

FORM NO. 1

RETURN OF INCOME

[See rule 12(1)(a) of Income-tax Rules, 1962]

ITS-1

For companies other than those claiming exemption u/s 11 <input type="checkbox"/> Please follow instructions and fill in relevant schedules. <input type="checkbox"/> PAN must be quoted. <input type="checkbox"/> Use block letters only.					ACKNOWLEDGEMENT For Office use only				
1. PERMANENT ACCOUNT NUMBER(PAN) _____ (If not applied for or not allotted, enclose Form 49A)					Receipt No. _____		Date _____		
2. NAME _____ _____ _____					Seal and Signature of Receiving Official				
3. ADDRESS (Flat No./Door/House No., Premises, Road, Locality/Village, Town/ District, State/Union Territory in that Order) _____ _____ _____					7. IF THERE IS CHANGE IN JURISDICTION, STATE OLD WARD/ CIRCLE/SPL. RANGE _____				
PIN _____ TELEPHONE _____					8. PREVIOUS YEAR _____		9. ASSESSMENT YEAR _____		
FAX, IF ANY _____					10. RESIDENTIAL STATUS* _____				
4. DATE OF INCORPORATION (DD-MM-YYYY) _____					11. U/S 139/142/148 _____		12. Whether original _____ or Revised _____ Return ?		
5. IS THERE ANY CHANGE IN ADDRESS ? Yes _____ No _____					If revised, Receipt No. _____		and date of filing original Return _____		
6. WARD/CIRCLE/SPECIAL RANGE _____					13. IS THIS YOUR FIRST RETURN ? Yes _____ No _____		STATEMENT OF TAXES		
COMPUTATION OF TOTAL INCOME					Sch. _____ (In Rs.)		(In Rs.)		
14. Income from house property (F-1A)		702		25. Tax payable less u/s 88E (23-24) (G-6)		819			
15. (i) Income from business or profession (F-1B)		703		26. Surcharge (G-7)		828			
15. (ii) Profits and gains from transactions chargeable to securities transaction tax [included in (i) above] (B-26(ii))		597		27. Education Cess (G-9)		834			
16. Capital gains :				28. Tax plus Surcharge plus Education Cess (G-10)		835			
a. Short-term (u/s 111A) (F-1C(i))		710		29. Relief u/s 90/91 (G-11)		836			
b. Short-term (others) (F-1C(ii))		704							
c. Long-term (F-1C(iii))		705							
17. Income from other sources (F-1D)		706		30. Balance tax payable (G-12)		840			
18. Gross total income (F-2)		744		31. Tax deducted/collected at source (G-13A)		870			
19. Deductions under Ch-VIA (F-3)		747		32. Advance tax paid (G-13B)		862			
20. Total income (F-5)		760		33. Balance tax payable (G-14)		877			
in words				34. Interest payable u/s 234A/234B/234C (G-16)		846			
21. Net agricultural income/ any other income for rate purposes (F-6)		762		35. Self-Assessment Tax Paid (G-18)		888			
22. Income claimed exempt (K)		125		36. Tax and interest payable (G-19)		880			
23. Tax payable (G-4)		825							
24. Rebate u/s 88E (G-5)(iii)		818		37. Tax credit due u/s 115JAA (G-20)		881			
				38. Balance tax and interest Payable (36-37) (G-21)		883			
				39. Refund due, if any (G-22)		896			
				40. Additional Income-tax + Interest payable on distributed profits (G-23)		899			
				41. Additional Income-tax and Interest paid (G-24)		900			
				42. Balance Additional Income-Tax and Interest payable (G-25)		897			
				43. Total payable (38+42) or as the case may be (42-39)		898			
44. NO. OF DOCUMENTS/STATEMENTS ATTACHED									
Description			In Figures		In Words		Description		
a. Statement of taxable income/tax							d. TDS Certificates		
b. Audit report							e. Form 10DB/10DC		
c. Statement of A/c							f. Others		

VERIFICATION**

I, _____ (full name in block letters), son/daughter of _____ solemnly declare that to the best of my knowledge and belief, the information given in this return and the schedules and statements accompanying it is correct and complete, and that the amount of total income and other particulars shown therein are truly stated and are in accordance with the provisions of the Income-tax Act, 1961, in respect of income chargeable to income-tax for the previous year relevant to the assessment year _____
 I further declare that I am making this return in my capacity as _____ and I am also competent to make this return and verify it.

Date :

Place :

Name and Signature

*Fill in code as mentioned in instructions.

** Any person making a false statement in the return or the accompanying schedules or statements shall be liable to be prosecuted under section 277 of the Income-tax Act, 1961 and on conviction be punishable under that section with rigorous imprisonment and with fine.

