

**24TH ANNUAL
REPORT
2013-2014**



INDIAN TONERS & DEVELOPERS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Sushil Jain	Chairman & Managing Director
Shri Pawan Kumar Kanoria	Director
Shri Vikram Prakash	Director
Dr. Mauji Ram Jain	Director
(expired on 03.04.2014)	
Shri Sanjeev Goel	Director
Shri Kewal Krishan Dhiman	Director
Shri Arun Kumar Garg	Director

EXECUTIVE DIRECTOR & COMPANY SECRETARY

Shri. S. C. Singhal

BANKERS

State Bank of India

AUDITORS

K. N. Gutgutia & Co.
Chartered Accountants
11-K, Gopala Towers,
25, Rajendra Place,
New Delhi-110 008.

REGISTERED OFFICE & WORKS

10.5 KM, Rampur – Bareilly Road,
Rampur 224 901 (U.P.)
Tel : 09219410588

CORPORATE OFFICE

1223, DLF Tower - B,
Jasola,
New Delhi-110025.
Tel : (011) 45017000 (30 Lines)
Fax No. (011) 45017043
E-Mail : info@indiantoners.com
Website : http://www.indiantoners.com

CONTENTS	PAGE NO.
Notice	2-9
Directors' Report	10-13
Management Discussion & Analysis Report	14
Corporate Governance	15-23
Auditors' Report	24-26
Balance Sheet	27
Profit & Loss Account	28
Notes on Accounts	29-42
Cash Flow Statement	43
Statment regarding Subsidiary Co.	44
Director's Report on Subsidiary Co.	45-46
Auditor report on Subsidiary Co.	47-49
Subsidiary Co's Financial Statement	50-65
Auditor's Report on the Consolidated Financial Statments	66
Consolidated Financial Statements.	67-83

NOTICE

INDIAN TONERS & DEVELOPERS LIMITED

Notice is hereby given that the 24th Annual General Meeting of the Shareholders of **INDIANTONERS & DEVELOPERS LIMITED** will be held on **Saturday, the 30th August, 2014**, at 2.30 p.m. at the Registered Office of the Company at 10.5 K.M. Rampur – Bareilly Road, Rampur – 244901 (U.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit & Loss for the Year Ended March, 31st, 2014 and the Balance Sheet as at March, 31st, 2014 and the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of **Shri Kewal Krishan Dhiman (DIN No. 05131602)** who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office for a period of 3 years from the financial year 2014-2015 to 2016-2017 i.e. from the conclusion of this 24th Annual General Meeting until the conclusion of the 26th Annual General Meeting of the Company, subject to ratification at every Annual General Meeting and to authorize the Board of Directors to fix their remuneration. M/s. K. N. Gutgutia & Co. Chartered Accountants, (Firm Registration No. 304153E) are the retiring Auditors and are eligible for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Sh. Sanjeev Goel (DIN : 00044850), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Sh. Vikram Prakash (DIN : 00027732), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Sh. Arun Kumar Garg (DIN : 00178582), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31st March, 2019."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269,309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to the requisite approval of the Central Government, the consent of the Company be and is hereby accorded to the payment of remuneration to Sh. Sushil Jain (holding DIN No. 00323952) who was re appointed as the Chairman & Managing Director of the Company in its Annual General Meeting held on 05.08.2013 for a period of 5 (five) years effective from 16.08.2013 on the terms and conditions including remuneration as set out in the said resolution and the explanatory statement thereof.
FURTHER RESOLVED THAT as the appointment of Shri Sushil Jain was approved by the Central Government vide its approval letter No. **B86464369/2013-CL-VII** dated **21.01.2014** for 5 years effective from 16.08.2013 but the payment of remuneration to Shri Sushil Jain was approved only for one year from 16.08.2013 to 15.08.2014, the consent of the Company be and is hereby accorded to the payment of remuneration to Shri Sushil Jain, Chairman & Managing Director of the Company for the remaining period of 4 years w.e.f. 16.08.2014 to 15.08.2018 on the same terms & conditions without any change or variation as were approved by the shareholders in the 23rd Annual General Meeting held on 05.08.2013 and again set out in the attached explanatory statement.
FURTHER RESOLVED THAT the aforesaid remuneration of Shri Sushil Jain, Chairman & Managing Director of the Company as recommended by the remuneration Committee and the Board of Directors be treated as minimum remuneration to be paid to Shri Sushil Jain even if the Company has no profits or its profits are inadequate in any financial year.
FURTHER RESOLVED THAT the aforesaid minimum remuneration, the total of which may exceed the ceiling limit as specified in schedule V of the Companies Act, 2013 (corresponding to schedule XIII of the Companies

