

UNION QUALITY PLASTICS LIMITED

5th Floor, A.G.H. Chambers, Narsi Natha Street, Mumbai- 400 009.

Assessment Year : 2007-2008

Previous Year Ended : 31-03-2007

PAN : AAACU3472D

STATEMENT OF TOTAL INCOME

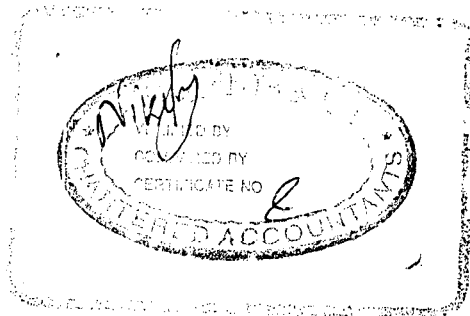
Profit/(loss) as per profit & loss account		(7,784,179)
Add: Items disallowed / considered separately		
Depreciation	4,220,384	4,220,384
		(3,563,796)
Less: Admissible Expenses/ Income considered separately		
Depreciation u/s 32	6,083,467	6,083,467
		(9,647,263)
Less: Set off of b/f business losses - A.Y.		
Taxable income from business profession		(9,647,263)
Income from other Sources		
Dividend Income - Exempt u/s 10(34)		
Gross Total income		(9,647,263)
Total Income		(9,647,263)
Tax Thereon		NIL
Less: T.D.S on Interest		
Balance Refundable		
Computation of Tax under Section 115JB		
Not Applicable as there is a loss in the books during the previous year.		

Note:

Carry Forward of Losses and Unabsorbed Depreciation

Assessment Year	Business Loss	Unabsorbed Depreciation
1998-1999	21,474,204	7,919,017
1999-2000	57,923,985	7,897,372
2000-2001	31,293,046	6,193,274
2001-2002	20,325,401	4,861,955
2002-2003	10,110,015	3,836,985
2003-2004	10,804,224	2,988,189
2004-2005	18,538,509	3,013,109
2005-2006	9,273,618	2,378,497
2006-2007	-	1,498,755
2007-2008	13,867,646	6,083,467
TOTAL	179,733,802	40,587,153

Unabsorbed Depreciation (A.Y. 2004-05)	502,752
Unabsorbed Depreciation (A.Y. 2003-04)	219,093
Unabsorbed Depreciation (A.Y. 2002-03)	408,814
Unabsorbed Depreciation (A.Y. 1995-96 to A.Y. 2001-02)	1,890,975
Business losses A.Y. 1999-2000	1,999,397
Business losses A.Y. 2004-05	52,495
Business losses A.Y. 2005-06	317,630
Unabsorbed Depreciation (A.Y. 2005-06)	415,666



DIRECTORS REPORT

To
The members of
UNION QUALITY PLASTICS LIMITED

Your Directors are happy to present the 23rd Annual Report with the Audited Accounts for the year ended 31st March 2007.

1) FINANCIAL RESULTS :-

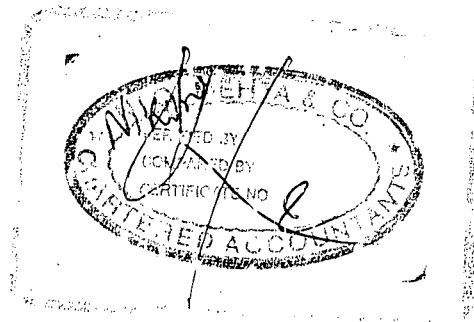
	Year ended 31-03-07 (Rupees)	Year ended 31-03-06 (Rupees)
Profit \ (Loss) before Tax	(76,25,179)	(77,60,171)
Less : Provision for Taxation Fringe Benefit Tax	1,59,000	1,13,450
	-----	-----
	(77,84,179)	(78,73,621)
Add : Profit \ (Loss) brought Forward	(21,25,21,917)	(20,57,97,832)
	-----	-----
	(22,03,06,096)	(21,36,71,453)
 APPROPRIATIONS		
Proposed Dividend (Subject to deduction of Tax at source)	Nil	Nil
General Reserve adjusted	Nil	Nil
 Profit \ (Loss)		
Balance Carried forward	(22,03,06,095)	(21,36,71,453)

2) DIVIDEND :

In view of the losses, the Directors regret their inability to declare any dividend for the year ended 31st March 2007.

3) OPERATIONS :

High cost of production due to under utilization of capacity have resulted in a net loss of Rs. Export turnover is higher at Rs. lacs as compared to the Rs. Lacs in the previous year.



4) DIRECTORS :

In accordance with the provisions of the Companies Act ,1956 and the Companies articles of Association, Mr _____ and _____ retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible to offer themselves for re-appointment.

5) Auditors :

M/s. N O Mehta & Co, the Auditors of the Company , retire at the conclusion of the ensuing Annual General Meeting. They have given their consent to continue to act as an Auditors of the Company for the current year. If re appointed , Members are requested to approve the same and fix their remuneration.

6) FIXED DEPOSITS :

Since your company has not accepted any deposits from the public, no information is required to be furnished in respect of outstanding deposits.

7) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under section 217(1) (e) of the Companies Act, 1956 and read with the Companies (Disclosure of particulars in report of the Board of Directors) Rules, 1988 is given in the Annexure and form part of this report.

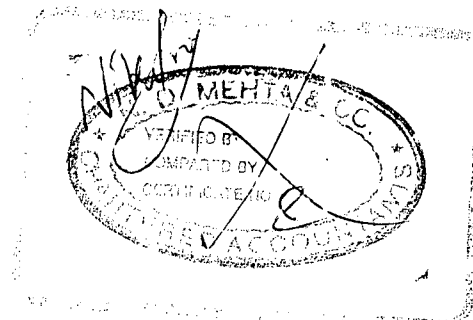
8) PARTICULARS OF EMPLOYEES:

There are no employees covered u/s 217 (2A) of the Companies Act, 1956 for the period ended 31st March 2006.

9) DIRECTORS RESPONSIBILITY STATEMENT :

In compliance of section 217 (2AA) of the Companies Act, 1956 as amended, your directors confirm the following :

- a) In the preparation of the Annual Accounts , the applicable accounting standards have been followed and there has been no material departure ;
- b) They have selected such accounting policies and applied them consistently and made judgements and estimates, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March 2007, and of the profit of the company for that period;



- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

10) ACKNOWLEDGEMENTS :

Your Directors are grateful to all the members for the continued patience during the company's recessionary phase and all employees at various levels for their sincere work and co-operation and assistance rendered by its bankers and other Government Bodies and Organisations during the year-

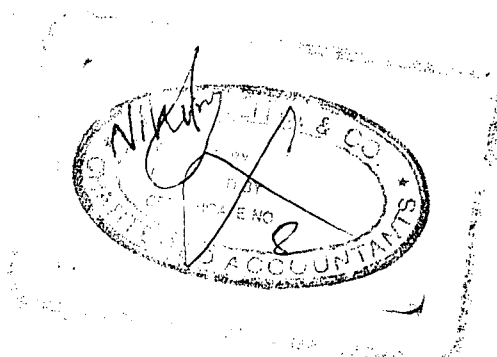
For and on behalf of the Board of Directors

J A Kathawala

J A Kathawala
Managing director

Place : Mumbai

Date : 1-9-07



AUDITORS REPORT

To the shareholders of M/s UNION QUALITY PLASTICS LIMITED

Report on the Accounts for the year ended 31st March 2007 on compliance with Section 227(2) of the companies Act, 1956.

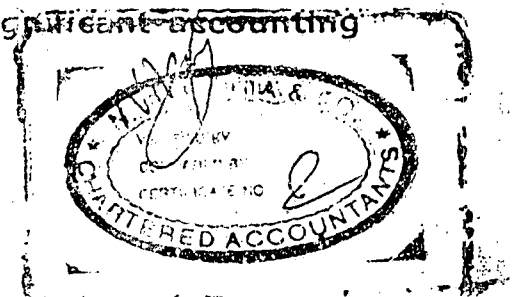
1) We have audited the attached Balance sheet of Union quality Plastics Ltd. as on 31st March, 2007 and also the annexed Profit and loss Account of the Company for the year ended on that date. These financial statements are the responsibility of the Management for the company based on our Audit.

2) We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

3) As required by the Manufacturing and other companies (Auditor's Report) order, 1988 issued by the company law Board in terms of Section 227(4A) of the companies Act 1956, we enclose in the annexure, a statement on the matter specified in paragraph 4 & 5 of the said order.

4) Further to our comments in the annexure referred to in paragraph '3' above we report that :

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books.
- c) The Balance sheet and the Profit and loss Account dealt with by this report are in agreement with books of accounts, subject to the notes and significant accounting policies annexed to the Balance sheet



- d) In our opinion the Profit and loss and Balance sheet comply in all material aspects with the mandatory accounting standards referred to in section 211(3C) of the companies Act. 1956 as may be applicable subject to attached significant accounting policies followed by the company.
- e) We have not received any representations from the directors as an 31st March,2007 and we are unable to comment if any of the directors is disqualified on 31st March,2007 from being appointed as a director in terms of clause (2) of sub section (g) of section 274 of the companies Act,1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the accounting Policies, Conventions and Notes thereon, give the information in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India:-

(1) Regarding non-provision of gratuity liability (unascertained) and other retirement benefits and claims of staff and labour (unascertained).

- (a) In the case of the Balance Sheet of the state of the company's affairs as at 31st March,2007
- (b) In the case of the Profit and Loss Account of the Loss for the year ended on that date.

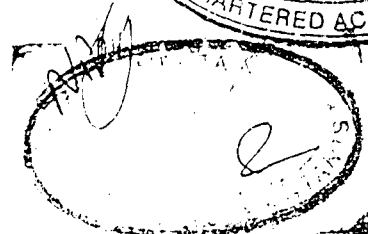
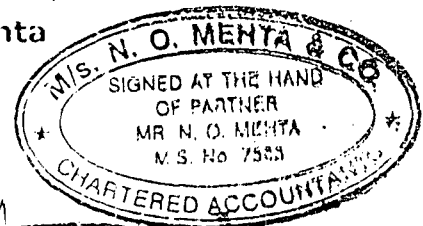
As per our Report even date

For N. O. Mehta &Co.
Chartered Accountants

Place : Mumbai-20

Dated: 1-9-2007


N.O.Mehta
Partner

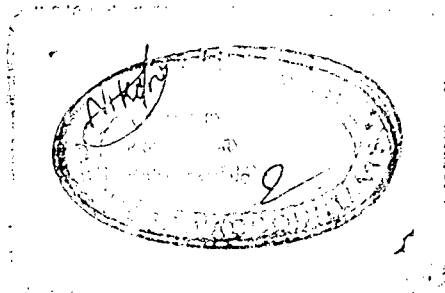


AUDITORS REPORT

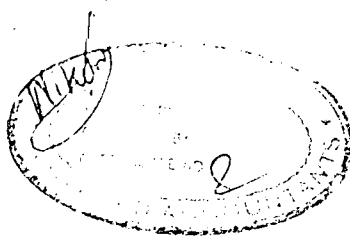
To the Shareholders of M/S UNION QUALITY PLASTICS LIMITED

(Referred to in paragraph "3" of our Report of even date)

1. The Company has maintained proper records showing full particulars including quantitative details and situations of Fixed Assets, and the Depreciation on all Assets is written off. We are informed that all the Fixed Assets of the company have been physically verified by the management during the period and no material discrepancies between the book records and physical inventory were noticed.
2. As explained to us the stocks of finished goods, stores, spare parts & Raw materials have been physically verified by the management at reasonable intervals.
3. As per information given to us, the procedures of Physical verification of stocks followed by the management are in our opinion reasonable and adequate in relation to the size of the company and the nature of its business.
4. No material discrepancies have been noticed on physical verification of stocks as compared to book records
5. On the basis of our examination of stock records, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year
6. The rate of interest and other terms and conditions of the loans Secured Unsecured taken from other parties listed in the register maintained under section 301 of the companies Act, 1956 are prima-facie, not Prejudicial to the interest of the Company we have been informed that there are no companies covered under section 370 (1-B) of the companies Act, 1956.
7. The Company has granted loans, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the companies Act 1956. We have been informed that the companies covered under section 370 (1-B) of the companies Act, 1956 are given interest free loans.