15. Balance (11 + 12 + 14) 341

16. Total of 15 (in case of more than one property, give total of all sheets) 350

17. Income chargeable under the head "Income from house property" (16) 399

SCHEDULE B. PROFITS AND GAINS OF BUSINESS OR PROFESSION

(I) GENERAL

1. Nature of business or profession :

Manufacturing	501	<input type="text"/>	Trading	502	<input type="text"/>	Manufacturing-cum-trading	503	<input type="text"/>
Services	504	<input type="text"/>	Profession	505	<input type="text"/>	Other	506	<input type="text"/>

2. No. of branches/business premises Attach list with full address(es)

3. Method of accounting **507** Mercantile Cash

4. Is there any change in method of accounting ? Yes No

5. If yes, state the change

6. Method of valuation of stock

7. Is there any change in stock valuation method ? Yes No

8. If yes, state the change

9. Are you liable to maintain accounts as per section 44AA ? Yes No

10. Are you liable to tax audit u/s 44AB(a)/(b) ? Yes No

11. Are you liable to tax audit u/s 44AB(c) read with section 44AD/44AE/44AF ? Yes No

12. If answer to item 10 or 11 is 'yes', have you got the accounts audited before the specified date ? Yes No

13. If yes, whether audit report is furnished ? Yes No

If yes, give receipt No.

and date of filing the same (also attach a copy) - -

(II) COMPUTATION OF INCOME FROM BUSINESS OR PROFESSION OTHER THAN SPECULATION BUSINESS

(In case the company has more than one business or profession and maintain separate books of account, attach separate sheet(s) giving computation for each such business or profession and show the aggregate figures against various items)

14. Net profit or loss as per consolidated profit and loss account **510**

15. Add : Adjustment on account of **511** **512**

change in method of accounting and/or valuation of stock

For assessee having income covered u/s 44AD/44AE/44AF :-

16. (i) Deduct/Add – Profit/loss of business(es) included in 14 under the section indicated below, if answer to any of 9, 11, 12 or 13 above is 'No.'

(a) section 44AD **513**

(b) section 44AE **514**

(c) section 44AF **515**

Total **520** **521**

(ii) In case you were engaged in the business of civil construction or supply of labour for civil construction mentioned in section 44AD:

(a) Gross Receipts **522**

(b) Deemed profit @ 8% of gross receipt **523**

(c) Add : Higher of the amounts **524** **525**

1. Income* other than from owning race horse(s) :-

(a) Dividends [other than those claimed exempt u/s 10(33)] 460

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(b) Interest 461

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(c) Rental income from machinery, plants, buildings, etc. 462

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(d) Others 464

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2. Total of 1 above 470

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3. Deductions u/s 57 :-

(a) Depreciation

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(b)

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(c)

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4. Total of 3 above 471

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5. Balance (2-4) 473

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6. (a) Income from owning and maintaining race horses 474

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(b) Deductions u/s 57 475

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7. Balance income from owning and maintaining race horse(s) [6(a)-6(b)] 476

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[Negative figure, if any, shall be shown in Sch.F.3.]

8. Winnings from lotteries, crossword puzzles, races, etc. (see sec. 115BB) 477

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9. Income chargeable under the head 499

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"Income from other sources" (5+7+8)
(Negative figure, if any, in item 7 shall not be considered here)
*Indicate the gross amount against sub-items (a) to (d).

SCHEDULE E.1 STATEMENT OF SET-OFF OF CURRENT YEAR'S LOSS UNDER SECTION 71

Fill in this sub-part only if there is loss from any of the following sources for set-off against income from any other source; else, write N.A.

Amount of loss arising from house property [see item A-17]	Rs.	
Amount of loss from business (excluding speculation loss) [see item B-26]	Rs.	
Amount of loss from other sources (excluding loss from race horses) [see item D-9]	Rs.	

S. No.	Head/Source of Income	Income of current year†	House property loss of the current year set off†	Business loss (other than speculation loss) of the current year set off†	Other sources loss (other than loss from owning race horses) of the current year set off†	Current year's income remaining after set off
		(i)	(ii)	(iii)	(iv)	(v)
1.	House Property					
2.	Business (including speculation profit)					
3.	Short-term capital gain					
4.	L					

Under column (i), write only the positive incomes from the heads/sources of income mentioned in rows (1) to (5).

† Under columns (ii), (iii) and (iv) write the appropriate amount of loss against the head/source of income with which it is set-off.

SCHEDULE E.2. STATEMENT OF SET-OFF OF UNABSORBED LOSSES AND ALLOWANCES BROUGHT FORWARD FROM EARLIER YEARS

S. No.	Head of Income	Income after set off, if any, of current year's losses as per Sch. E.1	Brought forward loss set off	Brought forward depreciation set off	Brought forward allowance u/s. 35(4) set off	Current year's income remaining after set off
		(i)	(ii)	(iii)	(iv)	(v)
1.	House Property					
2.	Business (including speculation profit)					
3.	Short-term capital gain					
4.	Long-term capital gain					
5.	Other sources (including profit from owning race horses)					

SCHEDULE E.3. STATEMENT OF LOSSES AND ALLOWANCES BROUGHT FORWARD FROM PRECEDING ASSESSMENT YEARS AND CARRIED FORWARD

S. No.		8th	7th	6th	5th	4th
1.	Assessment year					
2.	Date on which return filed					
3.	House property loss					
4.	Speculation business loss					
5.	Other business loss					
6.	Business depreciation					
7.	Allowance u/s 35(4)					
8.	Loss under "capital gains"					
9.	Loss from owning race horses					