INDIAN TONERS & DEVELOPERS LIMITED

Act, 1956) is or will be payable to Shri Sushil Jain notwithstanding anything contained in any clause, section or part of Schedule V to the Companies Act, 2013 (corresponding to schedule XIII of the Companies Act, 1956) or any where else and nothing will come in the way of the company for the payment of such minimum remuneration.

FURTHER RESOLVED that the approval of the Central Government be obtained as per provisions and guidelines of the Companies Act, 2013 (corresponding to companies Act, 1956).

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow money in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of Rs.50 crores (Rupees Fifty Crores) over and above the aggregate of the paid-up share capital and free reserves of the Company.”

IMPORTANT NOTES:

1. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd August, 2014 to 30th August, 2014 (both days inclusive).
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which set out details relating to Special Business at the meeting, is annexed hereto.
3. **A MEMBER ENTITLED TO ATEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATEND AND VOTE INSTEAD OF HIMSELF / HELRSELF. SUCH A PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution / authority, as applicable.
4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible, Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holding should be verified.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
6. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
7. Electronic copy of the Annual Report for 2014 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014 is being sent in the permitted mode.
8. Electronic Copy of the Notice of the 24th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 24th Annual General Meeting of the Company *inter alia* indicating the process and manner of e – voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
9. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2014 will also be available on the Company’s website www.indiantoners.com for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company’s investor email id: investors@indiantoners.com
10. ***Voting through electronic means***

INDIAN TONERS & DEVELOPERS LIMITED

- I) In case a Member receives an E-mail from NSDL [for members whose email IDs are registered with the Company / Depository Participants(s)]:
- (i) Open email and open PDF file viz: "ITDL E-voting.pdf" with your Client ID or Folio No. as pass word. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-voting : Active Voting Cycles.
 - (vii) Select "EVEN" of **Indian Toners & Developers Ltd.**
 - (viii) Now you are ready for e-voting as Cast Vote Page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders(i.e. other than individuals, HUF, NRI etc.) are requested to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csvhari@gmail.com or investors@indiantoners.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below / at the bottom of the Attendance Slip for the AGM
EVEN (E Voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl No. (ii) to Sl. No. (xii) above, to cast vote.
- II) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III) If you are already registered with NSDL for e-voting then you can use your existing user ID and password / PIN for casting your vote.
- IV) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s)
- V) The e-voting period commences on **24.8.2014 (9.00) (IST)** and ends on **26.08.2014 (6.00) (IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **July 25, 2014**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut – off date (record date) of **July 25, 2014**.
- VII) Mr. Varanasi Hari (CP No. 8244), a practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VIII) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX) The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.indiantoners.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
12. Members, who hold shares in de-materialised form are requested to bring their client ID and DP ID Nos. for easier Identification of attendance at the Meeting.
13. In all correspondence with the Company members are requested to quote their Account / Folio Numbers and in case their Shares are held in the dematerialized form they must quote their Client ID No. and their DP ID No.
14. Members, desirous of availing electronic form of delivery of balance sheet and other related documents are requested to update their E – mail address with the Registrar and Transfer Agents or with the Company by a written request.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 4**

MR. SANJEEV GOEL is a Non – Executive Independent Director of the Company. He joined the Board of Directors of the Company on 31.05.2002. Mr. Sanjeev Goel is the Chairman of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee and a member of the Stakeholder's Relationship Committee of the Board of Directors of the Company

Mr. Sanjeev Goel is a young, dynamic, Chartered Accountant of 55 years and in practice since February 1982 as a Sr. Partner in M/s. Goel, Garg & Co. He has 26 years experience to his credit with exposure in all fields relating to Audit, Accounts, Finance, Taxation, Business Rehabilitation & Restructuring. He is also a Director in M/s. Alankar Securities Private Limited and M/s. ITDL Imagetec Limited.

