

India Green Reality Limited

Significant Accounting Policies and Notes forming parts of Accounts

Note : 21

NOTES ON ACCOUNTS

1. Previous year's figures are regrouped/rearranged wherever necessary.
2. Provision for Taxation for the current year has been made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
3. The balances of Loans and Advances are subject to their confirmation and reconciliation if any.
4. Contingent liability in respect of claims against the company not acknowledged as debts against which the company has counter claims aggregating to Rs. is Nil.
5. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance sheet, if realized in the ordinary course of business.
6. Information pursuant to paragraph 2, 3, 4, 5 of Part II of the schedule III is given as under so far as it applies to the company.

a) Payment to Statutory Auditors

	Current Year	Previous Year
1. Audit Fees	125000/-	125000/-

7. There is no adjustment required to be made to the profits or loss for complying with ICDS notified u/s 145(2).

**FOR, PARTH SHAH AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN NO:-144251W**

FOR AND ON BEHALF OF THE BOARD

**SD/-
PARTH N. SHAH
(PROPRIETOR)
MEM. NO.: 173468**

**SD/- SD/-
(Director) (Director)**

**Place: Ahmedabad
Date: 31.07.2020**

**Place: Ahmedabad
Date: 31.07.2020**

Significant Accounting Policies

A. Basis of preparation of Financial Statements

The Financial statements are prepared under the historical cost convention and on accrual basis in accordance with applicable accounting standards referred to in section 133 read with rule 7 of the Companies (Accounts) rules, 2014.

Accounting policies not specifically referred to otherwise are consistent and in accordance with the generally accepted accounting principles

B. Revenue Recognition

Sales are recorded exclusive of Taxes.

C. Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation, including financial cost till such assets are ready for its intended use.

D. Depreciation

Depreciation is charged on written down value method as per Companies Act 2013.

E. Impairment of Assets

Impairment of assets if any is ordinarily assessed by comparing recoverable value of individual assets with its carrying cost.

F. Inventories

Inventories are valued at cost or net realizable value whichever is lower. Cost in respect of inventories is ascertained on Weighted Average Method.

G. Investments

Long Term Investments are stated at cost. Provision for diminution if any in value of assets is only made when the same is of permanent nature.

H. Retirement Benefits

- i As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund as the said acts do not apply to the company.
- ii It is explained to us that the company does not provide for any leave encashment and any liability arising thereon shall be paid and dealt with in the books of accounts at the actual time of payment.

I. Prior Period Items

Significant items of Income or Expenditure, which relates to the prior accounting periods, are accounted in the Profit and Loss Account under the head "prior year Adjustments" other than those occasioned by the events occurring during or after the close of the year and which are treated as relating to the current year.



J. Borrowing Cost

Borrowing cost on working capital is charged against the profit & loss account in which it is incurred.

Borrowing costs that are attributable to the acquisition or construction or manufacture of qualifying assets are capitalized as a part of the cost of such assets till the date of acquisition or completion of such assets. In respect of suspended project for extended period, borrowing costs are not capitalized for such period.

K. Taxes on Income

Taxes on income of the current period are determined on the basis of taxable income and credits computed in accordance with the provisions of the Income tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable and virtual certainty as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

L. Provision, Contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but the same is disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

M. Applicability of AS-18

In accordance with the requirements of Accounting Standard-18 (AS-18) "Related Party Transaction" issued by the Institute of Chartered Accountants of India, the following persons are considered as Related Party as define in AS-18:

Sr. No	Name	2019-20	Relationship	Nature of transaction
1.	Vinodbhai M Thaker	2280000	Director	Remuneration
2.	Amitva Samanta	2280000	Director	Remuneration

N. Foreign Currency Transaction

There are no such foreign currency transactions during the year.

O. C/F Value of Import Raw Materials: NIL

P. Expenditure in Foreign Currency: NIL

Q. Earning per Share: The Earning Per Share (AS-20) has been computed as under:

(a) Profit after tax	Rs. -9,31,468/-
(b) Equity Share (In Number)	No. 12,71,00,00
(c) Nominal value of share	Rs. 10 per share
(d) EPS	Rs. -0.06/-

**FOR, PARTH SHAH AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN NO:-144251W**

FOR AND ON BEHALF OF THE BOARD

**SD/-
PARTH N. SHAH
(PROPRIETOR)
MEM. NO.: 173468**

**SD/- SD/-
(Director) (Director)**

**Place: Ahmedabad
Date: 31.07.2020**

**Place: Ahmedabad
Date: 31.07.2020**