S. No.		3rd	2nd	1 st	Total amount brought forward	Amount set off against current year's income	Amount c/f including current year's amount
1.	Assessment year						
2.	Date on which return filed						
3.	House property loss						
4.	Speculation business loss						
5.	Other business loss						
6.	Business depreciation						
7.	Allowance u/s. 35(4)						
8.	Loss under "capital gains"						
9.	Loss from owning race horses						

SCHEDULE F. STATEMENT OF TOTAL INCOME

	Code	Amount (Rs.)
1. A. Income from house property (Sch. A 17 or, as the case may be E.2.1.v)	702	
B. Income from business or profession (Sch. B 34 or, as the case may be, E.2.2.v)	703	
C. Capital gains		
(i) Short-term u/s 111A (Sch. C 18A)	710	
(ii) Short-term (others) (Sch. C 18B)	704	
(iii) Long-term (Sch. C 18C)	705	
D. Income from other sources (Sch. D 9 or, as the case may be, E.2.5.v)	706	
2. Gross total income (1A to 1D)	744	

3. Deductions under Chapter VI-A (wherever admissible)

Section	Code\$	Gross Amount (Rs.)	Qualifying Amount (Rs.)	Deductible Amount (Rs.)	Certificates attached
		1	2	3	4
Total				747	

4. Total Income (2-3)	752	
5. Total income (as rounded off to the nearest multiple of ten)	760	
6. Income for rate purposes :		
Net agricultural income	762	
Any other income under Chapter VII	763	
Total	767	
7. Income Included In Schedules A to D which is chargeable to tax at special rates		

Nature of income chargeable to tax at special rates	Section under which chargeable	Code	Amount of income	Rate of tax applicable	Amount of tax (Rs.)

8. Total income chargeable at special rate(s)	768	
9. Total income chargeable at normal rate (5 - 8)	770	

SCHEDULE G. STATEMENT OF TAXES

	Code	Amount	Code	Amount
1. Tax on total income				
(a) At normal rates	801			
(b) At special rates	802			
2. Tax on total income [1(a) + 1(b)]	810			
3. 7.5% of adjusted book profit as computed in Sch. 1-6	821			
4. Tax payable (higher of 2 and 3 above)	826			
5. Rebate u/s 88E				
(i) Tax on profits and gains from transactions chargeable to securities transaction tax [item 26(ii) of Schedule B]	816			
(ii) Amount of securities transaction tax paid (Attach Form 10DB/10DC)	817			
(iii) Rebate u/s 88E [lower of (i)/(ii) above]	818			
6. Tax Less Rebate u/s 88E (4-5)	819			
7. Surcharge [on (6) above]	828			
8. Tax plus Surcharge	829			
9. Education Cess [on (8) above]	834			
10. Tax payable (8+9)	839			
11. Relief u/s 90 <input type="text"/> 91 <input type="text"/>	836			
12. Balance tax payable (10-11)	840			
13. Prepaid taxes				
A. Tax deducted/collected at source : [Attach certificate(s)]:				

(c) In case of demerged company, write the name of resulting company

(d) In case of resulting company, write the name of demerged company

11. In the case of non-resident, is there a permanent establishment (PE) in India? Yes No
If yes, give address of all PEs

12. Whether this return is being filed in the capacity of a representative assessee? Yes No
If yes, indicate the capacity in which the return is filed, alongwith full address and PAN of the person represented.

PAN

13. Particulars of Managing Director, Directors, Secretary and Principal Officer(s) who have held office during the previous year

Name	Designation	Residential address	PAN

14. Particulars of persons who were beneficial owners of equity shares holding not less than 10% of the voting power at any time of the previous year.

Name and address	Percentage of beneficial ownership of equity shares	PAN

15. Nature of business or profession, if more than one business or profession indicate the three main activities/products

S. No.	Code	Description

16. Funds raised/inflow during the previous year by way of

(Rs. In lakhs)

(a)	Equity share	
(b)	Preference share	
(c)	Similar instruments	
(d)	Bonds	
(e)	Debentures	
(f)	Secured loans	
(g)	Unsecured loans	
(h)	External commercial borrowings	
(i)	Term loans from	
	(1) Financial institutions	
	(2) Scheduled bank	
(j)	Sale of instruments held as investment	
(k)	Dividends and interest received other than received by financial enterprises	
	Total	

17. Details of increase in cash credit limits allowed by banks

Name of the bank & branch	Cash credit limit as on the last day of the immediately preceding previous year	Additional limits sanctioned during the previous years

18. Percentage increase in funds employed as compared to the immediately preceding previous year

903

19. Percentage increase in sales as compared to the immediately preceding previous year

905

20. Capital expenditure during the year in the purchase of

Description	Code	Previous year	Code	Immediate preceding previous year
(a) land	907		908	
(b) buildings (including residential accommodation/quarters for employees)	909		910	
(c) plant and machinery	911		912	
(d) securities	913		914	
(e) other business(es)	915		916	
(f) any other capital expenditure	917		918	