8. The parties to whom loans or advances in the nature of loans in our books been given paying at periodical intervals the principal amounts as stipulated.
9. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate to the size of the company and the nature of its business for the purchase of stores , Raw Materials including components, trading goods, construction materials , plant & machinery, equipments and others assets and for the sale of goods
10. According to the information and explanations given to us, purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangement entered in the register maintained under section 301 of the companies Act,1956 and aggregating during the year Rs.50,000 or more in value in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices for such goods, material or services or the prices at which transactions for similar goods or service have been made which other parties.
11. The company has a regular procedure for the determination of unserviceable or damaged stores, raw material and finished goods. Adequate provisions have been made in the accounts for the loss arising on the items so determined.
12. As explain to us the company has not accepted any deposits from the public during the year, and therefore there is no contravention to the provisions of the section 58A of the companies Act,1956.
13. The Company has maintained reasonable records for the sale and disposal of realizable by products and scraps wherever applicable.
14. The Company dose not have an internal Audit system commensurate with its size and nature of its business.
15. We are informed that the central government has not prescribed maintenance of cost records under section 209(1)(d) of the companies Act,1956 for the company
16. The company is regularly in depositing provident fund dues with the appropriate authorities

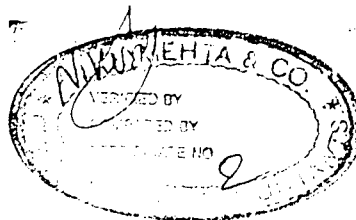


17. As explained to us and subject to our comments vide notes, undisputed amount payable in respect of Income Tax, custom duty and excise duties etc, were not outstanding as at 31st March, 2007 for a period of more than six months from the date they became payable.
18. According to the information and explanations given to us and the records of the company examined by us, no personal expenses have been charged to revenue account.
19. The Company is a sick Industrial company within the meaning of section 3 (o) of the sick industrial companies (special provisions) Act, 1985.
20. As explained to us by the Management, the other activities of the company were insignificant as compared to total volume and as such no separate records were maintained for recording receipts, issues and consumption of Raw materials and stores and allocation of man- hours, materials and labour of the relative jobs as the same was not considered necessary and economical by the Management.

For N.O.MEHTA & CO
Chartered Accountants

Place : Mumbai-20
Dated :

N.O.MEHTA
Partner



UNION QUALITY PLASTIC LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2007

Particulars	31.03.2007	31.03.2006
	RS	RS
CASH FLOW FROM OPERATION ACTIVITIES :		
Net Profit before tax and extraordinary items :	-7625179	-6624780
Adjustment for :		
Depreciation	4220384	5492423
Misc. & other Income	240740	-168830
Interest/Dividend received	0	0
Operating Profit before Working capital changes :	-3164056	-1301187
Adjustment for :		
Trade and Other Receivables	-7858762	128602174
Inventories	-2870592	13959801
Trade Paybles	8238780	-149316102
Other Current Assets	-3730768	0
Cash Generated from Operation	-9385398	-8055314
Cash Flow Before extraordinary items	-9385398	-8055314
Direct Tax Paid	159000	99304
Other Income	240740	168830
Net cash from operating activities after extra ordinary items	A -8985658	-7985788
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-42050	-
Purchase of Investments	0	-
Interest /Dividend received	0	-
Net Cash Used in Investing activities	B -42050	-
CASH FLOW FROM FINANCIAL ACTIVITIES		
Net Proceeds from Issue of Share Capital	0	-
Net Proceeds from Unsecured Loans	10997481	8892869
Net Proceeds from Secured Loans	0	-
Preliminary Expenses	33914	33914
Net Cash used in Financial Activities	C 11031395	8926783
Net Increase/Decrease in Cash and Cash Equivalents	A+B+C 2003687	940995
Cash and Cash Equivalents as on 01-04-06(Opening)	1787355	1787355
Cash and Cash Equivalents as on 31-03-07(Closing)	3791042	2728350

AUDITORS'S CERTIFICATE

We have examined the above Cash Flow Statement of Union Quality Plastics Ltd for the year ended 31st March 2007. The Statement has been prepared by the company in accordance with the requirements of clause 32 of the listing agreement with Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our Report dated 1st September ,2007 to Members of the Company

For N.o.Mehta & Co
Chartered Accountants

For and on behalf of Board of Directors

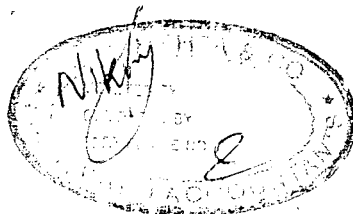
N O Mehta
Partner

J A Kathawala
(J A Kathawala)
Managing Director

D J Kathawala
(D J Kathawala)
Director

Place : Mumbai
Date : 01-09-07

Place : Mumbai
Date : 01-09-07



UNION QUALITY PLASTICS LTD.

BALANCE SHEET AS AT 31ST MARCH, 2007

Particulars	Schedule	As at 31-03-2007 RS	As at 31-03-2006 RS
A SOURCES OF FUNDS			
SHARE CAPITAL			
Equity Share Capital	1	48,193,700	48,193,700
Reserves & Surplus	2	28,284,048	28,284,048
		76,477,748	76,477,748
LOAN FUNDS			
Secured Loans	3	129,423,064	129,423,064
Unsecured Loans	4	70,799,954	59,802,473
		200,223,018	189,225,537
Total Sources of Funds		276,700,766	265,703,285
B APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	96,624,812	96,582,762
Less : Depreciation		75,014,176	70,793,792
Net Block		21,610,636	25,788,970
INVESTMENTS			
	6	248,232	248,232
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	7	16,820,392	13,959,801
Sundry Debtors	8	28,550,735	20,691,973
Cash and Bank Balances	9	3,791,042	2,728,350
Other Current Assets and Loan and Advances	10	25,651,920	21,921,152
		74,824,090	59,301,275
Less: CURRENT LIABILITIES AND PROVISIONS	11	40,525,686	32,428,422
NET CURRENT ASSETS		34,298,404	26,872,853
4. MISCELLANEOUS EXPENDITURE	12	237,399	271,313
5. PROFIT AND LOSS ACCOUNT		220,306,095	212,521,917
Total Application of Funds		276,700,766	265,703,285

Notes to Accounts

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As per our attached report of even date

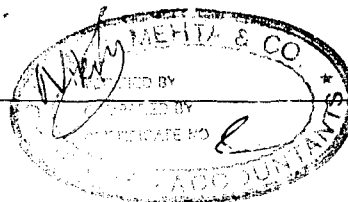
For N. O. MEHTA & CO.
Chartered Accountants

For and on behalf of Board of Directors

N. O. MEHTA
(Partner)

J A Kathawala *D J Kathawala*
(J A Kathawala) (D J Kathawala)
Managing Director Director

Place : Mumbai
Date : 1st September, 2007



UNION QUALITY PLASTICS LTD.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007

Particulars	Schedule	2006-07 RS	2005-06 RS
<u>INCOME</u>			
Sales	13	160,941,395	158,633,386
Miscellaneous & Other Income	14	240,740	168,830
Increase/(Decrease) in Stock	15	1,941,331	(1,106,500)
		163,123,466	157,695,716
<u>EXPENDITURE</u>			
Manufacturing Expenses	16	153,625,210	141,828,106
Employees Remuneration & Benefits	17	2,173,200	2,076,842
Administrative & Selling Expenses:	18	10,695,937	14,889,213
Depreciation		4,220,384	5,492,423
Preliminary Expenses Written off		33,914	33,914
		170,748,645	164,320,498
Profit(+)/Loss(-) for the year		(7,625,179)	(6,624,782)
Provision for Tax		-	-
Provision for Deferred Tax		-	-
Provision for Fringe Benefit Tax		159,000	99,304
		159,000	99,304
Profit(+)/Loss(-) After Tax		(7,784,179)	(6,724,086)
Less: Prov. of Deferred Tax Liability of earlier year		-	-
Income tax adjustments		-	-
Profit & Loss account balance B/F		(212,521,917)	(205,797,832)
Balance being profit carried to Balance Sheet		(220,306,095)	(212,521,917)

Notes to Accounts

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As per our report of even date

For N. O. MEHTA & CO.
Chartered Accountants

For and on Behalf of the Board

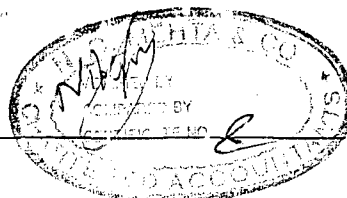
N. O. MEHTA
(Partner)

J A Kathawala
(J A Kathawala)
Managing Director

D J Kathawala
(D J Kathawala)
Director

Place : Mumbai

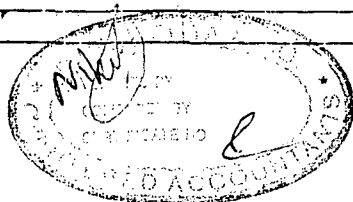
Date : 1st September, 2007



UNION QUALITY PLASTICS LTD.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2007

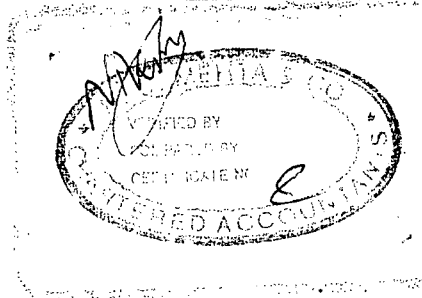
Particulars	As at 31-03-2007 RS	As at 31-03-2006 RS
SCHEDULE - 1		
<u>SHARE CAPITAL</u>		
<u>Authorised</u> 70,00,000 Equity Shares of Rs. 10/- each	70,000,000	70,000,000
<u>Issued, Subscribed and Paid Up</u> 4,83,500 Equity Shares of Rs. 10/- each fully called up Less : Calls in Arrears	48,350,000 156,300	48,350,000 156,300
	48,193,700	48,193,700
SCHEDULE - 2		
<u>RESERVE & SURPLUS</u>		
Equity Share Premium Less : Calls in Arrears	28,440,348 156,300	28,440,348 156,300
	28,284,048	28,284,048
SCHEDULE - 3		
<u>SECURED LOANS</u>		
1. Development Credit Bank Ltd. (Cash Credit against Hypothecation of Stock)	112,674,960	112,674,960
2. Development Credit Bank Ltd. (Bill Discounted)	479,473	479,473
3. Development Credit Bank Ltd. (Term Loan A/c secured against equitable mortgage of Land and Building)	14,050,000	14,050,000
4. Bank of India - London (External Commercial Borrowings - Guaranteed by Development Credit Bank Ltd.)	2,218,631	2,218,631
	129,423,064	129,423,064
SCHEDULE - 4		
<u>UNSECURED LOANS</u>		
From Directors, Share Holders and Others	70,799,954	59,802,473
	70,799,954	59,802,473



