

## P.SPECIAL RANGE-47

## STATEMENT OF ASSESSABLE INCOME

ACCOUNTING YEAR : 31-3-2004

A.Y.2004-2005

NET PROFIT FOR YEAR ENDED 31-3-2004 AS PER  
ATTACHED AUDITED ACCOUNTS

-15195127

## ADD: ITEMS INADMISSIBLE

(A) DEPRECIATION AS PER SCHEDULE XIV OF COMPANIES ACT	5951431	
(B) U/S 145 A		
i) DIFFERENCE IN VALUATION OF INVENTORIES AS AT 31.03.2003 U/S 145A.		
VALUATION AFTER ADJUSTMENTS U/S 145A	12549402	
LESS : VALUATION AS PER ACCOUNTS	15099188	
		-2549786
ii) INCREASE IN SALES		
SALES TAX	0	
EXCISE DUTY INCURRED ON SALES	4209461	
		4299461
(C) U/S 43 B		
PROVIDENT FUND	725000	
PROFESSION TAX	7320	
BONUS	0	
		732320
(D) EMPLOYEE'S CONTRIBUTION TO PROVIDENT FUND U/S 2(24)(x)	218399	8651825
		-5543302
LESS : ALLOWABLES		
A. DEPRECIATION UNDER INCOME TAX ACT	3013109	
B. U/S 145 A		
INCREASE IN PURCHASES DUE TO EXCISE DUTY PAID ON PURCHASE OF RAW MATERIAL	9384385	
C. i. EXCISE DUTY PAID ON INPUTS IN STOCK AS ON 31.03.2003	654503	
ii. EXCISE DUTY PAID ON CLOSING STOCK OF FINISHED GOODS CLEARED FROM BONDED WAREHOUSE DURING 01.04.2002 TO 31.3.2003	1956319	
D. U/S.43B		
BONUS	0	15008316
		-21551618

## GROSS TOTAL INCOME

LESS:- DEDUCTION U/S. 80HHIC AS PER ATTACHED ANNEXURE A  
TAKEN AS NIL, DUE TO NEGATIVE PROFIT

## NET ASSESSABLE INCOME

-21551619

ROUNDED OFF TO

-21551620

TAX PAYABLE

NIL

TAX DEDUCTED AT SOURCE (STATEMENT ATTACHED)

3728

REFUND DUE U/S 244 A

3728

\* 3728

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## UNION QUALITY PLASTICS LIMITED

STATEMENT OF LOSS CARRIED FORWARD  
ASSESSMENT YEAR 2004-2005

ASSESSMENT YEAR	NATURE OF LOSS ALLOWANCE	AMOUNT	AMOUNT ADJUSTED	AMOUNT CARRIED FORWARD
1997-1998	BUSINESS	5474238	NIL	5474238
	DEPRECIATION	10268024	NIL	10268024
1998-1999	BUSINESS	21474204	NIL	21474204
	DEPRECIATION	7919017	NIL	7919017
1999-2000	BUSINESS	57923950	NIL	57923950
	DEPRECIATION	7897372	NIL	7897372
2000-2001	BUSINESS	31293648	NIL	31293648
	DEPRECIATION	6193274	NIL	6193274
2001-2002	BUSINESS	20325401	NIL	20325401
	DEPRECIATION	4801955	NIL	4801955
2002-2003	BUSINESS	10110015	NIL	10110015
	DEPRECIATION	3838085	NIL	3838085
2003-2004	BUSINESS	10604224	NIL	10604224
	DEPRECIATION	2988189	NIL	2988189
2004-2005	BUSINESS	18538509	NIL	18538509
	DEPRECIATION	3013109	NIL	3013109
			TOTAL	222712118

## ANNEXURE A

[See paragraph 2(a) of Form No.10CCAC]

Details relating to the claim by the exporter for deduction  
under section 80HHC of the Income-tax Act, 1961