Mr. Sanjeev Goel is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of Section 149 (13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of Section 149 and other applicable provisions of the Companies Act, 2013, **Mr. Sanjeev Goel** being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for the five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing **Mr. Sanjeev Goel** as a candidate for the office of Director of the Company.

In the opinion of the Board, **Mr. Sanjeev Goel** fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of **Mr. Sanjeev Goel** as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of **Mr. Sanjeev Goel** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of **Mr. Sanjeev Goel** as an Independent Director, for the approval by the shareholders of the Company.

Except **Mr. Sanjeev Goel**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at **item No. 4**. This Explanatory Statement may also be regarded as disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 5.

MR VIKRAM PRAKASH is a Non – Executive Independent Director of the Company. He joined the Board of Directors of the Company on 16.03.1990. Mr. Vikram Prakash is the Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company

Mr. Vikram Prakash (86 years) is B.Sc. Engg. (Mech) and a Member of the Institute of Engineers (MIE). He held many senior positions of Central and State Govts. such as Director, Haryana Concast Ltd., Director, Praga Tools, Hyderabad, Director, HMT International, Bangalore, Chairman & Managing Director, Spices Trading Corporation Ltd. and Chairman & Managing Director of Project & Equipment Corporation of India Ltd. besides being Advisor to the Chairman of Asian Games held in 1982. He is also on the Board of M/s. ECE Industries Limited, M/s. Naihati Jute Mills Co. Limited, M/s. Noida Medicare Centre Limited, M/s. Pushpsons Industries Limited, M/s. Deepak Spinners Ltd., and is also the Chairman of the Audit Committee of M/s. ECE Industries Limited, M/s. Noida Medicare Centre Limited, M/s. Deepak Spinners Ltd., and member of Audit Committee of M/s. Pushpsons Industries Ltd., M/s. Naihati Jute Mills Co. Limited

Mr. Vikram Prakash is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956 However, in terms of Section 149 (13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of Section 149 and other applicable provisions of the Companies Act, 2013, **Mr. Vikram Prakash** being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for the five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing **Mr. Vikram Prakash** as a candidate for the office of Director of the Company.

In the opinion of the Board, **Mr. Vikram Prakash** fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of

INDIAN TONERS & DEVELOPERS LIMITED

the management. Copy of the draft letter for appointment of **Mr. Vikram Prakash** as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of **Mr. Vikram Prakash** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of **Mr. Vikram Prakash** as an Independent Director, for the approval by the shareholders of the Company.

Except **Mr. Vikram Prakash**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at **item No. 5**. This Explanatory Statement may also be regarded as disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 6.

Mr. Arun Kumar Garg is a Non – Executive Independent Director of the Company. He joined the Board of Directors of the Company in 17.09.2012. Mr. Arun Kumar Garg is the Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company

Mr. Arun Kumar Garg is a dynamic, Chartered Accountant of 56 years and is in practice. Mr. Arun Kumar Garg founded Arun K. Garg and Associates in the year 1985. The Principal offices of Arun K. Garg and Associates are at Delhi & Gurgaon and Associates all over the country. He has 31 years experience to his credit with exposure in all fields relating to Audit, Accounts, Finance, Taxation, Business Rehabilitation & Restructuring. He is also a Director in M/s. Styx Back Office Service Pvt. Ltd., M/s. Createum Serenity Estates Pvt. Ltd., M/s. Marius Risk Management Private Ltd., M/s. Elevate It Services Private Ltd., M/s. Bharat Bhushan Finance & Commodity Brokers Limited and M/s. Sirion Labs Private Ltd.