(Give these figures for the previous year and immediately preceding previous year)

21. Total Sales/Turnover/Gross receipts

919

22. Gross profits shown

920

SCHEDULE - I. BOOK PROFITS UNDER SECTION 115JB

1. Net profit as shown in the profit and loss account

935

2. Adjustments (if any) - vide first and second proviso to section 115JB(2)

937

3. Adjustments - vide Explanation to section 115JB(2)

SCHEDULE - L. LIST OF DOCUMENTS/STATEMENTS ATTACHED

S. No.	Nature of documents/statements	No. of sheets
	Total	

INSTRUCTIONS FOR FILLING UP FORM NO. 1

[To be detached before filing the return]

Detailed guidance notes are provided below to assist you in filling up this form.

Use this form only if you

- ◆ are a company; and
- ◆ are not claiming exemption u/s 11.

This return is to be filed by 31st October of the assessment year (AY).

These notes are meant to help you in filling up this return form. **They are not a substitute for the law.** Notes are given only in respect of items that need some explaining.

BRIEF SCHEME OF THE LAW.

Computation of total income

- ◆ “Previous year” is the financial year (1st April to the following 31st March) during which the income in question has been earned. “Assessment Year” is the financial year immediately following the previous year.
- ◆ Total income is to be computed as follows, in the following order:
 - (1) Classify all items of income under the following **heads of income**: (A) “Income from house property”; (B) “Profits and gains of business or profession”; (C) “Capital gains”; and (D) “Income from other sources”. (There may be no income under one or more of these heads of income).
 - (2) Compute taxable income of the current year (i.e., the previous year) *under each head of income separately* in the Schedules which have been structured so as to help you in making these computations as per provisions of the Income-tax Act. These statutory provisions decide what is to be included in your income, what you can claim as an expenditure or allowance and how much, and also what you cannot claim as an expenditure/allowance.
 - (3) Set off current year’s headwise loss(es) against current year’s headwise income(s) as per procedures prescribed by the law. A separate Schedule is provided for such set-off.
 - (4) Set off, *as per procedures prescribed* by the law, loss(es) and/or allowance(s) of earlier assessment year(s) brought forward. Also, compute loss(es) and/or allowance(s) that could be set off in future and is (are) to be carried forward as per procedures prescribed by the law. Separate Schedules are provided for this.
 - (5) Aggregate the headwise end-results as available after (4) above; this will give you “gross total income”.
 - (6) From gross total income, subtract, *as per procedures prescribed* by the law, “deductions” mentioned in Chapter VIA of the Income-tax Act, which include deductions in respect of income from export, infrastructural activities, etc. *The result will be the total income.* Besides, calculate agricultural income *for rate purposes*.

Computation of income-tax, surcharge and interest

- ◆ Compute income-tax payable on the total income. Special rates of tax are applicable to some *specified* items. Include agricultural income, *as prescribed, for rate purposes*, in the tax computation procedure.
- ◆ Add surcharge *as prescribed* by the law on the above tax payable (after rebate) to reach tax and surcharge payable.
- ◆ Claim relief(s) *as prescribed* by the law, on account of double taxation and calculate balance tax and surcharge payable.
- ◆ Add interest payable *as prescribed* by the law to reach total tax, surcharge and interest payable.
- ◆ Deduct the amount of prepaid taxes, if any, like “tax deducted at source”, “advance-tax” and “self-assessment-tax”. *The result will be the tax payable (or refundable).*

Filing of return

◆ A return of income can be filed in any of the following manners:

□ Voluntarily:

- U/s (under section) 139(1): i.e., within the “due date” prescribed by the law; or
- U/s 139(3) r/w (read with) s 139(1) only where a loss is to be carried forward: i.e., within the “due date” prescribed by the law;
- U/s 139(4); i.e., after the expiry of the “due date” but before the expiry of one year from the end of the relevant assessment year.
- U/s 142(1): ie, pursuant to a statutory notice calling for the return.
- U/s 148: i.e., pursuant to a statutory notice u/s 149 for assessing or reassessing total income that has been either not assessed or under-assessed earlier.
- U/s 153A: pursuant to a notice u/s 153A(a)
- A return filed u/s 139(1) or 139(3) or 142(1) can be revised by filing a fresh return within one year from the end of the relevant assessment year or before the completion of assessment, whichever is earlier.

◆ Incomplete or erroneous returns are liable to be held defective [s 139(9)] or even invalid. If held defective, time (usually 15 days, extendable in some circumstances) will be allowed to rectify the defect(s).