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1. Name of the assessee	UNION QUALITY PLASTICS LTD.
2. Assessment year	2004-2005
3. Total turnover of the business	69847629
Total export turnover	38575230
Total profits of the business	-15195127
6. Export turnover in respect of trading goods	NIL
7. Direct cost of trading goods exported	N.A.
8. Indirect cost attributable to trading goods Exported	N.A.
9. Total of 7 + 8	NIL
10. Profits from export of trading goods [6 minus 9]	NIL
11. Adjusted total turnover (3 minus 6)	69847629
12. Adjusted export turnover (4 minus 6)	38575230
13. Adjusted profits of the business	
14. Profits derived by assessee from export of goods or merchandise to which section 80HHC applies, computed under sub-section (3) of section 80HHC	1717156
15. Export turnover, deduction in respect of which will be claimed by a supporting manufacturer in accordance with proviso to sub-section (1) of section 80HHC	NIL
16. Profit from the export turnover mentioned in item 15 above, calculated in accordance with proviso to sub-section (1) of section 80HHC	NIL
17. Deduction under section 80HHC to which the assessee is entitled (Item 14 minus Item 16)	1717156
18. Remarks, if any	AS PER WORKING GIVEN BELOW

PLACE : MUMBAI

DATED : 29-08-04

*N.O. Mehta*  
N.O. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
SIGNED BY THE HAND OF  
PARTNER N.O. MEHTA  
MEMBERSHIP NO. 7583

FORM NO.10CCAC  
[See rule 18BBA(3)]

Report under section -80HHC(4)/80HHC(4A) of the Income Tax Act,1961

4

1. We have examined the accounts and records of M/s. Union Quality Plastics Ltd.,  
379/381, Narsi Natha Street, AGH Chambers, 5th Floor, Mumbai 400009., AAACU3472D

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JT.CIT.SPL.RANGE-47

relating to the business of export out of India/sale Of goods and merchandise carried  
on by the assessee during the year ended on 31st March, 2004

2. We certify that the deduction to be claimed by the assessee under sub-section(1)  
of section 80HHC of the Income-tax Act, 1961, in respect of the assessment year 2004-2005  
is Rs. NIL which has been determined on the basis of the sale proceeds received by  
the assessee in convertible foreign exchange. The said amount has been worked out on  
the basis of the details in Annexure A to this Form.

3. We, therefore, certify that the total deduction to be claimed by the assessee under  
section 80HHC in respect of the assessment year 2004-2005 is NIL

N.O. MEHTA & CO.  
CHARTERED ACCOUNTANTS  
SIGNED BY THE HAND OF  
PARTNER N.O. MEHTA  
MEMBERSHIP NO. 7583

PLACE: MUMBAI

DATE : 30-6-2004

Report  junction.com

NOTE :- 1

## ADJUSTED TOTAL TURNOVER

LOCAL SALES	31272399
EXPORT SALES	38575230
TOTAL TURNOVER	69847629
LESS :- FREIGHT ON EXPORT	2772475
EXPORT INCENTIVES	4789831
ADJUSTED TOTAL TURNOVER	62285323

NOTE :- 2

## ADJUSTED EXPORT TURNOVER

EXPORT SALES	38575230
LESS:EXPORT INCENTIVES	4789831
LESS : FREIGHT	2772475
ADJUSTED EXPORT TURNOVER	31012924

NOTE :- 3

COMPUTATION OF THE PROFIT OF BUSINESS UNDER THE HEAD  
PROFITS AND GAINS OF BUSINESS OR PROFESSION :

NET PROFIT FOR THE YEAR AS PER PROFIT & LOSS A/C -15195127  
ADD : DISALLOWABLES

(A) DEPRECIATION UNDER COMPANIES ACT	5951431
(B) U/S 145 A	
i) DIFFERENCE IN VALUATION OF INVENTORIES AS AT 31.03.2003 U/S 145A.	
VALUATION AFTER ADJUSTMENTS U/S 145A	12549402
VALUATION AS PER ACCOUNTS	15099188

