

UNNAO TANNERIES POLLUTION CONTROL COMPANY

Notes to financial statements for the year ended 31st March, 2015

Unnao Tanneries Pollution Control Company is a company registered under Section 25 of the Companies Act, 1956.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

The accounts are prepared on accrual basis under historical cost convention and to comply in all material aspects with applicable accounting principles in India, prescribed Accounting standards and the relevant provisions of the Companies Act 2013 (the Act). Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

1.2 Fixed Assets

Fixed assets are stated at cost of acquisition less depreciation. Contribution received from members in respect of assets has been disclosed in Reserves and Surplus.

1.3 Depreciation

Depreciation on Fixed Assets is provided on written down value method as per Schedule II to Companies Act, 2013 except for leasehold land, fixed asset costing upto Rs. 5000. Leasehold land is amortised over the period of lease. Fixed assets costing upto Rs. 5000 is depreciated fully in the year of acquisition.

1.4 Inventories

Stores and Spares parts including Oil & Lubricants are valued at lower of cost (ascertained on FIFO basis) or net realizable value.

1.5 Revenue Recognition:

Income is recognized on accrual basis except in the case of one party with whom litigation is on and the income is recognized on the basis of actual realization. Further to aforesaid, in case of non operating member units, no billing has been done on accrual basis in respect of minimum allotted capacity charges with effect from 1st August, 2012. The same is accounted for actual realisation. Gratuity liability is administered through Group Gratuity Scheme with LIC. Contribution paid to LIC is charged to Statement of Income & Expenditure on payment basis.

1.6 Contingent liabilities & Provisions

These are disclosed by way of Notes on Accounts. Provision is made in the accounts in respect those liabilities which are likely to materialize after the year end till the finalization of accounts and have material effect on the position stated in the Balance Sheet.

1.7 Impairment of Assets

In the opinion of the management there has been no impairment of Assets.

1.8 Intangible Assets

The company has no intangible assets.

1.9 Contingent Assets

Contingent Assets will be recognized as and when the same are realized.