PAGEWISE SCHEME OF THIS FORM

The Scheme of this form follows the scheme of the law as outlined above in its basic form. The Form is essentially a one-page form, with schedules attached corresponding to different heads of income and other information required to be furnished. The sheetwise scheme of this form is as follows:

- ◆ Sheet 1 and 2: The main form (two copies provided so that one copy can be returned to you, duly acknowledged) requiring identificatory and other data, an outline of the total income and tax computation, and a statutory verification.
- ◆ Sheet 3: Schedule A: Computation of income under the head Income from House Property.
- ◆ Sheet 4&5: Schedule B: Computation of income under the head Profits and gains of business or profession.
- ◆ Sheet 6: Schedule C: Computation of income under the head Capital gains.
- ◆ Sheet 7&8: Schedule D: Computation of income under the head Income from other sources, Schedule E 1: Statement of set-off of current year’s loss under section 71, Schedule E 2: Statement of set-off of unabsorbed losses and allowances brought forward from earlier years, and Schedule E 3: Statement of losses and allowances brought forward from preceding assessment years and carried forward.
- ◆ Sheet 9: Schedule F: Statement of total income.
- ◆ Sheet 10: Schedule G: Statement of taxes; suitably structured to help you in making the statutory computation of gross tax (including surcharge, if any) and net tax and interest payable/ refundable after taking credit for prepaid taxes, if any.
- ◆ Sheet 11, 12 & 13: Schedule H: General information.
- ◆ Sheet 14: Schedule I: Book profits u/s 115JB, Schedule J: Tax on distributed profits of domestic companies and Schedule K: Income claimed exempt.

HOW TO FILL UP THE PAGES

All sheets and items must be filled in the manner indicated therein; ***otherwise the return will be liable to be held defective or even invalid***. If the space provided is inadequate copies of accounts, computation sheets and/ or other papers may be annexed. If any sheet is wholly inapplicable, write “—NA—” across that sheet. If any item is inapplicable, write “NA” against that item. Write “Nil” to denote nil figures, and (-) before negative figures.

You are advised to follow the following sequence in filling in the sheets;

- (1) Sheets 3 to 7, headwise, i.e.; Schedule-A to Schedule-D.
- (2) Sheets 7 & 8, Schedule E1, E2, and E3 relating to set off of losses etc.

- (3) Sheet 9, Schedule F: Statement of total income.
- (4) Sheet 10, Schedule G: Statement of taxes.
- (5) Sheet 11 to 13, Schedule H: General information.
- (6) Sheet 14, Schedule I: Book profits u/s 115JB, Schedule J: Tax on distributed profits, and Schedule K: Income claimed exempt.
- (7) Sheets 1 & 2,

Sheetwise instructions follow.

Sheet 3: Schedule A: Income from House Property.

- ◆ If there are more than one house properties, the computation should be first done for each house property separately, and then aggregated. Use photocopies of the page for additional house properties.
- ◆ Item 1: Mention (a) total number of sheets used (=total number of separate house properties); and (b) individual sheet number on each sheet).
- ◆ Items 2 to 15: These are to be filled for each house property separately:
 - Item 4: Built-up area: Inclusive of walls and common areas.
Land appurtenant: Attached to, and forming an integral part of, the property.
Annual lettable value: Amount for which the house property may reasonably be expected to let from year to year, on a notional basis.
 - Item 5: Indicate here the annual lettable value or the rent received / receivable for the whole year, whichever is higher.
 - Item 6: The deductions admissible u/s 23 should be claimed here, namely, Municipal Taxes: an assessee can claim deduction only if the property is in the occupation of a tenant, and such taxes are borne by the assessee and not by the tenant and have actually been paid during the year. Please attach proof of such payment.
 - Item 8: This figure represents the annual value.
 - Item 9: Indicate here the following deductions claimed under section 24:
 - (a) Thirty per cent of the annual value;
 - (b) Interest on capital borrowed.
 - Item 12: Deduction is available for unrealized rent in the case of a let-out property. If such a deduction has been taken in an earlier assessment year, and such unrealized rent is actually received in the assessment year in question, the unrealized rent so received is to be shown against this item.
 - Item 13: This relates to enhancement of rent with retrospective effect. Here mention back years' extra rent received thereon, and claim deduction @ 30% of such arrear rent received.
 - Items 16 to 17: Aggregation of individual property-wise computations as per items 2 to 15.

Sheets 4 & 5: Schedule B: Profits and gains of business or profession.

(I) General

- ◆ Item 1: Tick one or more box(es), as applicable.
- ◆ Item 3: Tick any one box. The law permits use of only one of the two methods.
- ◆ Items 4 to 5: This relates to change in the method of accounting in the assessment year in question compared to the immediately preceding assessment year.
- ◆ Items 6 to 8: This relates to change in the method of valuing stock in the assessment year in question compared to the immediately preceding assessment year.
- ◆ Item 9: Sec 44AA prescribes compulsory maintenance of accounts for some businesses and professions.
- ◆ Item 10: Sec 44AB(a) and (b) prescribe compulsory tax audit for business and profession where the sales, turnover, or gross receipts exceed prescribed amounts.

- ◆ Item 11: Sec 44AB (c) prescribes compulsory tax audit where profits and gains of business or profession are shown not as per accounts maintained, but at presumptive figures prescribed u/ss 44AD, or 44AE, or 44AF.
- ◆ Items 12 to 13: Sec 44AB prescribes that (a) the tax audit be got done by a certain “specified date”, and (b) the tax audit report be furnished within the “due date” for filing the return of income as defined in sec 139(1).