UNION QUALITY PLASTICS LTD.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2007

Particulars	As at 31-03-2007 RS	As at 31-03-2006 RS
SCHEDULE - 6		
INVESTMENTS		
1. Development Credit Bank Ltd. 1200 Share of rs. 10/- each Paid - Unquoted (P.Y. 1200 Share of rs. 10/- each Paid - Unquoted)	18,000	18,000
2. Hooseini Co.Op Credit Society Ltd. 85 Shares of Rs, 25/- each fully paid - Unquoted (P.Y. 85 Shares of Rs, 25/- each fully paid - Unquoted)	2,125	2,125
3. Bombay Mercantile Co-op Bank Ltd. 142 Shhare of Rs. 30/- each fully paid (P.Y. 142 Shhare of Rs. 30/- each fully paid)	4,022	4,022
4. Essar Shipping Ltd. 200 fully paid up equity shares of Rs. 10 each (P.Y. 200 fully paid up equity shares of Rs. 10 each Market Value as at 31-03-2006)	4,260	4,260
5. Essar Shipping Ltd. 2150 fully paid up as NCD of Rs. 20/- each (P.Y. 2150 fully paid up as NCD of Rs. 20/- each)	43,000	43,000
6. Essar Steel Ltd. 3780 fully paid up equity shares of Rs. 10/- each (P.Y. 3780 fully paid up equity shares of Rs. 10/- each) (Market Value as at 31-03-2006 is ____ P.Y. Rs. 44.85)	314,610	344,610
7. Essar Steel Ltd. 2520 fully paid Preference Shares of Rs. 10/- each (Market Value as at 31-03-2006 is ____ P.Y. Rs. 2.10)	25,200	25,200
8. Adamji Kaderbhoy Pvt. Ltd. 20 Shares of Rs. 100/- each - Unquoted (P.Y. 20 Shares of Rs. 100/- each - Unquoted)	2,000	2,000
	443,217	443,217
Less : Provision for Revaluation of Investment	194,985	194,985
	248,232	248,232



UNION QUALITY PLASTICS LTD.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2007

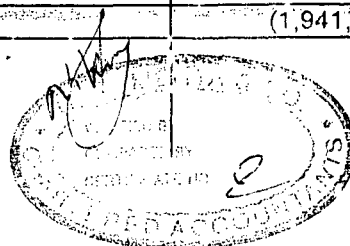
Particulars	As at 31-03-2007 RS	As at 31-03-2006 RS
SCHEDULE - 7		
<u>INVENTORIES</u> (as valued and certified by the Management at Cost or Market value whichever is lower)		
1. Raw Material	3,062,475	2,175,987
2. Work in Progress	1,069,033	832,052
3. Finished Goods	12,549,408	10,845,058
4. Consumables Stores	149,477	106,704
	16,830,393	13,959,801
SCHEDULE - 8		
<u>SUNDRY DEBTORS</u> (Unsecured considered good)		
Due for more than 6 months	3,267,545	2,343,246
Others	25,283,190	18,348,727
	28,550,735	20,691,973
SCHEDULE - 9		
<u>CASH & BANK BALANCE</u>		
Cash on Hand	49,342	13,672
Balance with Scheduled Banks in Current Accounts	2,100,802	1,073,779
Margin Money against LC and Bank Guarantees	1,640,898	1,640,898
	3,791,042	2,728,350
SCHEDULE - 10		
<u>OTHER CURRENT ASSETS LOANS AND AVANCES</u>		
Advances Recoverable in Cash or Kind	5,833,097	7,582,830
Loans and Advances	282,708	125,514
Deposits	4,389,578	4,342,006
Balances with Revenue Department	15,146,537	9,870,802
	25,651,920	21,921,152
SCHEDULE - 11		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
Sundry Creditors	26,773,044	23,947,917
Provisions	5,472,998	7,833,939
Advances received from Sundry Debtors	8,279,644	646,566
	40,525,686	32,428,422
SCHEDULE - 12		
<u>MISCELLANEOUS EXPENDITURE</u>		
Preliminary Expenses	271,313	305,227
Less : Written off during the year	33,914	33,914
	237,399	271,313

Handwritten signature and circular stamp of Union Quality Plastics Ltd.

UNION QUALITY PLASTICS LTD.

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

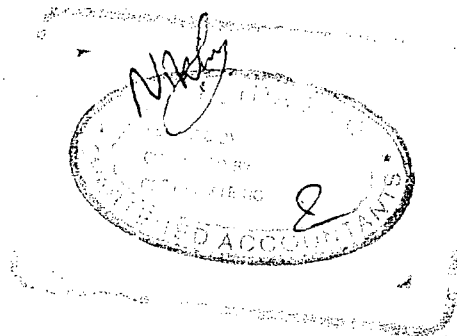
Particulars	2006-07 RS	2005-06 RS
SCHEDULE - 13		
<u>SALES</u>		
<u>Local</u>	31,054,298	67,442,537
Less : Excise Duety	6,961,010	7,186,591
Net Sales	74,093,289	60,255,946
Less : Sales Return	74,093,289	60,255,946
<u>Export</u>	86,632,302	97,952,102
Add : Export Incentive	86,632,302	425,338
	86,632,302	98,377,440
Scrap Sales	215,804	-
	160,941,395	158,633,386
SCHEDULE - 14		
<u>MISCELLANEOUS & OTHER INCOME</u>		
Profit from Share Investment	-	168,830
Exchange Gain	240,740	-
	240,740	168,830
SCHEDULE - 15		
<u>INCREASE / DECREASE IN STOCK</u>		
<u>Opening Stock</u>		
Work - in - Progress	832,052	1,185,000
Finished Goods	10,315,058	11,598,610
	11,677,110	12,783,610
<u>Less : Closing Stock</u>		
Work - in - Progress	1,069,033	832,052
Finished Goods	12,549,408	10,845,058
	13,618,441	11,677,110
	(1,941,331)	1,106,500
SCHEDULE - 16		
<u>MANUFACTURIN EXPENSES</u>		



SCHEDULE - 13

ADMINISTRATIVE & SELLING EXPENSES

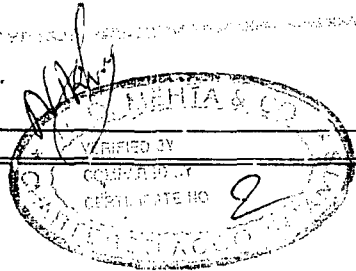
Advertisement	9,560	6,653
Auditors Remuneration	104,337	67,440
Bank Charges	488,825	520,416
Books & Periodicals	3,387	4,207
Brokerage/Commission	5,095,757	3,453,558
Conveyance and Travelling Exp.	110,899	102,723
Export Expenses	136,696	3,959,795
Discount	(571,247)	472,334
Duty Drawback Written off	-	76,984
Exchange Loss	-	17,910
Freight/Octroi & Clearing	2,241,174	721,189
Computer Expenses	-	23,200
Inspection Expenses	172,904	-
Insurance	-	61,036
Investment revaluation Expenses	-	6,285
ISO Certification	11,224	17,153
Interest on Delay payment of TDS	6,235	-
Legal Fees	50,877	62,970
Listing Fees	10,900	30,000
Membership & Subscription	25,249	5,713
Motor Vehicle Expenses	178,209	23,292
Miscellaneous Exp.	25,169	-
Office Electricity	-	117,915
Postage/Telegram & Telephones	65,207	30,240
Printing & Stationery	77,586	140,671
Professional fees	227,439	423,501
Repair & Maintenance	82,162	182,774
Sales Promotion Expenses	1,371,221	758,193
Security Expenses	213,603	234,058
Sundry Debtors Written Off	886	2,893,605
Telephone Expenses	361,567	360,120
Travelling Expenses	195,463	115,278
	10,695,937	14,889,213



UNION QUALITY PLASTICS LTD.

GROUPINGS FOR THE F.Y. 2006-07

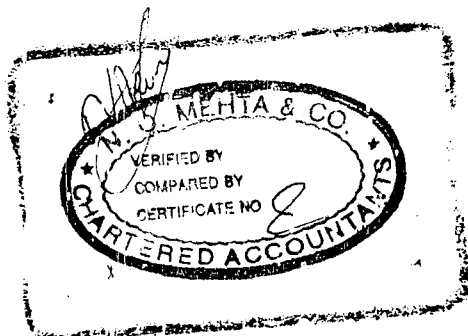
Unsecured Loans from Directors and Share Holders & Others		
Adamji Investments	288,807	288,807
AGH Enterprises(W)	-	785,126
AG Kathawala	17,471,962	11,695,761
Alban Communications (I) Pvt. Ltd.	298,752	309,051
Ambient Media Solutions	3,035,100	399,000
DCB	28,850,989	28,850,989
Durriya Z Kathawala	1,980,867	1,313,067
General Machinery & Tech Service	933,300	933,300
International Linker	5,834,937	4,079,381
Imtiaz A Kathawala	1,612,353	1,112,353
K & O	2,513,119	2,518,119
M.A. Kathawala	1,016,597	2,359,305
S A Kathawala	752,000	752,000
Shariq Y. Kathawala	-	48,000
TARK Investment Pvt. Ltd	180,000	180,000
YA Kathawala	923,826	673,826
Zuzar A Kathawala	5,102,352	3,504,389
Total	70,799,954	59,802,473
Sundry Debtors		
	Less than 6 Months	Other
Sundry Debtors - Export		
Poly Pack Industries		64,164
Reltex Relief Supp Ltd	2,160,128	-
Shamco Trading Co. Inc	14,011	-
Techno Relief Services Ltd.		21,035,660
Unicef		402,652
Sundry Debtors - Local		
Jai Plastics		68,491
Shree Shyam Polyplastics		1,983
Tripal Traders		73,524
Anand Traders	17,635	
Atishbhai		65,411
B.B.Traders		24,595
Classic Product P.Ltd		391,088
Goyal Aluminium Bhandar		19,751
Goyalka Commercials		10,013
International Linker(S. Debtors)		30,760
Jai Suprabha Protective Products	5,000	34,385
Kailash Plastic		226,077
L & M Associates		253,799
Mel Enterprises		100,703
Niyuprene Plastics Co. Pvt. Ltd.	160,165	198,000
Raja Stores		22,499
Rajendra Tarpauline		8,925
Rama Phosphates Ltd.	909,685	-
Safepack Industries Ltd		885,672
Santosh Timber Mart	570	-
Shankheshwar Paper Bag		262
Shree Polyfab		117,415
Shriram Plastics		152,800
Sourabh Hardware Store		10,000
Techno Relief Supply (Domestic)		1,075,200
Vijayan		9,360
	3,267,545	25,283,190



