S. No.	Particulars	ICDS	Accounting Standard	Type of Difference	Deferred Tax Impact
1	Inventory Valuation	Standard Cost Not Permitted	Standard Cost Permitted	Timing/ Temporary	Result in Liability if valuation under ICDS is less than the valuation in books
					Result in Asset if valuation under ICDS is more than the valuation in books
2	Construction Contracts	Foreseeable Losses not allowed as expenditure	Foreseeable Losses are allowed as expenditure	Permanent	No Liability / Asset under deferred Tax - To be considered for Effective tax rate Reco.
		Incurred Losses are to be allowed only in proportion to Percentage of Completion	Incurred losses are recognized completely in the of year of loss	Timing/ Temporary	Result in Asset as the taxable income will be more in the initial years of construction due to restriction in losses.
		Recognition of Revenue cannot be postponed beyond 25% of contract completion	Recognition of Revenue shall be commencing only when reasonable estimate of outcome of the contract can be reliably measured.	Timing/ Temporary	Result in Asset as the taxable income will be more in the initial years of construction due to restriction in deferment of revenue recognition
3	Revenue Recognition	Revenue from Service Contracts shall be reckoned only on Percentage of Completion basis	Revenue from Service Contracts shall be reckoned under percentage of completion method or completed contract method.	Timing/ Temporary	Result in Asset as the taxable income will be at an increased amount on application of percentage of completion method although completed contract method can be applied for books of account.
4	Fixed Asset	Asset is acquired by exchanging with another asset; the fair value of the	Fair value of Asset foregone or asset acquired whichever is	Timing/ Temporary	Depreciation impact of the same would result in Liability if valuation under ICDS is less than the valuation in books and result in Asset on vice versa.

		asset acquired shall be its actual cost.	more clearly evident		
		An asset is acquired in exchange for shares or other securities, the fair value of the asset so acquired shall be its actual cost.	Fair market value of asset or the securities issued, whichever is more clearly evident.	Timing/ Temporary	Depreciation impact of the same would result in Liability if valuation under ICDS is less than the valuation in books and result in Asset on vice versa.
5	Effects of changes in foreign exchange rates	Gains/ Loss on account of translation of financial statements of Non integral operations shall be treated as income / expenses correspondingly	Foreign Currency translation reserve shall be created for effects on account of changes in translation of Foreign Currency	Permanent	No Liability / Asset under deferred Tax - To be considered for Effective tax rate Reconciliation.
6	Government Grants	Grants received in nature of Promoter contribution will be deducted from actual cost of fixed asset	Grants received in nature of promoter contribution will credited as capital reserve and will not be routed through Statement of profit and loss	Timing/ Temporary	Depreciation impact of the asset resulting in gross value of fixed asset would result in Liability if valuation under ICDS is less than the valuation in books and result in Asset on vice versa.
		Grants shall be recognized on receipt of money.	Recognition of government grants in the books shall be carried out on reasonable assurance that conditions	Timing/ Temporary	Depreciation impact of the asset resulting in gross value of fixed asset would result in Liability if valuation under ICDS is less than the valuation in books and result in asset on vice versa.

			laid down in the allotment of grants will be met and ultimate collection of the grant will be made.		