Mr. Arun Kumar Garg is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of Section 149 (13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of Section 149 and other applicable provisions of the Companies Act, 2013, **Mr. Arun Kumar Garg** being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for the five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing **Mr. Arun Kumar Garg** as a candidate for the office of Director of the Company.

In the opinion of the Board, **Mr. Arun Kumar Garg** fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of **Mr. Arun Kumar Garg** as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of **Mr. Arun Kumar Garg** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of **Mr. Arun Kumar Garg** as an Independent Director, for the approval by the shareholders of the Company.

Except **Mr. Arun Kumar Garg**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at **item No. 6**. This Explanatory Statement may also be regarded as disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM NO. 7

On the recommendation of the Remuneration Committee, Shri Sushil Jain was recommended to the shareholders to be reappointed as Chairman & Managing Director of the Company for a period of 5 years w.e.f. **16.08.2013** to **15.08.2018** by the Board of Directors in their meeting held on **04.02.2013**. The shareholders accorded their consent to the reappointment and payment of remuneration to Shri Sushil Jain for a period of 5 years from 16.08.2013 to 15.08.2018 in their meeting held on 05.08.2013, subject to the approval of the Central Government. The Ministry of Corporate Affairs approved the reappointment of Shri Sushil Jain as Managing Director of the Company for a period of 5 years w.e.f. **16.08.2013** to **15.08.2018** vide approval letter No. **SRN NO. B86464369/2013-CL-VII** dated **21.01.2014**. However, in the same approval letter, the remuneration of Shri Sushil Jain was approved only for a period of 1 year w.e.f. **16.08.2013** to **15.08.2014**. As such, further payment of remuneration to Shri Sushil Jain from **16.08.2014** to **15.08.2018** requires fresh approval from Central Government. As the appointment period is left only for four years, the Nomination and Remuneration Committee in their meeting held on 21.05.2014 recommended to the Board of Directors that a fresh application be made to the Central

Government for approval of the payment of Remuneration to Shri Sushil Jain, Chairman & Managing Director of the Company, for the remaining period of 4 years w.e.f. **16.08.2014 to 15.08.2018** on the same terms and conditions without any change or variation as were recommended by the Remuneration Committee for 2nd year onwards in their meeting held on **04.02.2013**. The Board of Directors in their meeting held on 21.05.2014 accepted the recommendations of the Nomination and Remuneration Committee and agreed and approved that the approval of the shareholders of the Company be obtained to make a fresh application to the Central Government for approval of the payment of Remuneration to Shri Sushil Jain, Chairman & Managing Director of Company for the remaining period of 4 years w.e.f. **16.08.2014 to 15.08.2018** on the same terms & condition without any change or variation as were approved by the shareholders of the Co. for 2nd year onwards in their meeting held on **05.08.2013** which were as under:-

Name : **Sushil Jain**
Designation : **Chairman & Managing Director**
Remaining period of Remuneration : **16.08.2014 to 15.08.2018**