<u>Advance From Sundry Debtors</u>		
A R Hirani		250,000.00
Atul Ltd.	126,966	126,966.00
Alpinter S.A	89,800	
Erick H. Msaki	614,455	
Shree Karni Agency	1,363,056	
Agarwal Industries	241,752	
B B Brothers	4,864	
Bhanu Waterproof Pkg	386,026	
Bhaweshar Plastics	17,919	
Captain Tarpauline	20,854	
Jalaram	1,952	
Jeram Shivji & Sons	25,000	25,000
Kalparu Paper Mart	4,473	
Kwality Canvas Co	26,636	
Milan Hardware & Elctrical Stores	300,000	
Milan Kirana Stores	45,000	
Mohini Industries	919,051.00	139600
Navdeep Charitable Trust	50,000	50,000.00
Navpad Plastics	68,092	
Omprakash Inder Kumar	14,800	
Patel Tarpauline Industries	800,000	
Prem Cloth Stores	12,072	
Puja Packers	4,263	
Puja Plastics	15,276	
R. M. Sales	1,255,199	
Samrat Traders	125,110	
Satyanarayan Plastics	477,130	
Sekhawat	55,000	55,000.00
Shreeji Plastics	3,168	
Shree Plastometch	11,945	
Scmnath Plastics	300,000	
Sujan Plastics	250,000	
Suprabha Protective Products P. Ltd.	343,642	
Surendra Pal Singh	43,100	
Venus Plastics	41,060	
Vishal Trading Co	17,911	
Vrashabh Plastics	200,000	
	8,279,644	646,566
CASH AND BANK BALANCE		
Bank Balance		
Bank of Baroda-Baroda	3,320.25	3,320.25
Bank of Baroda-Bharuch	8,557.73	8,557.73
Bank of Baroda - Bhat Bazar	5,163.05	5,163.05
Bank Baroda - Solsumba	16,444.08	16,444.08
Bank of Baroda - Vapi	94.22	94.22
BMC Bank Ltd	4,934.00	2,573.00
DCB Dividend A/c.	2,036.00	2,036.00
HDFC Bank(A/c.143282000026E)	219.52	1,004,613.90
ICICI Bank A/c. 000405001418	2,043,352.51	15,677.00
ICICI BANK A/C NO.039305000240	876.52	
Oriental Bank of Commerce A/c.34705	982.16	1,038.16
State Bank of India (Navasheva)	10,509.00	10,509.00
UBI Mandvi	3,753.05	3,753.05
	2,100,802.29	1,073,779.44
Margin Money Account		
DCB Margi Against Bills Discounted	1,040,434.00	1,040,434.00
DCB Margin on Bank Guarantee	533,228.00	533,228.00
UBI Margin on Bank Guarantee	67,236.00	67,236.00
	1,640,898.00	1,640,898.00
Cash Balance		
H O Cash	29,708.92	5,097.42
Factory Cash		8,575.00
Mumbai Petty Cash	19,633.00	
	49,341.92	13,672.42

OTHER CURRENT ASSETS LOANS AND ADVANCES		
Deposits		
A.K.Packaging Pvt. Ltd	1,900,000.00	1,900,000.00
B.F.S.T Deposits	3,550.00	3,550.00
Deposit-Central Excise	24,510.00	24,510.00
G.E.B. Deposits	1,288,555.00	1,288,555.00
GIDC Deposits	150,500.00	150,500.00
M.A.Kathawala (Office Dep)	710,657.00	710,657.00
Sales Tax Deposit	-	428.00
Tender Deposit	156,720.00	156,720.00
Deposit for Telephones	43,086.00	43,086.00
Staff Quarters Deposit	29,000.00	29,000.00
Deposit for Room	35,000.00	35,000.00
Alakben Ramarlal Desai	48,000.00	-
	4,389,578.00	4,342,006.00
Current Liabilities & Provisions		
Bonus Payable worker	305,586.00	1,405,675.00
Commission on Export sales payable	565,321.00	1,788,281.00
CST Payable	102,709.00	133,272.00
Customs Duty Payable	1,006,952.30	1,212,689.30
Directors Remuneration Payable	25,000.00	20,000.00
Power & Fuel payable	392,004.00	-
Gratuity Payable	96,923.00	156,923.00
GST Payable	159,630.00	194,927.00
Interest payable on ECB	465,580.00	465,580.00
Listing Fees Payable	-	-
Professional Tax Payable	159,353.00	157,043.00
Provident Fund Payable	176,559.00	561,173.00
Provision For FBT	109,000.00	99,304.00
Provision for Wage difference	600,000.00	600,000.00
Provision for Revaluation of Investment	-	-
Salary Payable	160,837.00	109,471.00
Telephone Expenses Payable	29,022.00	-
TDS on Commission Payable	-	31,005.00
TDS on Contractors	32,459.00	102,837.00
TDS on Profession fees payable	4,396.00	56,105.00
TDS on Salary Payable	7,952.00	74,845.00
TDS on Transport Payable	8,554.00	-
Wages Payable	486,161.00	658,809.00
Audit Fees Payable(N.O.MEHTA)	70,000.00	-
	5,472,998.30	7,833,939.30
Advances Recoverable in Cash Or Kind		
Adamji Investments	(130,934.00)	275,716.00
Associated Brother	-	1,826.00
Bagwati Engineering Works	-	-
Braintone Infotech	-	471.00
Ishwarlal Maganlal & Sons	118.15	119.00
KMC Garments P Ltd	3,000,000.00	3,000,000.00
Ravi Kumar	1,000,000.00	2,000,000.00
Lohia Packaging Machines	108,563.00	349,373.00
M J Polymers	1,773,290.24	1,773,291.00
Omnibus Ind Dev Corpn	60.00	-
PIL Mumbai	-	828.00
Rakshe (Adovocate)	5,000.00	-
Rashmi Corporation	-	-
Ruby Transport	-	36,025.00
Sebastin J Correa	75,000.00	75,000.00
Senergy Consultant	-	830.00
Senergy Systems	-	-
Shamco Plastics	-	16,181.00
Silverwings Travels House	-	-
Z A. Katahwala	2,000.00	53,170.00
	5,833,097.39	7,582,830.00

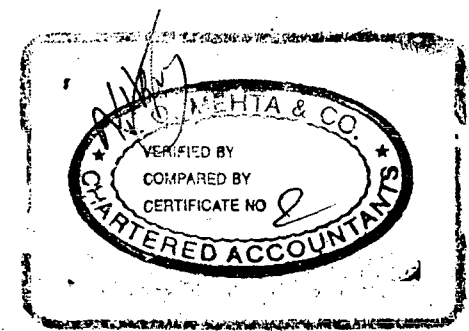
<u>Loans and Advances to staff & Workers</u>		
<u>Advance to Staff</u>		
Advances to Staff		
Ashraf Ali	48,494.00	-
Audrey Fernandies	134.00	-
Chandrakant	1,175.00	-
Govind	1,100.00	-
SPMishra		10,000.00
Iqbal Rangwala	6,204.00	8,300.00
Jyotiram Patil	159.00	-
Murali Nair	-	7,490.00
Momin Driver	2,000.00	-
Munira	6,000.00	-
Prakash	253.00	-
Priya Nair	1,500.00	-
Rajendra Shinde	2,939.00	-
Rajendra Shinde Loan	20,000.00	-
S P Mishra	19,160.00	-
Daddu Mulla Loan	27,000.00	40000
Loans to Workers	-	59724
Virnod Mishra	11,000.00	-
Niyuprene Plastics Co. (Loan)	133,500.00	-
Sunit Tripathi -Staff	2,090.00	-
	202,708.00	125,514.00
RECEIVABLES		
<u>Balances with Revenue Department</u>		
<u>Cenvat and Service Tax Credit</u>		
Central Excise Pla Basic	14,066.00	-
Cenvat Credit Basic (CG)	11,158.00	-
Cenvat Credit Edu Cess (CC)	231.00	-
Cenvat Credit Basic RM	2,124,1E3.00	1,066,269.00
Cenvat Credit Edu Cess	3,748,071.00	33,483.00
Cenvat Credit RM	5,364,067.72	-
PLA Account Edu Cess	-	-
Service tax credit Basic	53,665.00	22,604.00
Service tax credit Edu Cess	669.00	464.00
	3,116,110.72	1,122,820.00
<u>Other Receivable</u>		
Central Excise Duty Receivable	4,195,035.00	6,811,897.00
Accrued Import Licence Benefit		425,338.00
Duty Drawback receivable	78,917.00	78,917.00
TDS Deducted - by customers	40,143.00	40,143.00
Income Tax Refund A/c.	1,241,686.60	1,241,686.60
Income Tax 04-05	150,000.00	150,000.00
Vat Credit 4% Gst	1,324,644.37	-
	7,630,428.37	8,747,981.60
	15,146,536.69	9,870,801.60



Freight & Carriage Inward	443082.00	
Coolie & Cartage	140.00	
Hire charge	26000.00	
Tarpauline-Printing	283537.00	
Repairing Charge	231742.00	
Water Expense	15513.00	
Weighing Expense	14301.00	
Depriciation	460515.00	
Wages & other benefit	9374626.00	
Power & Fuel	10193465.51	
Job work Charges	2745475	
Total	23788396.51	21042921.51

Production 1.4.2006 To 31.3.2007	Kg	3784879	
Conversion Cost Per Unit for unlaminated fabric			5.559734277
Conversion Cost Per Unit for laminated fabric		6.285114137	

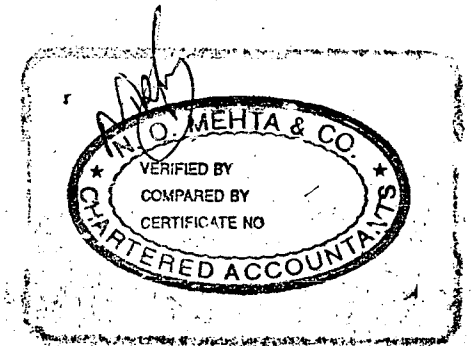
Calculation of Finished Goods Cost		Production-()	3784879
Material	Raw Material consumption(P.u)		
Hdpe/ Ldpe	0.462343155	68.78	31.79996223
M/B	0.077394416	119.25	9.229284113
Eyelets & Washer	0.010428339	34	0.354563514
Liner	0.002367582	68.75	0.162771237
Adhesive Tape	0.000397106	620	0.246206021
Synthetic paper	0.001122995	106	0.119037465
Plain Craft paper	0.045267312	21.31	0.964646427
Correleted Box	0.00103755	36.45	0.037818086
Paper Coated	0.003040124		0
Poly Craft Paper	0.000066052	105	0.00693546
Ptef	0.000045972	620	0.02850264
Cost Per Kg.as per cost of raw material:			42.9497278
Add:			
Direct expenses:		6.285114137	5.55973428
Cost of laminated fabric		49.23484193	



Cost of W.I.P.