-2549786

## ii) INCREASE IN SALES

SALES TAX  
EXCISE DUTY INCURRED  
ON SALES

4299461

4299461

## (C) U/S 43 B

PROVIDENT FUND  
PROFESSION TAX  
BONUS

725000

7320

0

732320

(D) EMPLOYEE'S CONTRIBUTION TO PROVIDENT FUND  
U/S 2(24)(x)

218399

-6543302

LESS : ALLOWABLES

A. DEPRECIATION UNDER INCOME TAX ACT 3013100

B. U/S 145 A

INCREASE IN PURCHASES DUE TO EXCISE  
DUTY PAID ON PURCHASE OF RAW MATERIAL

9384385

C. i. EXCISE DUTY PAID ON INPUTS IN STOCK  
AS ON 31.03.2003

654503

ii. EXCISE DUTY PAID ON CLOSING STOCK OF  
FINISHED GOODS CLEARED FROM BONDED

WAREHOUSE DURING 01.04.2002 TO 31.3.2003

1956919

D. U/S.43B

BONUS

0

15008316

-21551618

OTE :- 4 PROFIT OF BUSINESS = TOTAL PROFIT LESS 90 % OF EXPORT INCENTIVES  
 -----  
 = -215516'9 - 90% OF 4789831  
 = -21551618 - 4310848  
 -25862466

OTE :- 5 PROFIT DERIVED FROM EXPORT OF GOODS MANUFACTURED  
 -----

ADJUSTED PROFIT OF BUSINESS	X	ADJ.EXPORT TURNOVER
		-----
		ADJ.TOTAL TURNOVER
-25862466	X	31012924
		-----
		62285323

= -12877362

SINCE IT IS A NEGATIVE FIGURE IT IS TO BE IGNORED AS PER THE  
 TRIBUNAL DECISION TAKEN IN A.M.MOOSA V. ASST.CIT.(1996) 86 TAXMAN  
 161 (MANG.)/54 TTJ (COCH.) 193.

NOTE :- 6 DEDUCTION U/S 80HHC  
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80 % of PROFIT DERIVED FROM +	ADJUSTED EXPORT TURNOVER	X	90 % OF EXPORT
EXPORT of GOODS MANUFACTURED	-----		INCENTIVE
	ADJUSTED TOTAL TURNOVER		

= 0 31012924 X 4310848

= 0 + 2146445 62285323

= 80 % OF 2146445

= 1717156

**FORM NO. 3CD**  
**[See rule 6G(2)]**

**Statement of particulars required to be furnished under section  
44AB of the Income-tax Act, 1961**

**PART - A**

1. Name of the assessee: **Union Quality Plastics Ltd.**
2. Address: **379 / 381, Narsi Natha Street, A.G.H. Chambers, 5<sup>th</sup>. Floor, Mumbai-8**
3. Permanent Account No.: **AAACU3472D**
4. Status: **Corporate Body**
5. Previous year ended: **31-03-2004**
6. Assessment year: **2004-2005**