1. **Basic Salary** : Rs. 3,87,500/- (Rupees Three Lac eighty seven thousand and five hundred only) p.m.
2. **Personal Pay** : Rs. 1,93,750/- (Rupees One Lac ninty three thousand seven hundred and fifty only) p.m.
3. **Management Allowance** : Rs.1,00,000/- (Rupees one lac only) p.m.
4. **Annual Increment** : Upto a maximum of 25% of the total gross salary as may be decided by the Board of Directors.
5. **Commission** : As may be decided by the Board of Directors from time to time but not more than 2% of the profits of the Company.
6. **Perquisites/Amenities** :
 1. **Housing** - Fully furnished Co.'s accommodation with water, gas and electricity. However, till Sh. Sushil Jain, does not avail/occupy the Co.'s accommodation, he will be entitled to House Rent Allowance @ 60% of the basic salary.
 2. **Reimbursement of Medical Expenses** - Reimbursement of medical expenses (including Mediclaim insurance premium) on self and his family subject to a ceiling of one month's basic salary in a year.
 3. **Leave Travel Concession** - The expenses incurred on leave travel on self and his family shall be reimbursed once in a year equivalent to one month's basic salary.
 4. **Leave Encashment** - As per rules and policy of the Co. payable at the time of expiry of each service tenure. However, it will not be included in the computation of ceiling on perquisites.
 5. **Club Fees** - Fees of clubs subject to a maximum of 2 clubs. The admission fees for 2 clubs will be allowed only once during all tenures of service with the Co. However, refundable security deposit in the name of the company, if any, will not be treated as a perquisite.
 6. **Personal Accident Insurance** - Premium not to exceed Rs. 12,000/- per annum.
 7. **Car and Telephone** - Free use of Co.'s two cars for official work as well as for personal purposes alongwith Driver and telephones, telefax and other communication facilities at residence.
 8. **Provident Fund** - Contribution to Provident Fund, Super Annuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 9. **Gratuity** - Gratuity payable at the time of expiry of each service tenure and will not exceed half a month's salary for each completed year of service and this will not be included in the computation of the ceiling on perquisites. This will, however, be subject to ceiling prescribed under the Payment of Gratuity Act by the Central Govt. from time to time.

Explanation

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such rules at actual cost.

Other Terms :

Subject to the superintendence, control and direction of the Board, Shri Sushil Jain shall manage and conduct the business and affairs of the Company as Chairman & Managing Director. He shall not be paid any sitting fees for attending meeting of the Board or Committee thereof of the Company and its Subsidiary Company.

A statement as required under Section II of Part II of Schedule V of the Companies Act, 2013 is as follows :

I. General Information :

The industry falls under the Ministry of Chemicals and Petro-Chemicals and is engaged in the manufacturer of compatible black toners for Photocopiers, Laser Printers, Digital Machines and Multi Function Printers. The Company started its commercial production in 1992. During the year ended on 31st March, 2014, the Company has achieved revenues (including other income) of Rs.3572.64 lacs and has reported Profit After Tax of Rs.541.13 lacs. During the year, the Company earned foreign exchange earnings of Rs.3185.86 lacs.

II. Information about the Appointee :

Mr. Sushil Jain, aged 56 years, is a young and dynamic qualified engineer from Delhi College of Engineering, New Delhi and is associated with the Company from its inception. He has more than 32 years experience to his credit in managing the affairs of Industrial Undertakings at top management levels. He has very efficiently and suitably managed the affairs of the Company as its Chairman and Managing Director and under his guidance and supervision, the Company has become the leading Toner Company of the country. He is also a member of the Stakeholders Relationship Committee of the Company. Mr. Sushil Jain is also on the Board of Directors of P.K. Business Enterprises Limited, Mahavir Phototech (Pvt.) Ltd., ITDL Imagetec Limited, Jain Tube Company Ltd. and Super Tube Company Limited. The remuneration payable to Mr. Sushil Jain as Chairman and Managing Director of the Company is given in the mentioned resolution. The recommended proposed remuneration is in line with the trend and appropriate to the size of the Company and is also considering the increase in the duties and responsibilities being performed by him.

III. Other information :

The Company has grown during the last 11 years but is facing tough competition from the importers of toners in the unorganized sector. However, the Company has taken steps to deal with the situation and gone for various methods of cost control and reduction. Approximately 99% revenues of the Company are generated from exports. The profits of the company are expected to rise in future with the increase in revenues.

IV Disclosures :

The remuneration payable to Mr. Sushil Jain as Chairman & Managing Director during the tenure of his appointment will comprise of salary, allowances, commission and other perquisites as mentioned in item No. 7 of the Notice of the Annual General Meeting. The perquisites and allowance payable to Shri Sushil Jain will include company owned / leased accommodation or house rent allowance in lieu thereof, medical reimbursements, leave travel concession for self and family including dependents, medical insurance, car and telephone, club fees, and such other perquisites and or allowances as specified in the resolution. The said perquisites and allowances shall be evaluated wherever applicable as per Income Tax Act, 1961 or any rules there under (including any statutory modification(s) or re-enactments thereof for the time being in force). The Board or any committee thereof, subject to requisite approval(s), if necessary, is entitled and authorized to revise at any time, the salary, allowances and perquisites payable to the Chairman and Managing Director of the Company.