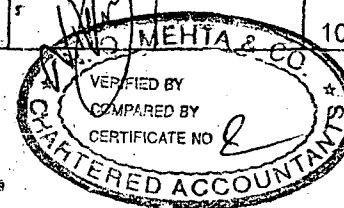
Cost of raw material + 1/2 Conversion cost

46.09228487



FBT CALCULATION FOR THE F.Y. 2006-07

	B.S. AS AT 31/03/2007	Jun-06	Sep. 06	Dec. 06	Mar-07	Total	Valuation @	Total Amount
Business Promotion Expenses	1,371,221	443,595	179,158	340,134	408,334	1,371,221	20%	274,244
Conveyance	110,899	18,132	24,142	27,400	41,225	110,899	20%	22,180
Staff Welfare	98,902	3,110	2,560	36,934	56,298	98,902	20%	19,780
Telephone Expenses	361,567	64,106	61,268	100,475	135,715	361,563	20%	72,313
Motor Vehicle Expenses	178,209	56,954	36,367	40,813	44,075	178,209	20%	35,642
Travelling Expenses	195,463	-	-	129,174	66,289	195,463	5%	9,773
Total	2,316,260	585,896	303,494	674,930	751,936	2,316,256		433,932
	5%	195,463	-	129,174	66,289	195,463		
	20%	2,120,797	585,896	303,494	545,756	2,120,793		
	50%	2,316,260	585,896	303,494	674,930	2,316,256		
	5%	9,773	-	6,459	3,314	9,773		
	20%	424,159	117,179	60,699	109,151	424,159		
	50%	-	-	-	-	-		
Total Value	433,932	117,179	60,699	115,610	140,444	433,932		433,932
30% of value of fringe benefits	130,180	35,154	18,210	34,683	42,133	130,180		130180
Add: Surcharge @ 10%	13,018	3,515	1,821	3,468	4,213	13,018		13018
Total	143,198	38,669	20,031	38,151	46,346	143,198		143198
add : E. Cess 2%	2,864	773	401	763	927	2,864		2864
FBT Liability	146,062	39,442	20,432	38,914	47,273	146,062		146,062
Less : Paid during the year	-	-	-	-	26-03-2007 50,000	50,000		50,000
	146,062	39,442	20,432	38,914	(2,727)	96,062		96,062
Add : Interest U/s 115 WJ	-	1,183	1,796	1,976	961	5,916		12,640
								108,702



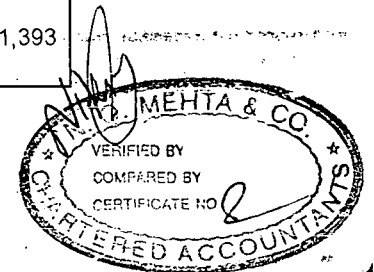
As per the rates of Balance sheet for the Assessment Year 06-07.

UNION QUALITY PLASTICS LTD

SCHEDULES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31-03-07

SCHEDULE 5 : FIXED ASSETS

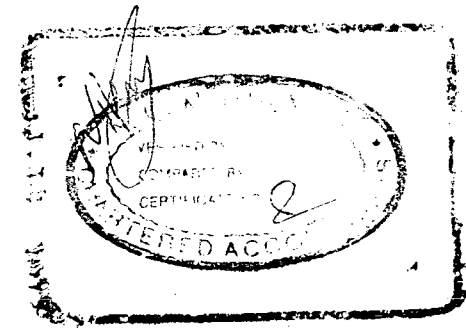
SR NO	NAME OF ASSET	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		AS ON 01-04-06	ADDITIONS DURING THE YEAR	AS ON 31-03-07	AS ON 31-03-06	FOR THE YEAR	AS ON 31-03-07	AS ON 31-03-07	AS ON 31-03-06
1	LEASE HOLD LAND	2,252,550	-	2,252,550	-	-	-	2,252,550	2,252,550
2	FACTORY BUILDING	23,062,287	-	23,062,287	10,256,309	1,280,598	11,536,906	11,525,381	12,805,978
3	PLANT & MACHINERY	65,484,421	10,000	65,494,421	55,763,238	2,706,049	58,469,287	7,025,134	9,721,183
4	ELECTRICAL INSTALATION	4,018,752	-	4,018,752	3,432,549	163,081	3,595,630	423,122	586,203
5	FURNITURE & FIXTURES	88,380	-	88,380	66,196	4,015	70,211	18,169	22,184
6	OFFICE EQUIPEMENT	333,972	-	333,972	223,913	15,300	239,222	94,750	110,059
7	RESIDENTIAL PLOT	49,161	-	49,161	-	-	-	49,161	49,161
8	STAFF QUARTERS	174,736	-	174,736	33,086	7,082	40,168	134,568	141,650
9	COMPUTERS	262,732	32,050	294,782	162,731	44,250	206,981	87,801	100,001
10	VEHICLE	855,771	-	855,771	855,771	-	855,771	-	-
TOTAL		96,582,762	42,050	96,624,812	70,793,792	4,220,384	75,014,176	21,610,636	25,788,970
PREVIOUS YEAR		96,582,762	-	96,582,762	65,301,369	5,492,423	70,793,792	25,788,970	31,281,393



ANNEXURE - A

DEPRECIATION WORKING AS PER SEC. 32 OF IT ACT

Description of ASSET	Rate	W.D.V.on 01-04-2006	Addition during the year		Deduction during the year	Total as at 31-03-2007	Depreciation	WDV as 31-03-2007
			Upto 30-09-2006	After 30-09-2006				
Building	5%	110127	-	-	-	110,127	5,506	104,621
	10%	5839476	-	-	-	5,839,476	583,948	5,255,528
Office Equipment	15%	49,757	10,000	-	-	59,757	8,964	50,793
Computers	60%	16,758	-	32,050	-	48,808	19,670	29,138
Fixture & Furniture	10%	25,299	-	-	-	25,299	2,530	22,769
TOTAL		6,041,417	10,000	32,050	-	6,083,467	620,617	5,462,850



NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31-03-2007

1. Previous years figures are regrouped wherever necessary for comparison
2. Remuneration has been paid to the Managing Director as per Schedule XII of Companies Act 1956 as under:-

Managing Directors Remuneration:

	<u>2006-2007</u>	<u>2005-2006</u>
Salary	316800	211200
Contribution to Provident Fund	43200	28800
<u>Total</u>	<u>360000</u>	<u>240000</u>

3. Auditor Remuneration :

	<u>2006-2007</u>	<u>2005-2006</u>
Audit Fess	54937	24000
Professional Fees	23750	22150
Tax Audit Fees	21250	18290
Certification Fees	5000	3000
	<u>104937</u>	<u>67440</u>

- 4 No Provision has been made in accounts for gratuity liability and other retirement benefits accruing to employee's
- 5 The Plant and Machinery and other Fixed Assets are insured
- 6 In the opinion of Management , the aggregate value on realisation of current Assets, Loans & Advance in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet
- 7 The Company has filed a suit in Bombay High Court against Debtors , for recovery of an outstanding amount of Rs.28,93,603/- and to that extent no provision is made for Bad & Doubtful debts. We are given to understand that the company has obtained a Decree.
- 8 The Contingent Liabilities
 - a). The Company has pending appeals regarding demand for A.Y. 97-98 of Rs.7,68,285/- before Income Tax Appellate Tribunal
 - b). Bills discounted with the Banks amount to Rs.4,79,473/-(Previous year Rs.4,79,473/-) and other parties Rs. 46,36,340/-(Previous year Rs. 46,36,340/-)
 - c). Bank Guarantee with custom Authorities Rs. 96,45,768/-
- 9 The stock of Finished Goods, Stores, Raw Materials, Tools etc are valued and certified by the Management at cost of Market Price whichever is lower.

10 Information pursuant to para 4C and 4D of part H of Schedule VI to the Companies Act 1956

QUANTITATIVE INFORMATION IN RESPECT OF:

A) RAW MATERIAL CONSUMED	AS ON 31.03.2007		AS ON 31.03.2006	
	QUANTITY VALUE		QUANTITY VALUE	
	in TONS	in LACS	in TONS	in LACS
HDPE/LDPE/LLDPE & OTHERS	2091.272	1302.166	2156.786	1222.11376
B) Value Of Raw Material Consumed	Rs. In Lac: %		Rs. In Lac: %	
Imported	0	0	0	0
Indigenous	1302.166	100	1222.114	100
	1302.166	100	1222.114	100
c) Value of Imports on CIF Basis	Rs in lacs		Rs in lacs	
Raw Material	0		0	
Capital Goods	0		0	
D) Expenditure in Foreign Currency	Rs in lacs		Rs in lacs	
Travelling	0..		0	
Raw Material	0..00		0	
E) Earnings in Foreign Exchange (FOB) on account of Export of Goods	793.8557		766.0104	
F) SALES	Quantity	Value	Quantity	Value
	in tons	in lacs	in tons	in lacs
HDPE WOVEN FABRICS/	2122.058	1609.414	2091.626	1586.334
G) STORES, SPARES CONSUMED				
Imported	NIL		NIL	
Indigenous	13.0568		25.48975	
H) Capacity	Tons		Tons	
Licenced	N.A		N.A	
Installed	3300		3300	
Production	2091.272		1956.931	

1) Stock of Finished Goods

	Tons	Rs. In Lacs	Tons	Rs. In Lacs
Opening Stock	203.7036	108.4506	161.424	115.9861
Closing Stock	256.0162	125.4941	203.7036	108.4506

- 11 Balance of all sundry Debtors, Sundry Creditors & Loan & Advances are subject to confirmation and consequent reconciliation and adjustments, if any
- 12 In terms of Notification GSR (129E) dtd. 22.02.99 issued by the department of the company affairs the company is required to furnish the details of outstandings to SSI Undertaking under the head "Current Liabilities & Provisions" of amount more than one Lacs and for the period of more than 30 days. The company has requested vendors to furnish requisite information along with their SSI Registration number. However no feedback has been received from vendors till date of signing of Balance Sheet, therefore the company is unable to furnish the particulars
- 13 Company has not provided for interest on unsecured loans of Rs. 70,799,954/-
- 14 The company has stopped deducting and depositing profession tax and provident fund of its administrative staff
- 15 Margin on Bill Discounting as per book of a/c's is Rs.10,40,434/- (Previous Year Rs. 10,40,434/-) However as per Bank records it stands at Rs.NIL. Therefore there is a difference of the entire amount of Rs. 10,90,749/- pending reconciliation
- 16 Provision has been made for Bonus payable in the current year
- 17 The unpaid dividend of Rs.2036/- has not been transferred to an unpaid Dividend Account as required U/S 205-A of the companies Act
- 18 The company had in the year 1997 pledged with Development Credit Bank Ltd. Share of Public Limited Companies, held and owned by the Directors Mr. A.G.Kathawala, Mr.J.A.Kathawala and Mrs.D.J.Kathawala and their relative Mrs.M.A.Kathawala, having market value at the time around Rs.10.00Lacs, to secure the company's Liabilities for payment of long outstanding collection bill dated 17-07-1990 for USD 29,025/- (Rupees 7.42 Lacs)
- 19 We are given to understand that though the shares were lodged for a particular transaction and upto a limit of Rs.10 Lakhs only, in the year January 2000 the Bank exercised their right to invoke the pledge, without giving notice to the pledger, and without restricting the sale to the extent of Rs.10 Lakhs only, and accordingly sold the shares for Rs.2,88,50,988.57 and credited the proceeds to the companies Cash and the matter is under litigation by the parties concerned the amount so credited by the Bank is shown under the heading suspense account falling under classified group unsecured loans.