**PART - B**

7. (a) If firm or Association of Persons, indicate names of partners/members and their profit sharing ratios. **Not Applicable**  
 (b) If there is any change in the partners/ members or their profit sharing ratios, the particulars of such change.
8. (a) Nature of business or profession: **Manufacturing HDPE**  
 (b) If there is any change in the nature of business or profession the particulars of such change. **Bags and Tarpaulins.**
9. (a) Whether books of account are prescribed under Section 44AA? If yes, list of books so prescribed: **No**  
 (b) Books of accounts maintained: **Cash Book, Bank Book, Ledger, Journal Proper, Purchase and Sales Register, Carbon Copies Of Sales Bill and Stock Register.**  
 (In case books of account are maintained in a computer system, mention the books of account generated by such computer system) **All the above books are generated by a Computer System.**  
 (c) List of books of account of account examined: **Cash Book, Bank Book, Ledger, Journal Proper, Purchase and Sales Register.**
10. Whether the profit and loss account includes any profits and gains assessable on presumptive basis. If yes, indicate the amount and the relevant section. (44AD, 44AE, 44AF, 44B, 44BB, 44BBA, 44BBE or any other relevant section) **Not Applicable**
11. (a) Method of accounting employed in the previous year **Mercantile**  
 (b) Whether there has been any change in the method of accounting employed vis-à-vis the method employed in the immediately preceding previous year. **No Change**  
 (c) If answer to (b) above is in the affirmative, give details of such change, and the effect thereof on the profit or loss. **Not Applicable**  
 (d) Details of deviation, if any, in the method of accounting employed in the previous year from accounting standards prescribed u/s 145 and the effect thereof on the profit or loss. **No Deviations.**

12. (a) Method of valuation of closing stock employed in the previous year: **Stock is valued on FIFO basis at cost or market price whichever is lower. As per Schedule A-1**
- (b) Details of deviation, if any, from the method of valuation prescribed u/s 145A and the effect thereof on the profit or loss: **As per Schedule A-1**
13. Amounts not credited to the profit and loss account, being:
- (a) the items falling within the scope of Section 28; **No**
- (b) the proforma credits, drawbacks, refunds of duty of customs or excise, or refunds of sales tax, where such credits, drawback, refunds are admitted as due by the authorities concerned; **We have been given to understand that no such amount is admitted payable or refundable to the assessee during the year.**
- (c) escalation claims accepted during the previous year; **No**
- (d) any other item of income; **No**
- (e) Capital receipts, if any. **No**
14. Particulars of depreciation allowable as per the Income-tax Act, 1961 in respect of each asset or block of assets, as the case may be, in the following form: **Annexure A-2**
- (a) Description of asset/block of assets.
- (b) Rate of depreciation
- (c) Actual cost or written down value as the case may be
- (d) Additions/deductions during the year with dates; In case of addition of an asset, date put to use; including adjustments on account of
- (i) Modified Value Added Tax credit claimed and allowed under the Central Excise Rules, 1944, in respect of assets acquired on or after 1<sup>st</sup> March 1944.
- (ii) Change in rate of exchange of currency, and
- (iii) Subsidy or grant or reimbursement, by whatever name called.
- (e) Depreciation allowable.
- (f) Written down value at the end of the year.
15. Amounts admissible under Sections 33AB, 33ABA, 33AC, 35, 35ABB, 35AC, 35CCA, 35CCB, 35D, 35E.
- (a) Debited to the profit & loss account. (showing the amount debited and deduction allowable under each section separately); **Rs.37682/- U/S 35D**
- (b) Not debited to the profit and loss account. **Nil**
16. (a) Any sum paid to an employee as bonus or commission for services rendered, where such sum was otherwise payable to him as profits or dividend [Section 36(1)(ii)] **None**
- (b) Any sum received from employees towards contributions to any provident fund or superannuation fund or any other fund mentioned in Section 2(24)(x); and due date for payment and the actual date of payment to the concerned authorities [Section 36(1)(va)]. **As per Schedule A-3**
17. Amounts debited to the profit and loss account, being -
- (a) Expenditure of capital nature; **Nil**

