

Notes to Accounts

For the Year Ended 31st March 2024

These notes form an integral part of the Statement of Profit and Loss for the financial year ended 31st March 2024.

1. Revenue Recognition

Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customer. Revenue from services is recognized as per the terms of the contract.

2. Other Income

Other income includes interest income, dividend income, and profit from sale of assets, wherever applicable.

3. Cost of Goods Sold (COGS)

COGS includes material cost, labour cost, and all direct expenses incurred on production.

4. Administrative and Selling Expenses

These include salaries, office rent, selling commission, and other overheads not directly related to production or procurement.

5. Depreciation and Amortisation

Depreciation is provided on tangible assets on a straight-line basis, in accordance with the applicable accounting standards. Amortisation of intangible assets is based on estimated useful life.

6. Taxation

Provision for current tax is made based on applicable tax laws. Deferred tax is recognized for temporary differences in accordance with relevant accounting standards.

7. Contingent Liabilities

Contingent liabilities are disclosed, not provided for, in cases where obligations depend on the outcome of future events.

8. Disclosure of Profit Calculation

Particulars	Amount (INR)
Total Revenue	XX,XX,XXX
Less: Cost of Goods Sold	(XX,XX,XXX)
Gross Profit	XX,XX,XXX
Less: Operating Expenses	(XX,XX,XXX)
Profit Before Depreciation & Tax	XX,XX,XXX

Less: Depreciation & Amortisation	(XX,XX,XXX)
Profit Before Tax	XX,XX,XXX
Less: Tax	(XX,XX,XXX)
Net Profit	XX,XX,XXX

Important Notes:

- This document supports the Profit & Loss Statement by providing clarifications related to computation and recognition of profit.
- All figures are for illustrative purposes and should be replaced with actual audited values.
- Proper disclosure enhances transparency and compliance with statutory regulations.
- Users should refer to relevant accounting standards for detailed requirements.