(II) Computation of income from business or profession *other than speculation business.*

If accounts have been maintained separately for each business, business-wise computations may be carried out on separate sheet(s) and the *consolidated* figures be given in items 14 to 26.

- ◆ Item 14: This item relates to the *consolidated* P&L A/c. If separate P&L A/cs are maintained for separate businesses, all such a/cs are to be combined to form the consolidated P&L A/c.
- ◆ Item 15: Any change in method of accounting and/ or valuation of stock may necessitate an adjustment in the current year’s profits as reflected in the accounts, Here mention such adjustment.
- ◆ Item 16, (i) to (iv): Sections 44AD, 44AE and 44AF permit computation of profits of some specified businesses at presumptive figures in some prescribed circumstances. These items provide the mechanism for that: 16(i) is meant to first remove from the P&L A/c the profit(s)/loss(es) of such specified business(es), and 16(ii), (iii) and (iv) are meant to then substitute the aforesaid profit(s)/loss(es) by the presumptive figure(s) in prescribed circumstances.
- ◆ Item 17: This item is meant to remove from the P&L A/c amounts of income that are exempt from chargeability. Amount deductible will be net of expenses incurred for earning the exempt income - section 14A.
- ◆ Item 18: Sections 10A, 10B and 10C permit the claiming of deduction from incomes of some specified businesses. This item is meant to eliminate such income(s) from the computation of profits / gains.
- ◆ Item 19: Section 28 defines certain incomes as *deemed business profits*. Here include such item(s) *if not already included in item 14*.
- ◆ Item 20: Some sections such as s.33AB define certain amounts to be *deemed incomes* in some circumstances. Here mention such amount(s) along with the corresponding section (s).
- ◆ Item 21: Some sections such as s.35A provide for the allowance of some expenses in *annual installments over a number of years*. Here mention such amount(s) along with the corresponding section(s).
- ◆ Item 22: Sections 44B, 44BB and 44BBA provide for the computation of profits of some businesses at presumptive figures, which necessitate an adjustment to the profit(s)/loss(es) of such business(es) reflected in the P&L A/c. This item is meant for such adjustment.
- ◆ Item 23: This item is for other statutory adjustments necessary that are not specifically mentioned above or in items 24 and 25. Here mention the section(s) and the amount(s) of adjustment(s), positive or negative, and the net adjustment.
- ◆ Item 24: The calculation of depreciation, including the calculation of WDV’s, as adopted in the a/cs may, and often does, differ from that prescribed by the income-tax law, and this may necessitate an adjustment. Here mention such adjustment.
- ◆ Item 25: Section 35(1)(iv) prescribes a procedure for allowing scientific research expenses, and this may necessitate an adjustment. Here mention such adjustment.
- ◆ Item 26: *This is the end-result of the computation involved in items 14 to 25 for the current year.* This result can be positive or negative.

(III) Computation of income from *speculation business.*

- ◆ Item 28: Here mention the net result of all adjustments.
- ◆ Item 29: *This is the end-result of the computations involved in items 27 and 28.* This figure can be positive or negative. Here mention the figure *only if it is positive.* *If negative, mention the figure against item 35(i).*

- ◆ Item 30: *If item 26 is negative, mention that (negative) figure here, to the extent of the positive figure at item 29. The balance negative amount in item 26 is to be shown in item 35(ii).*
- ◆ Item 31: This is the result of deducting item 30 from item 29. *It can be positive or zero; it cannot be negative.* Current year's speculation loss cannot be adjusted against profit from any other business or profession. Loss from business or profession (other than from speculation business) can, however, be set-off against income from speculation (remaining after adjustment of brought forward speculation loss).

Sheet 6: Schedule C: Capital gains.

- ◆ The law requires that, if there are more than one transfer of a capital asset, the computation of capital gains be first done separately for each transfer, and then aggregated. Sheet 6 is meant for (a) one short-term and one long-term capital gains, and (b) the aggregation. Use photocopies of the page for additional capital gains.
- ◆ Item 1: Mention (a) total no. of sheets used, and (b) individual sheet no. on each sheet. (For example, if 5 sheets are used, number of sheets will be 5, and Sheet no. will be from 1 to 5.)
- ◆ Items 2 to 13: These are for computing capital gain for each transfer:
 - Item 2: Here give a brief description of the asset.
 - Item 5: Here give a brief description of the mode of transfer, such as:-
 - (i) sale, exchange or relinquishment of right; or
 - (ii) extinguishment of any rights therein; or
 - (iii) compulsory acquisition thereof under any law; or
 - (iv) in a case where the asset is converted by the owner thereof into; or is treated by him as, stock-in-trade of a business carried on by him, such, conversion or treatment; or
 - (v) any transaction involving the allowing of the possession of any immovable property to be taken or retained in part performance of a contract of the nature referred to in section 53A of the Transfer of Property Act, 1882; or
 - (vi) any transaction (whether by way of becoming a member of, or acquiring shares in, a cooperative society, company or other association of persons or by way of any agreement or any arrangement or in any other manner whatsoever) which has the effect of transferring, or enabling the enjoyment of, any immovable property. In case of compulsory acquisition, please mention on a separate sheet the law under which the said acquisition has been made as also the dates of notification and possession of the property by the concerned authority.
 - Item 7, (i) and (ii). Here mention indexed cost of acquisition and indexed cost of improvement, wherever applicable. The following cost inflation index has been notified by the Central Government for the purposes of section 48.