N. O. MEHTA & CO.

CHARTERED ACCOUNTANTS

Senior Partner

N. O. MEHTA

M. Com., M. F.C.A., GRAD-CWA, MAC-1

207, Dalamal Chambers, 2nd Floor,
Behind Aayakar Bhavan,
29, New Marine Lines,
Mumbai - 400 020.
Phones : 200 2834 / 200 5870
200 3989 / 200 3991

FORM NO. 3CA [SEE RULE 6G(1)(a)]

AUDIT REPORT UNDER SECTION 44AB OF THE INCOME TAX ACT 1961, IN
A CASE where the Accounts of the business of a person have been
audited under any other Law

1 WE report that the statutory audit of UNION QUALITY PLASTICS
LIMITED, 379/381, NARSHI NATHA STREET, KATHA BAZAR,
MUMBAI-400 009

[name and address of the assessee]

[PERMANENT ACCOUNT NUMBER AAACU 3472 D]

was conducted by us, M/S N.O. MEHTA & CO., Chartered Accountants,
in pursuance of the provisions of the Indian Companies Act, 1956
and We annex hereto a copy of our Audit Report dated 01.09.2007
along with a copy each of

(a) the Audited Profit and Loss account
for the year ended on 31st March, 2007;

(b) the audited Balance Sheet as at 31-3-2007 and;

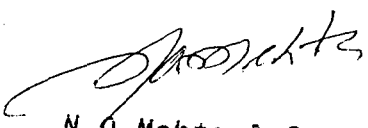
(c) documents declared by the said Act to be part of, or
annexed to the profit and loss account and balance sheet.

2 The statement of particulars required to be furnished under
section 44 AB is annexed herewith in Form No. 3CD.

3 IN OUR OPINION AND TO THE BEST OF OUR INFORMATION AND ACCORDING TO
EXPLANATIONS GIVEN TO US, THE SAID PARTICULARS, GIVEN IN FORM NO. 3CD,
ARE TRUE AND CORRECT.

PLACE : MUMBAI-400 020

DATE : - 30.10.2007


N. O. Mehta & Co,
Chartered Accountants
signed by the hand of
Partner Mr. N. O. Mehta
[M. Ship No. 7583]



Rajkot Branch : 6, Mehta Chambers, Opp. Dhebarbhai Sanatorium, Dhebarbhai Rd., RAJKOT. ☐ Phone : 23084

Ahmedabad Branch : 806, Hemkoot, Ashram Road, AHMEDABAD - 380 009. ☐ Phone : 462 182

Vashi Branch : 712/714, J.K. Chambers, Sec. No. 17, Vashi, New Mumbai - 400 703. ☐ Phone : 768 6683 / 768 3068

FORM NO. 3CD

(As amended by Notification no. 208/2006, dated 10-8-2006)

[See rule 6 G (2)]

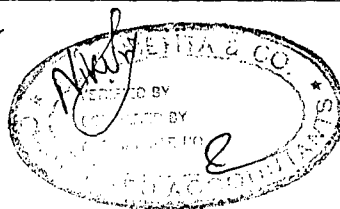
**Statement of particulars required to be furnished under section 44AB of the
Income-tax Act, 1961**

PART - A

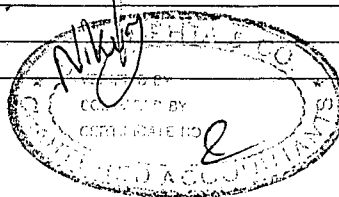
1.	Name of the assessee	:	UNION QUALITY PLASTICS LTD
2.	Address	:	5 TH FLOOR, A G H CHAMBERS NARSI NATHA STREET MUMBAI 400 009
3.	Permanent Account Number	:	AAACU3472D SPECIAL RANGE-47
4.	Status	:	Company
5.	Previous Year Ended	:	31 ST March, 2007
6.	Assessment Year	:	2007-08

PART - B

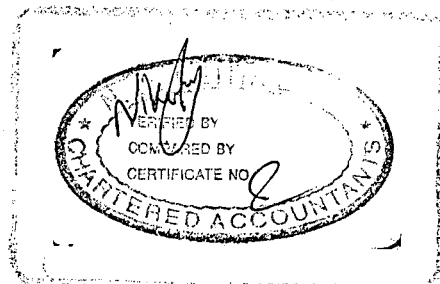
7.	a)	If firm or Association of Persons, indicate names of Partners /members and their, profit sharing ratios.	:	N.A.
	b)	<i>if there is any change in the partners or members or in their profit sharing ratio since the last date of the preceding year, the particulars of such change</i>	:	N.A.
8.	a)	<i>Nature of business or profession (if more than one business or profession is carried on during the previous year, nature of every business or profession)</i>	:	Manufacturing of HDPE bags and Tarpaulins.
	b)	<i>If there is any change in the nature of business or profession, the particulars of such change.</i>	:	No Change in the nature of the business during the previous year.



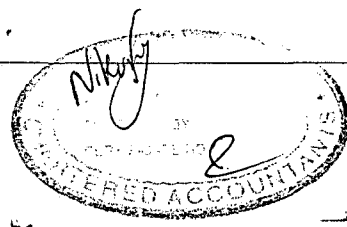
9.	a)	Whether books of account are prescribed under section 44AA, if yes, list of books so prescribed.	No
	b)	Books of account maintained. (In case books of account are maintained in a computer system, mention the books of account generated by such computer system.)	Cash Book, Bank Book, Ledger, Journal Proper, Purchase and Sales Register, carbon copies of Sales Bill and stock Register All the above Books are generated by a Computer system
	c)	List of books of account examined.	Cash Book, Bank Book, Ledger, Journal Proper, Purchase and Sales Register, Carbon Copies of Sales Bill and Stock 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, 44BBB or any other relevant section.)	: N.A.
11	a)	Method of accounting employed in the previous year	: Mercantile
	b)	Whether there had 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.	: N.A.
	d)	Details of deviation, if any, in the method of accounting employed in the previous year from accounting standards prescribed under section 145 and the effect thereof on the profit or loss.	: No such Deviation.



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
	b)	Details of deviation, if any, from the method of valuation prescribed under section 145A, and the effect thereof on the profit or loss.	:	No such deviation.
12A		Give the following particulars of the capital asset converted into stock-in-trade: -	:	N.A.
	a)	Description of capital asset,	:	N.A.
	b)	Date of acquisition	:	N.A.
	c)	Cost of acquisition	:	N.A.
	d)	Amount at which the asset is converted into stock-in-trade	:	N.A.
13.		Amounts not credited to the profit and loss account, being :-	:	
	a)	The items falling within the scope of section 28;	:	N.A.
	b)	The proforma credits, drawbacks, refund of duty of customs or excise or service tax, or refund of sales tax or value added tax where such credits, drawbacks or refunds are admitted as due by the authorities concerned;	:	We have been given to understand that all such amount admitted payable or refundable to the assessee during the year has been duly accounted.
	c)	Escalation claims accepted during the previous year;	:	Nil
	d)	Any other item of income;	:	Nil
	e)	Capital receipt, if any.	:	Nil
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 :-	:	As per Annexure III
	a)	Description of asset/block of assets.	:	
	b)	Rate of depreciation.	:	
	c)	Actual cost of written down value, as the case may be	:	

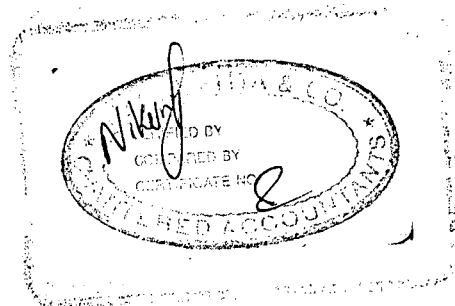


	d)	Additions/deductions during the year with dates; in the case of any addition of an asset, date put to use; including adjustments on account of	
	i)	Modified Value Added Tax credit claimed and allowed under the Central Excise rules, 1944, in respect of assets acquired on or after 1st March, 1994,	
	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 -	Nil
	a)	33AB	
	b)	33ABA	
	c)	33AC (whichever applicable)	
	d)	35	
	e)	35ABB	
	f)	35AC	
	g)	35CCA	
	h)	35CCB	
	i)	35D	
	j)	35DD	
	k)	35DDA	
	l)	35E"	
	a)	debited to the profit and loss account (showing the amount debited and deduction allowable under each section separately);	Nil
	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 profit or dividend. [Section 36(1)(ii)]	Nil



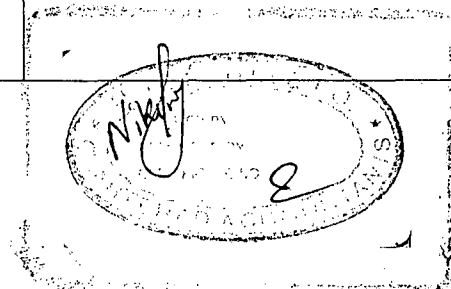
	b)	Any sum received from employees towards contributions to any provident fund or superannuation fund or any other fund mentioned in section 2(24)(x); and due date for payment and the actual date of payment to the concerned authorities under section 36(1)(va).	As per Annexure – IV.
17.		Amounts debited to the profit and loss account being:-	
	a)	Expenditure of capital nature;	Nil
	b)	Expenditure of personal nature;	Nil
	c)	Expenditure on advertisement in any souvenir, brochure, tract, pamphlet or the like, published by a political party;	Nil
	d)	Expenditure incurred at clubs, -	Nil
	i)	as entrance fees and subscriptions.	
	ii)	As cost for club services and facilities used.	Nil
	e) i)	Expenditure by way of penalty or fine for violation of any law for the time being in force;	Nil

	ii)	Any other penalty or fine:	Nil
	iii)	Expenditure incurred for any purpose which is an offence or which is prohibited by law;	Nil
	f)	Amounts inadmissible under section 40(a);	Nil
	g)	Interest, salary, bonus, commission or remuneration inadmissible under section 40(b)/ 40(ba) and computation thereof;	Nil



