

**18. Notes to Financial Statements :**

1. Basis of Preparation of accounts: The financial statements have been prepared under the historic cost convention. The Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Policies in India (Indian GAAP). The Financial Statements have been prepared on accrual basis. The Accounting Policies adopted in the Preparation of Financial Statements are consistent with those of Previous Years.

They have been prepared to comply with all material aspects of applicable Accounting Standards notified under Section 133 of the Companies Act 2013 ("the Act") read together with para 7 of Companies (Accounts) Rules 2014.

2. Revenue Recognition: Revenue is recognized in the books, on the basis as stipulated under Accounting Standard 9 issued by the Institute of Chartered Accountants of India.

3. Fixed Assets: Fixed Assets are stated as per Accounting Standard 10.

4. Depreciation:

(i) Tangible Fixed Assets: Depreciation on Fixed Asset is calculated on Written Down Value (WDV) basis using the rates arrived, based on the useful life prescribed under Part C of Schedule II of the Companies Act 2013.

5. Deferred Tax: Deferred tax is recognized, subject to the consideration of prudence, on timing difference between taxable income and accounting income that originate in one period and are capable of being reversal in one or more subsequent periods. Deferred Tax Asset has been thus calculated and portrayed in accounts. Deferred Tax Asset for the year arises as Depreciation as per Companies Act is more than the Depreciation as per Income Tax Act and Rules framed there under.

Statement showing computation of Deferred Tax:

Particulars	Amount Rs.
Opening Written Down Value as per Companies Act	15,927,956
Less: Opening Written Down Value as per Income Tax Act	15,980,242
Difference	52,284
Opening Deferred Tax Asset (A)	13,595
Closing Written Down Value as per Companies Act	16,997,068
Less: Closing Written Down Value as per Income Tax Act	17,011,379
Difference	14,311
Closing deferred Tax Asset (B)	3,721
Deferred Tax Liability for the FY 2018-19 (A)-(B)	9,874

6. Income Tax: Tax expense comprises of Current Tax and Deferred Tax. Current Tax is measured at the Amount expected to be paid to the Tax authorities. Deferred Tax Assets and Liabilities are recognized for the future consequences attributable to timing differences between Taxable Income and Accounting Income, which are capable of reversal in subsequent periods and are measured using relevant enacted tax rates.



7. Use of Estimates: The Preparation of Financial Statements requires certain estimates and Assumption to be made. These affect the reported amount of Assets and Liabilities as on the date of Financial Statements and of revenues and expenses during the reporting period. Difference between the actual results and estimates provided are recognized, in which the results are known /materialized.

Statements showing the Provisions:

Particulars	31.03.2019 (Rs.)	31.03.2018 (Rs.)
Audit Fee	110,000	86,250
Inventories	1,731,000	3,285,031
Provision for Income Tax	1,992,919	812,590
Salary	344,679	120,000

8. Foreign Currency Transactions: Transactions denominated in Foreign Currencies are normally recorded at the exchange rate prevailing at the time of transaction. Income or Expenditure arising out of exchange fluctuation is recognized in the Profit & Loss A/c.

9. Employee Benefits: Short Term Employee benefits are recognized as expenses at the undiscounted amount in the statement of Profit & Loss for the Year in which related services rendered.

10. Related Party Transactions: Disclosure has been made here under for all transactions with related parties as specified under Accounting Standard 18 issued by the Institute of Chartered Accountants of India.

Name of Related Party	Nature of Relationship
Noni Biotech Pvt. Ltd.	Holding

Transactions with Related Parties**Transactions with Noni Biotech Pvt Ltd (Holding Company)**

S.No.	Particulars	31.03.2018	31.03.2017
1	Sale of Goods	Nil	2,187,123/-
2	Purchase of Goods	28,330,976/-	32,640,093/-

11. Earnings Per Share: EPS is Calculated based on the weighted average number of Shares outstanding during the year as per Accounting Standard 20 of the Institute of Chartered Accountants of India.

S.No.	Particulars	31.03.2019	31.03.2018
1	Profit & Loss attributable to Equity Shareholders (Rs.)	5,580,439	2,219,340
2	No. of Equity Shares	3,200,000	3,200,000
3	Weighted Average Number of Equity Shares outstanding	0	0
4	Nominal Value of Equity Shares (Rs.)	10/-	10/-
5	Basic Earnings per Share (Rs.)	1.74	0.69
6	Diluted Earnings per Share	1.74	0.69



12. Investments: The Company has the following Investments as on Balance Sheet date:

S.No.	Particulars	31.03.2019	31.03.2018
1.	Equity Instrument - Quoted	2,778,855/-	2,778,855/-
2.	Equity Instrument - Unquoted	1,000,000/-	1,000,000/-
	Total	3,778,855	3,778,855

13. Claims: Claims by and against the Company, including liquidated damages, if any are recognized on acceptance basis.

14. Debtors, Creditors and Advances: Sundry Debtors, Sundry Creditors and Loans & Advances as stated in the Balance Sheet are as certified by Management and subject to confirmation from parties.

For and on behalf of the Board

Sd/- Sd/- Sd/- Sd/-
CFO Secretary Managing Director Director

Date: 30th May 2019

Place : Chennai