(b) Expenditure of personal nature;	NII
(c) Expenditure on advertisement in any souvenir, brochure, tract, pamphlet or the like, published by a political party;	NII
(d) Expenditure incurred at clubs -	
(i) as entrance fees and subscriptions	NII
(ii) as cost for club services and facilities used	NII
(e)(i) expenditure by way of penalty or fine for violation of any law for the time being in force;	NII
(ii) any other penalty or fine.	NII
(iii) expenditure incurred for any purpose which is an offence or which is prohibited by law;	NII
(f) amounts inadmissible u/s 40(a);	NII
(g) interest, salary, bonus, commission or remuneration inadmissible under section 40(b)/40(ba) and computation thereof;	NII
(h) amount inadmissible under section 40A(3) read with rule 6DD and computation thereof;	
(i) Provision for payment of gratuity not allowable under section 40A(7);	NII
(j) any sum paid by the assessee as an employer not allowable under section 40A(9);	NII
(k) Particulars of any liability of a contingent nature.	As per Note 8 attached to and forming part of Balance Sheet.
18. Particulars of payments made to persons specified under section 40A(2)(b)	As per Schedule A-4
19. Amounts deemed to be profits and gains under section 33AB or 33ABA or 33AC.	NII
20. Any amount of profit chargeable to tax under section 41 and computation thereof	NII
21* (i) In respect of any sum referred to in clauses (a), (c) (d) or (e) of section 13B the liability for which -	
(A) pre-existed on the first day of the previous year but was not allowed in the assessment of any preceding previous year and was	As per Schedule A-5
(a) paid during the previous year	
(b) not paid during the previous year	
(B) was incurred in the previous year and was	As per Schedule A-6
(a) paid on or before the due date for furnishing the return of income of the previous year under section 139(1);	
(b) not paid on or before the aforesaid date.	
(ii) In respect of any sum referred to in clause (b) of Section 13B, the liability for which	
(A) pre-existed on the first day of the previous year but was not allowed in the assessment of any preceding previous year:	As per Schedule A-7
(a) nature of liability;	
(b) due date of payment under second proviso to Section 13B;	
(c) actual date of payment;	
(d) if paid otherwise than in cash, whether the sum has been realised within fifteen days of the aforesaid due date;	
(B) was incurred in the previous year:	As per Schedule A-8
(a) nature of liability;	
(b) due date of payment under second proviso to section 13B.	

the aforesaid due date

State whether sales tax, customs duty, excise duty, other indirect tax, levy, cess, impost etc., are passed through the profit and loss account.

22. (a) Amount of Modified Value Added Tax credits availed of or utilised during the previous year and its treatment in the profit and loss account and treatment of outstanding Modified Value Added Tax credits in the accounts **As per Schedule A-9**

- (b) Particulars of income or expenditure of prior period credited or debited to the profit and loss account **Rs.1980/- as Sales TAX**

23. Details of any amount borrowed on hundi or any amount due thereon (including interest on the amount borrowed) repaid, otherwise than through an account payee cheque [Section 69D] **Nil**

24. (a) Particulars of each loan or deposit in an amount exceeding the limit specified in Section 269SS taken or accepted during the previous year:- **As per Schedule A-10**

- (i) Name, address and permanent account number (if available with the assessee) of the lender or depositor;
- (ii) Amount of loan or deposit taken or accepted;
- (iii) Whether the loan or deposit amount was squared during the previous year;
- (iv) Maximum amount outstanding in the account at any time during the previous year;
- (v) Whether the loan or deposit was taken or accepted otherwise than by an account payee cheque or an account payee bank draft

(These particulars need not be given in the case of a government company, a banking company or a corporation established by a Central, State or Provincial Act.)

- (b) Particulars of each repayment of loan or deposit in an amount exceeding the limit specified in Section 269T made during the previous year:-

- (i) name, address and permanent account number (if applicable with the assessee) of the payee;
- (ii) Amount of the repayment;
- (iii) Maximum amount outstanding in the account at any time during the previous year;
- (iv) Whether the repayment was made otherwise than by account payee cheque or account payee bank draft;

25. Details of brought forward loss and depreciation allowance in the following manner to the extent available; **As Per Schedule A-11**

Sl. No	Assess ment Year	Nature of loss/ Allowance	Amount as returned (in rupees)	Amount as assessed [give reference to relevant order]	Remarks
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