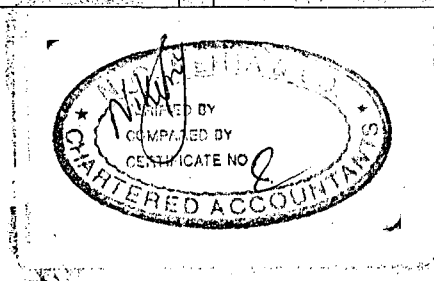
	h) A)	whether a certificate has been obtained from the assessee regarding payments relating to any expenditure covered under section 40A(3) that the payments were made by account payee cheques drawn on a bank or account payee bank draft, as the case may be, [Yes/No]	N.A.
	B)	amount inadmissible under section 40A(3), read with rule 6DD [with break-up of inadmissible amounts]	Nil

	i)	Provision for payment of gratuity not allowable under section 40A(7);	Nil
	j)	Any sum paid by the assessee as an employer not allowable under section 40A(9);	Nil
	k)	Particulars of any liability of a contingent nature	As per notes on accounts 8 attached to the Balance Sheet.
	l)	Amount of deduction inadmissible in terms of section 14A in respect of the expenditure incurred in relation to income which does not form part of the total income,	Nil
	m)	Amount inadmissible under the proviso to section 36(1)(iii)	Nil
18.		Particulars of payments made to persons specified under section 40A(2)(b).	As per Annexure – V.
19.		Amounts deemed to be profits and gains under section 33AB or 33ABA or 33AC.	Nil
20.		Any amount of profit chargeable to tax under section 41 and computation thereof.	Nil
21.	i)*	In respect of any sum referred to in clause (a), (b), (c), (d), (e) or (f) of section 43B, 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 Annexure – VI
		a)	paid during the previous year;	
		b)	not paid during the previous year;	

		B)	Was incurred in the previous year and was	As per Annexure – VII
		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.	
		* State whether sales tax, customs duty, excise duty or any other indirect tax, levy, cess, impost etc. is passed through the profit and loss account.		No
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 Annexure – VIII.
	b)	Particulars of income or expenditure of prior period credited or debited to the profit and loss account.		Nil
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

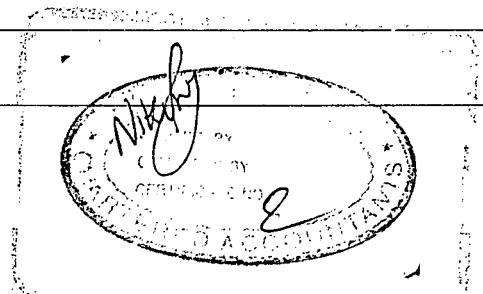


24.	a)*	Particulars of each loan or deposit in an amount exceeding the limit specified in section 269SS taken or accepted during the previous year:	As per Annexure – IX.
	i)	name, address and permanent account number (if available with the assessee) of the lender or depositor;	
	ii)	amount of loan or deposit taken or accepted;	
	iii)	whether the loan or deposit was squared up 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 needs 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 :-	Nil
	i)	name, address and permanent account number (if available with the assessee) of the payee;	
	ii)	amount of the repayment;	

	iii)	maximum amounts outstanding in the account at any time during the previous year;	
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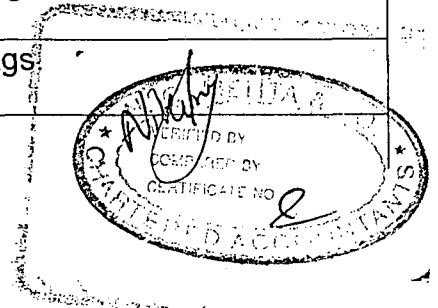
	iv)	whether the repayment was made otherwise than by account payee cheque or account payee bank draft.				
	c)	Whether a certificate has been obtained from the assessee regarding taking or accepting loan or deposit, or repayment of the same through an account payee cheque or an account payee bank draft. [Yes/No] The particulars (i) to (iv) at (b) and the Certificate at (c) above need not be given in the case of a repayment of any loan or deposit taken or accepted from Government, Government company, banking company or a corporation established by a Central, State or Provincial Act.				Yes
25	a)	Details of brought forward loss or depreciation allowance, in the following manner, to the extent available :				
	S r. N o	A.Y. Year	Nature of loss/ allowance (in Rs.)	Amount as returned (in Rs.)	Amount as Assessed (give reference to relevant order)	Remarks
As per Annexure – X						

	b)	whether a change in shareholding of the company has taken place in the previous year due to which the losses incurred prior to the previous year cannot be allowed to be carried forward in terms of section 79.				No
26	Section-wise details of deductions, if any, Admissible under Chapter VIA.				:	Nil



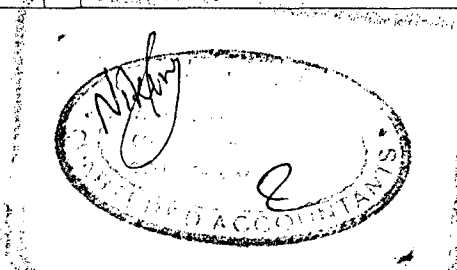
27	a)	Whether the assessee has complied with the provisions of Chapter XVII-B regarding deduction of tax at source and regarding the payment thereof to the credit of the Central Government. [Yes/No]	:	Yes, for detail As per Annexure - XI.
	b)	If the provisions of Chapter XVII-B have not been complied with, please give the following details*, namely: -	:	N.A.
	i)	Tax deductible and not deducted at all	:	
	ii)	shortfall on account of lesser deduction than required to be deducted	:	
	iii)	tax deducted late	:	
	iv)	tax deducted but not paid to the credit of the Central Government	:	
"Please give the details of cases covered in (i) to (iv) above."				
28.	a)	In the case of a trading concern, give quantitative details of principal items of goods traded :	:	N.A.
	i)	Opening Stock;	:	
	ii)	Purchases during the previous year;	:	
	iii)	Sales during the previous year;	:	
	iv)	Closing Stock;	:	
	v)	Shortage/excess, if any	:	

	b)	In the case of a manufacturing concern, give quantitative details of the principal items of raw materials, finished products and by-products:	:	N.A.
	A.	Raw Materials :	:	
	i)	opening stock;	:	60038 Kgs.
	ii)	Purchases during the previous year;	:	2279490 Kgs.
	iii)	Consumption during the previous year;	:	2278609 kgs
	iv)	Sales during the previous year;	:	Nil



	v)	closing stock;	60919 Kgs.
	vi)*	yield of finished products;	
	vii)*	Percentage of yield;	
	viii) *	Shortage/excess, if any.	Nil
	B.	Finished products/By-products :	
	i)	opening stock;	
	ii)	purchase during the previous year;	
	iii)	purchase during the previous year;	
	iv)	Sales during the previous year;	
	v)	closing stock;	
	Vi	Shortage/excess, if any.	Nil
	*Information may be given to the extent available.		
29	In the case of a domestic company, details of tax on distributed profits under section 115O in the following form:		N.A. since no dividend has been declared for the previous year 2006-07.
	a)	total amount of distributed profits;	Nil
	b)	total tax paid thereon;	Nil
	c)	dates of payment with amounts.	N.A.

30	Whether any cost audit was carried out, if yes, enclose a copy of the report of such audit [See section 139(9)].		N.A.
31	Whether any audit was conducted under the Central Excise Act, 1944, if yes, enclose a copy of the report of such audit.		N.A.
32	Accounting ratios with calculations as follows :-		As per Annexure – XII.
	a)	Gross profit/Turnover;	N. A.
	b)	Net profit/Turnover;	N. A.
	c)	Stock-in-trade/Turnover;	8.27 TIMES
	d)	Material consumed/Finished goods produced.	55.26%



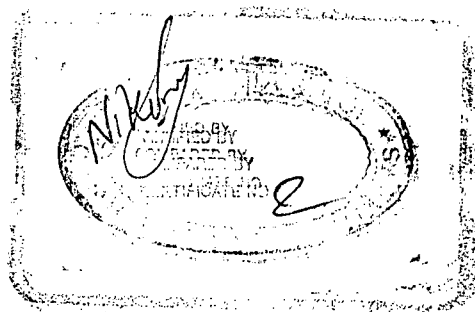
N. O. MEHTA & CO.
CHARTERED ACCOUNTANTS

Place : Mumbai

Date : October, 2007

Notes:

1. The Annexure to this Form must be filled up failing which the Form will be considered as incomplete.
2. This Form and the Annexure have to be signed by the person competent to sign Form No. 3CA or Form No. 3CB as the case may be.



ANNEXURE - III

DEPRECIATION WORKING AS PER SEC. 32 OF IT ACT

Description of ASSET	Rate	W.D.V.on 01-04-2006	Addition during the year		Deduction during the year	Total as at 31-03-2007	Depreciation	WDV as 31-03-2007
			Upto 30-09-2006	After 30-09-2006				
Building	5%	110127	-	-		110,127	5,506	104,621
	10%	5839476	-	-		5,839,476	583,948	5,255,528
Office Equipment	15%	49,757	10,000	-	-	59,757	8,964	50,793
Computers	60%	16,758	-	32,050	-	48,808	19,670	29,138
Fixture & Furniture	10%	25,299	-	-	-	25,299	2,530	22,769
TOTAL		6,041,417	10,000	32,050	-	6,083,467	620,617	5,462,850



ANNEXURE - IV

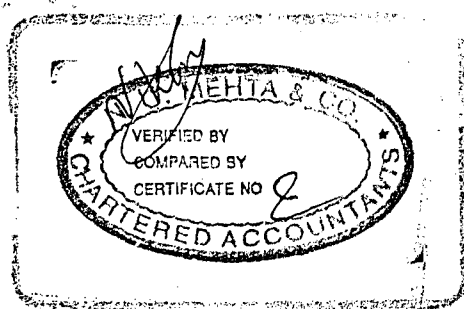
DETAILS OF EMPLOYEE'S CONTRIBUTION TO PROVIDENT FUND

PROVIDENT FUND HAS NOT BEEN DEDUCTED FROM SALARY PAID TO STAFF AT MUMBAI OFFICE. TOTAL SALARY AMOUNT TO Rs.

UNION QUALITY PLASTICS LTD

STATEMENT OF PROVIDENT FUND FROM THE YEAR ENDED 31.03.07

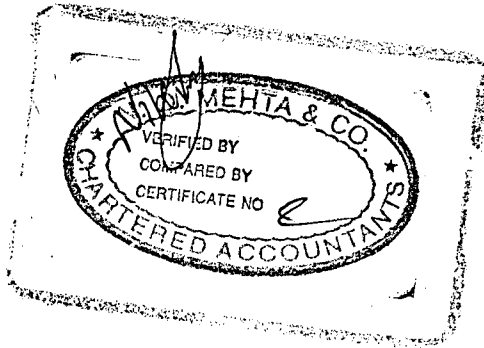
MONTH	EMPLOYER'S	DATE OF PAYMENT	EMPLOYEE'S	DATE OF PAYMENT
APRIL	57504	03.06.06	53116	03.06.06
MAY	66409	14.06.06	58618	14.06.06
JUNE	71245	14.07.06	62834	14.07.06
JULY	93183	30.10.06	82175	30.10.06
AUGUST	91943	27.01.07	81083	27.01.07
SEPTEMBER	94263	27.01.07	83154	27.01.07
OCTOBER	95345	27.01.07	83401	27.01.07
NOVEMBER	94600	02.02.07	83600	02.02.07
DECEMBER	140000	02.02.07	120000	02.02.07
JANUARY	151200	31.03.07	134083	31.03.07
FEBRUARY	162400	31.03.07	148166	31.03.07
MARCH	93576	17.04.07	82983	17.04.07
	1211668		1073213	



ANNEXURE-V

PARTICULAR OF PAYMENT MADE TO PERSON SPECIFIED U/S 40(A)(2)