<i>Sl.No.</i>	<i>Financial Year</i>	<i>Cost Inflation Index</i>
1.	1981-82	100
2.	1982-83	109
3.	1983-84	116
4.	1984-85	125
5.	1985-86	133
6.	1986-87	140
7.	1987-88	150
8.	1988-89	161
9.	1989-90	172
10.	1990-91	182
11.	1991-92	199

12.	1992-93	223
13.	1993-94	244
14.	1994-95	259
15.	1995-96	281
16.	1996-97	305
17.	1997-98	331
18.	1998-99	351
19.	1999-2000	389
20.	2000-2001	406
21.	2001-2002	426
22.	2002-2003	447
23.	2003-2004	463
24.	2004-2005	480

Item 10: The sections mentioned provide for exemption from tax of certain capital gains in some circumstances. Tick the appropriate box(es) and mention the total amount of exempt capital gains.

Item 12: Amounts exempted in earlier years under these sections may be deemed to be income in the current year in certain circumstances. Such deemed income is to be mentioned here.

◆ Item 14: Aggregation of individual capital gain wise computations.

◆ Item 15: Here mention the result of application of section 50 (only short-term capital gains arise under that section).

◆ Item 16: The law provides for exemption from computation of capital gains in respect of certain specified transfers. Here give particulars of such transfers.

◆ Item 17: This represents (A) the sum of items 14 and 15 for short-term capital gains, and (B) item 14 for long-term capital gains. Where there is a loss under the head “capital gains”, it is not to be set-off against income under any other head of income, and is to be carried forward.

◆ Item 18: This information is for verifying liability to pay advance tax and interest, if any, u/s 234C.

Sheet 7: Schedule D: Income from other sources.

◆ Items 1: Income from owning and maintaining race horses is to be computed separately, in items 6 and 7. Mention gross figures against (a), (b), (c) and (d). Against (b), mention the gross amount of interest(s) received/receivable. Attach a separate sheet giving information regarding each item of interest received /receivable and attach supporting evidence. Against (c), indicate the gross income from machinery, plant or furniture let on hire and also such income from building where its letting is inseparable from the letting of the said machinery, plant or furniture, if it is not chargeable to income-tax under the head “Profits and gains of business or profession”.

◆ Item 8: Winnings from lotteries, crossword puzzles, races etc., are subject to special rates of tax; hence a separate item is provided.

◆ Item 9: This is the net result under the head “other sources”. Loss from owning and maintaining race horses cannot be adjusted against income from any other source, and can only be carried forward for set off against similar income in subsequent years.

Schedule E.1.: Statement of set-off of current year’s loss u/s 71

◆ Mention only positive incomes of the current year *in column (i)*, headwise, in the relevant rows.

◆ Mention current year’s loss(es) under any head set off u/s 71 against income under any other head, headwise in columns (ii) to (iv), *in the relevant rows*.

◆ Mention the end-result of the above inter-head set-off(s) in column (v), headwise, in relevant rows.

Sheet 8: Schedule E.2.: Unabsorbed losses and allowances brought forward from preceding assessment years and set off against current year’s income.

◆ Mention only positive incomes of the current year (after set off of loss in Schedule E.1) in column (i), headwise, in relevant rows.

Schedule E.3.: Statement of losses and allowances to be carried forward.

- ◆ Loss from owning and maintaining race horses can be carried forward for only 4 assessment years. For other sources of income, losses can be carried forward for 8 assessment years.

Sheet 9: Schedule F: Statement of total income.

- ◆ Item 1: A to D: Transfer figure(s) from the appropriate schedules as indicated.
- ◆ Item 3: The sum total of the deductions allowable is limited to the amount of gross total income.

Mention certificate(s) attached in the last column. Mention total of deductible amount(s) below as indicated.

Less : Deduction under Chapter VI-A

<i>Sections</i>	<i>Code</i>
80D	236
80DDB	240
80G	242
80GG	243
80HH	244
80HHA	245
80HHB	246
80HHC	247
80GGA	248
80HHBA	249
80I	251
80HHD	255
80JJAA	257
80-O	277
80P	278
80Q	281
80HHE	291
80-IA	292
80-IB	295
80-IC	252
80JJA	256

- ◆ Item 7: Here mention the income included in Schedules A to D which is chargeable to tax at special rates. The table is self-explanatory. The column for code need not be filled in.

Sheet 10: Schedule G: Statement of taxes.

