchased / sold / discarded / disposed off during the year is charged on a pro-rata basis. Individual assets whose cost does not exceed Rs 5000/- is treated as revenue expenditure.

2.8 Taxation

Income tax expense represents the sum of current tax and deferred tax.

Current tax

The current tax payable is based on taxable profit for the year as determined from net profit before tax as represented in Statement of Profit and Loss and Other Comprehensive Income, in line with different provisions under Income Tax Act 1961.Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

ARUN JAIN & ASSOCIATES
M. No.- 53093
Chartered Accountants

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and Deferred Tax for the year

Current and deferred tax are recognized in Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

2.9 Tangible fixed assets and intangible fixed assets

The cost of an assets comprises:

i. Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
ii. Costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company has chosen the cost model of recognition and this model is applied to an entire class of assets. After recognition as an asset, an asset is carried at its cost less any accumulated depreciation and any accumulated impairment losses Pending reconciliation/receipt of the final bills against capital items, capitalization is done on the basis of cost booked and depreciation is charged accordingly. Price differences, if any, are adjusted in the year of finalization of bills.

Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits associated with respective assets will be realized for more than one economic period. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful life from the date on which they are available on use. Intangible Assets other than Software are amortized over estimated useful life which is equivalent to license period, generally not more than 5 years. However, Software which are considered as Intangible Assets are fully amortised in the year in which the expenses are incurred.

2.10 Inventories

Stocks of raw-matereials are valued at the lower of the net realizable value and cost. The raw materials are also valued at the lower of the net realizable value and cost to the unit if the finished goods in which they will be incorporated are expected to be sold below cost. Loose tools when issued are charged off to revenue.

Finished goods and work-in-process are valued at the lower of the net realizable value and cost to the unit. The cost is exclusive of financing cost, such as, interest, bank charges, administration overhead, etc.

Scrap sales are accounted for on delivery of material.

2.11 Impairment of Assets

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

2.12 Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event and it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

ARUN JAIN & ASSOCIATES M. No.- 53993 Chartered Accountants

2.13 Contingent Liabilities/ Assets

Contingent Liabilities

Wherever no reliable estimate could be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources.
When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

Contingent Assets

Contingent Assets are not recognised in the financial statements but are disclosed in Notes to the Accounts. Such assets occur when the inflow of economic benefits is probable. Such contingent assets are assessed continuously, if it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

2.14 Financial Instruments

Non Derivative Financial Instruments

Initial Recognition

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Subsequent Recognition

Financial assets

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss.

Financial Liabilities

Financial liabilities are subsequently measured at amortized cost using Effective Interest Rate (EIR) method except for derivatives, which are measured at fair value.

Derivative Financial Instruments

All derivatives are recognized and measured at fair value with changes in fair value being recognized in profit or loss for the period.

2.15 Events Occurring after the Reporting Period

The company adjusts the amount recognized in its financial statements to reflect adjusting material events after the reporting period and does not adjust the amount to reflect non-adjusting events after the reporting period. However where retrospective restatement is not practicable for a particular prior period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

ARUN JAIN & ASSOCIATES
M. No.- 53693
Chartered Accountants

2.16 Prior Period Items

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

2.17 Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders in general meeting and interim dividends are recorded as a liability on the date of declaration by the directors in the meeting of the Board of Directors.

2.18 Cash and cash equivalents: - Cash and cash equivalents .comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.19 Cash Flow Statement: - Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and cash flows from operating, investing and financing activities of the Company are segregated.

2.20 MSMED Act, 2006: - The Government of India has promulgated an act namely The Micro, Small and Medium Enterprises Development Act, 2006, which comes into force with effect from October 2, 2006. As per the act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on over dues beyond the specified period irrespective of the terms agreed with the suppliers. The Company does not have any dues to any entity covered under the said act.

ADDITIONAL NOTES

I. **RELATED PARTIES DISCLOSURE AS PER ACCOUNTING STANDARD 18**

A. List of Related Parties: -

Sr. No.	Party	Relationship
	Rabi Jalan	Managing Director
	Lokesh Pasari	Director
	Bandana Mishra	Director
	Chandra Dutta Sharma	Director
	Ashutosh Dey	Director
	Manish Damani	CFO

B. Related Party Transaction: -

Transaction	31.03.2019 (Amt. in Rs.)	31.03.2018 (Amt. in Rs.)
Remuneration to Managing Director – Rabi Jalan	**2,40,000**	2,40,000
Remuneration to CFO – Manish Damani	-	
Remuneration to Company Secretary – Minakshi Banthia (Resigned w.e.f.12.03.18)	-	2,79,615

II. Balance in respect of Trade Payable, Trade Receivable and Loans & Advances are subject to confirmation.

III. Previous year's figures have been regrouped /rearranged wherever considered necessary to confirm to current year's grouping and classification.

ARUN JAIN & ASSOCIATES M. No.- 53093 Chartered Accountants