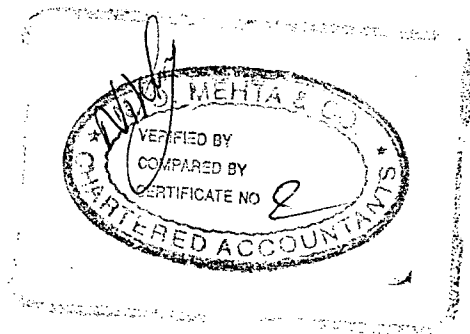
Name of Party	Nature of Payment	Amount	
Z.A.Khatawala	Remunration	360000	



Annexure- VI

LIABILITIES PRE-EXISTING ON FIRST DAY ON PREVIOUS YEAR

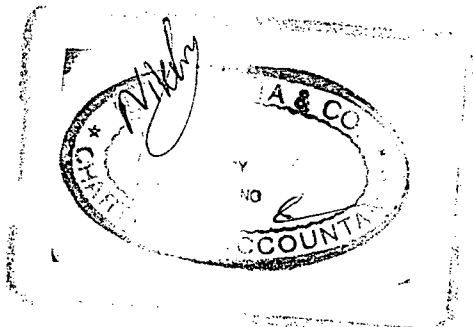
Natuer of liabilities	o/s opening Not Allowed Any Earlier Year	Amount Paid During the Year	Amount Wrriten Back to Profit & Loss	O/s Bal.At the end of the Year	Whether passed Through p&L account	Remark
Custom Duty	1212689.30	205737		1006952.30	NO	
Profession tax	157043.00	-		159353.00		
Bonus	1405675.00	1100089		305586.00	NO	
Bombay Sales Tax	139272.00	36563		102709.00	NO	



ANNEXURE VII

Liabilities Incurred during the Previous Year

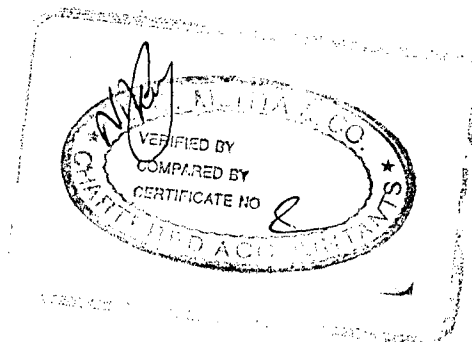
Natuer of liabilities	Amcunt incurred during the Previous year Remaining O/s Last day of prev. Year	Amount paid before the due date of filling return date upto which reported in tax audit report whichever is earlier	Amount paid on due date of filling return or upto tax audit report whichever is earlier	Whether passed through profit and loss account
Gujrat Sales Tax	159630			NO
Custom Duty	1006952.3			
Profession tax	159353			
Bonus	3056586			
CST	102709			NO
TDS	53361			



Annexure VIII

STATEMENT OF CENVAT CREDIT UTILISATION

PARTICULAR	CAPITAL GOODS	OTHERS
Balance representing Cenvat credit as at the beiging of the year	NIL	1099752
Cenvat Credit available During the year	11389	24664331
LESS: Amount of Cenvat Credit utilised during the Year	NIL	17727762
Balance representingOutstading Amount As At the End of the year Cenvat credit as at the beiging of the year	11389	8036321

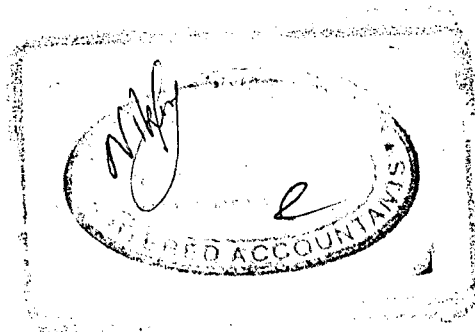


UNION QUALITY PLASTICS LIMITED

ANNEXURE IX

PARTICULARS OF LOANS/DEPOSITS TAKEN OR ACCEPTED EXCEEDING
LIMIT SPECIFIED U/S 269SS DURING THE PREVIOUS YEAR

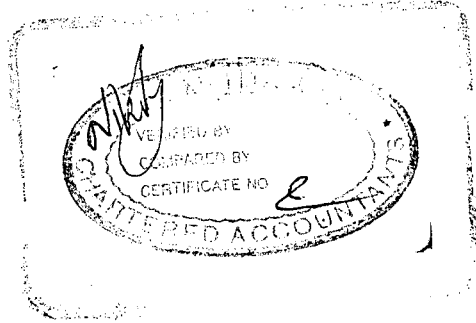
NAME, ADDRESS & PAN NO OF LENDER	AMOUNT OF LOAN TAKEN	WHETHER SQUARED OFF DURING THE YEAR	MAXIMUM OUTSTANDING DURING THE PREVIOUS YEAR	WHETHER TAKEN OTHERWISE THAN BY AN ACCOUNT PAYEE CHEQUE
ADAMJI INVESTMENT	NIL	NO	288807	NO
AGH ENTERPRISES	NIL	YES	NIL	NO
A G KATHAWALA	8513242	NO	17471962	NO
ALBAN COMMUNICATION	1701	YES	298752	NO
AMBIENT MEDIA SOLUTION	3940739	YES	3035100	NO
DCB	NIL	NO	28850989	NO
DURIYA KATHAWALA	3270000	YES	1980867	NO
GENERAL MACH. & TECH.	NIL	NO	933300	NO
INTERNATIONAL LINKERS	2548047	YES	5834932	NO
IMTIAZ KATHAWALA	650000	YES	1612353	NO
K & CO.	NIL	NO	2518119	NO
M A KATHAWALA	357292	YES	1016596.59	NO
S A KATHAWAL	NIL	NO	752000	NO
SHARIQ Y KATHAWALA	NIL	YES	NIL	NO
TARK INVESTMENT P LTD.	NIL	NO	180000	NO
Y A KATHAWALA	400000	YES	923825.95	NO
ZUZAR KATHAWALA	305000	YES	5102352.06	NO



ANNEXURE X

PARTICULARS OF BROUGHT FORWARD LOSS AND DEPRICIATION ALLOWANCE

Sr. No.	Assessment Year	Nature of loss/ allowance (in rupees)	Amount as returned (in rupees)	Amount Adjusted	Amount Carried Forward	Amounts as assessed (give reference to relevant order)	Remarks
1	1996-1997	Business Depreciation	NIL. 16833	NIL NIL	5474236 10268024	NIL 16833	
2	1997-1998	Business Depreciation	1085548 43638	696197 389351	21474204 7919017	1085548 43638	
3	1998-1999	Business Depreciation	169134 58900	52143 NIL	57923958 7897372	122929 58900	
4	2002-2003	Business Depreciation	943674 13117	NIL NIL	31283646 6193274		
5	2004-2005	Business Depreciation	1049757 9798	NIL NIL	20325401 4861955		
6	2005-2006	Business Depreciation	2206803 18617	NIL NIL	10110015 634526		
7	2006-2007	Business Depreciation		NIL NIL			



ARTICULARS OF TAX DEDUCTED AT SOURCE AND PAID THE AMOUNT SO DEDUCTED TO THE CREDIT OF THE CENTRAL GOVERNMENT IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER XVII B

NAME OF THE PARTY	NATURE OF PAYMENT	AMOUNT OF TDS	DATE OF TAX DEDUCTED	DUE DATE	DATE OF PAYMENT MADE TO THE CREDIT OF GOVT.	REMARK DELAY BY
UN!TED PROVINCIAL ROADL	TRANSPORT	1382	28.03.07	07.04.07		NOT PAID
PIL MUMBAI	TRANSPORT	7346	31.03.07	07.04.07		NOT PAID
HI TECH POLYPLAST	CONTRACTOR	5451	30.03.07	07.04.07		NOT PAID
HI TECH POLYPLAST	CONTRACTOR	506	31.08.06	07.09.06		NOT PAID
INTERNATIONAL COOLING	CONTRACTOR	672	12.04.06	07.05.06		NOT PAID
UTILITY INKS P LTD.	CONTRACTOR	1379	13.07.06	07.08.06		NOT PAID
SAFETECH SECURITY	CONTRACTOR	4787	13.01.07	07.02.07		NOT PAID
RISHI PACKERS	CONTRACTOR	145	11.06.06	07.07.06		NOT PAID
RISHI PACKERS	CONTRACTOR	1222	25.06.06	07.07.06		NOT PAID
REVOLUTION FABRICA	CONTRACTOR	1533	22.03.07	07.04.07		NOT PAID
REVOLUTION FABRICA	CONTRACTOR	3084	22.03.07	07.04.07		NOT PAID
BHARAT SHIPPING AGENCY	CONTRACTOR	591	28.02.07	07.03.07		NOT PAID
BHARAT SHIPPING AGENCY	CONTRACTOR	555	28.02.07	07.03.07		NOT PAID
BHARAT SHIPPING AGENCY	CONTRACTOR	4500	08.03.07	07.04.07		NOT PAID
MEET GRAPHICS	CONTRACTOR	5325	30.03.07	07.04.07		NOT PAID
SARASWAT TARPAULINE	CONTRACTOR	1646	31.03.07	07.04.07		NOT PAID
HI TECH POLYPLAST	CONTRACTOR	463	16.07.06	07.08.06		NOT PAID
YOGHEY MOVERS	CONTRACTOR	608	11.07.06	07.08.06		NOT PAID
CAN LINX	CONTRACTOR	572	30.09.06	07.10.06		NOT PAID
CAN LINX	CONTRACTOR	152	30.09.06	07.10.06		NOT PAID
CAN LINX	CONTRACTOR	370	30.09.06	07.10.06		NOT PAID
CAN LINX	CONTRACTOR	72	30.09.06	07.10.06		NOT PAID
N O MEHTA	PROFESSIONAL	3783	31.03.07	07.04.07		NOT PAID
SUNIL TRIPATHI	SALARY	2090	31.03.07	07.04.07		NOT PAID
Z .A. KATHAWLA	REMUNERATION	2500	08.03.07	07.04.07		NOT PAID
Z .A. KATHAWLA	REMUNERATION	2500	09.03.07	07.04.07		NOT PAID

ANNEXURE - XII

CALCULATION OF RATIOS

VALUATION OF GOODS

<u>PARTICULARS</u>	<u>AMOUNT</u>
Consumption of Raw Material And Consumable Stores	130216580
Manufacturing Expenses	23408630
Employee's Remuneration And Benefits	2173200
Administration & Selling Expenses Including Preliminary Expenses	10695937
Depreciation As per Income Tax Act	620617
	TOTAL
	<u>167114964</u>

$$\begin{aligned}
 \text{COST OF GOODS SOLD} &= \text{TOTAL} \times \frac{\text{QUANTITY SOLD}}{\text{QUANTITY MANUFACTURED}} \\
 &= 167114964 \times \frac{2190202}{3784877} \\
 &= 96704735
 \end{aligned}$$

$$\begin{aligned}
 \text{STOCK TURNOVER RATIO} &= \frac{\text{COST OF GOODS SOLD}}{\text{AVERAGE STOCK OF FINISHED GOODS}} \\
 &= \frac{96704735.29}{10845058 + 12549408 / 2} \\
 &= \frac{193409470.6}{23394466} \\
 &= 8.2673172 \text{ TIMES}
 \end{aligned}$$