- ◆ Item 1: Special rates of tax are applicable to certain types of income such as income from winnings from lottery, crossword puzzle, gambling, betting, horserace, etc @ 30% u/s 115BB; long term capital gains @ 20% (10% where the asset is a listed security), etc. The balance total income is subject to normal rates of tax.
- ◆ Item 5: In case of domestic company, compute surcharge at the rate of 2½ %.
- ◆ Item 7: Here mention total of all double taxation reliefs and tick appropriate boxes indicating the section under which relief is claimed.
- ◆ Item 14: For self assessment tax paid on or before 31.5.2004, table (a) should be filled up, and a copy of the challan should be attached with the return. For self assessment tax paid after 31.5.2004, table (b) should be filled up. Copy of acknowledgement counterfoil (in respect of self assessment tax paid after 31.5.04) is not required to be attached, however, from the counterfoil, the name of the bank branch, BSR Code of the Bank Branch (7 digit), date of deposit, challan serial no., and amount of tax paid should be filled up.

- ◆ Items 17 and 18: Mention payable amount against 17 and refundable amount against 18.
- ◆ Item 19: Mention the Additional Income-tax and Interest payable on distributed profits (as per J-8).
- ◆ Item 20: Mention the Additional Income-tax + Interest paid out of above (as per J-9).
- ◆ Item 21: Mention the Balance Additional Income-tax + Interest payable (19-20).

Sheet 11, 12 & 13 :

Schedule H: General information.

- ◆ Items 1: This applies if your name has changed compared to that shown in your last return.
- ◆ Item 3: Here, mention the particulars of Bank Account specifying the Name of the Bank, the 9-digit MICR Code, address of the bank branch, the type of account along with the account number. In case you want the refund, if any, to be credited directly into your bank account, fill in 'Y' in the box 'ECS (Y/N)', or else fill in 'N'.
- ◆ Item 10: Here, mention the details of business reorganisation/ amalgamation, if any.
- ◆ Item 20: Here, mention the details of capital expenditure during the year in the purchase of assets mentioned in the table.

Sheet 14:

Schedule I : Here, compute the book profit u/s 115JB and give the details of tax paid, if any.

Schedule J :

- ◆ Item 7: Compute the amount of interest chargeable u/s 115P and state the amount in this item. The principal officer of the company is liable to pay the tax on distributed profits to the credit of the Central Government within 14 days from the date of,-

- (a) declaration of any dividend;
- (b) distribution of any dividend; or
- (c) payment of any dividend,

whichever is earliest. Please note that simple interest is chargeable u/s 115P at the rate of 1.25% w.e.f. 01-6-2001 of delay for every month or part thereof in payment of the tax on distributed profits to the credit of the Central Government.

Schedule K: Here, give the details of any income during the previous year which is considered to be specifically exempt from tax under any of the provisions of the Income-tax Act.

Schedule L: Here, mention the particulars of the documents/ statements attached.

Sheets 1&2: Two copies of the main return form: Identificatory and other data, outline of total income and tax computation, and statutory verification.

- ◆ It is compulsory to quote PAN.
- ◆ Use block letters only throughout to fill in this form.
- ◆ Codes for residence and status:

Residence in India	Code
Resident	01
Non-resident	02
Resident but not ordinarily resident	03

<i>Status</i>	<i>Code</i>	<i>Status</i>	<i>Code</i>
(a) Individual	01	(g) Association of persons (AOP)	07
(b) Hindu Undivided Family (other than that mentioned below)	02	(h) Association of persons (Trust)	08
(c) Hindu Undivided Family which has at least	03	(i) Body of	09

	one member with total income of the previous year exceeding the maximum amount not chargeable to tax			individuals (BOI)	
(d)	Unregistered firm	04	(j)	Artificial juridical person	10
(e)	Registered firm/firm (other than the one engaged in profession)	05	(k)	Co-operative society	11
(f)	Registered firm/firm engaged in profession	06	(l)	Local authority	16

- ◆ Item 1: If you have applied for PAN but have not been allotted one, enclose copy of your application for PAN in form no. 49A. If you have not applied for PAN, enclose application in form no. 49A with this return.
- ◆ Items 11 & 12: State the section under which the return is filed and also whether the return is an original return or a revised return: See "Brief scheme of the law" above.
- ◆ Item 13: This asks whether you are filing your return *for the first time ever*.
- ◆ Items 14 to 22: Transfer the appropriate figures from the appropriate schedules as indicated.
- ◆ Items 23 to 40: Transfer the appropriate figures from Schedule G.
- ◆ Item 42: Here mention the *number* of documents attached.

◆ **Verification**

Fill up the required information in the Verification. Strike out whatever is not applicable. Please ensure that the verification has been signed before furnishing the return. Write the designation of the person signing the return, which may be an authorised Person / Guardian / Karta of HUF/ Member of HUF/ Managing Director/ Director/ Principal/ Officer/ Managing Partner/ Partner/ Chief Executive Officer, as specified in section 140.

Sheet 1 will be returned to you duly stamped as acknowledgement of the return filed. This acknowledgement will be deemed to be an acceptance of the return and no separate intimation shall be given unless any tax is found to be payable by you, or refund is due to you.