Except Shri Sushil Jain and Shri Pawan Kumar Kanoria, being self and a relative of Shri Sushil Jain respectively, no other Director and KMP of the Company and their relatives is in any way concerned or interested, financial or otherwise, in the resolution set out at item No. 7.

The explanatory statement together with the accompanying notice may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchange.

The Board recommends passing of the Resolution.

ITEM NO. 8.

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at **Item No. 8** of the Notice to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 50 Crores (Rupees fifty crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at **Item No. 8**.

By Order of the Board
for INDIAN TONERS & DEVELOPERS LTD.
(S.C. SINGHAL)
COMPANY SECRETARY

PLACE : New Delhi
Dated : 21st May 2014

INDIAN TONERS & DEVELOPERS LTD.

1223, DLF Tower - 'B', Jasola, New Delhi-110025.

(CIN NO. L74993UP1990PLC015721)

21st May, 2014

Dear Shareholder,

DESPATCH OF DOCUMENTS TO YOU THROUGH THE ELECTRONIC MODE

The Ministry of Corporate Affairs ("MCA") has now expressly permitted companies to effect service of documents on shareholders through the electronic mode by giving each shareholder an opportunity to register with the Company his / her e-mail address.

We, therefore, plan to send documents such as the Annual Report, Notices of General Meetings, Circulars and Postal Ballot Notices by e-mail to those shareholders whose e-mail IDs are available with us.

The MCA has clarified that service of documents on shareholders through e-mail will constitute sufficient compliance with the provisions of the Companies Act, 2013.

In view of the above, should you desire to receive documents from the Company through the electronic mode, please send us an e-mail at investors@indiantoners.com stating either your Folio No. or your DPID and Client ID Numbers. Shareholders holding shares in the dematerialized form should ensure that their e-mail ids appear in the records of their Depository Participant ("DP") also. You may, however, change your instructions at any time and request us to send you documents in the physical form only.

The documents that we propose e-mailing you will also be available for ready access on our website www.indiantoners.com

We trust as a responsible citizen you will join us in our initiative to conserve the environment through the curtailment of consumption of paper.

Thanking you,

Yours faithfully,
for **INDIANTONERS & DEVELOPERS LTD.**
Secretarial Deptt.

DIRECTORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

To
The Members,

Your Directors have pleasure in presenting the 24th Annual Report alongwith the Accounts for the year ended March 31, 2014.

Working Results

	Rs. in Lacs	
	For the year ended 31st March 2014	For the year ended 31st March 2013
Turnover (including Excise Duty)	3374	2794
Operating Gross Profit	851	483
Less : Financial Charges	8	14
Depreciation & Other Amortisations	<u>109</u>	<u>96</u>
Profit/(Loss) before Tax & exceptional items	734	373
Less : Exceptional Items	29	19
Profit before tax	705	354
Less : Provision for tax - Current year &	200	108
Add : Previous Year Tax Adjustment	16	
Net Profit before Deferred Tax	521	216
Add : Deferred Tax Liability	20	15
Surplus Available for appropriation	<u>541</u>	<u>231</u>

OPERATIONS

Your Company foresees a good scope for the exports of its products. However, frequent and wide fluctuations in foreign currency and tough competition in the international market continues to be a challenge for your Company.

So far your Company's manufacturing plant in Rampur was running on Diesel Generators as there was no power connection in the Plant. During the last year, your Company was able to get Power Connection from UPPCL. It has substantially reduced the energy cost and has made positive impact on the profitability of the Company in the current year and will be so in the years to come also.

Efforts are going on to develop more products of Colour Toner and your Company is hopeful to achieve the desired results with the help of the research team. Some other value added products have been added in the product list, like the wide format printer toners and MICR toners.

ITDL Imagetec Limited a subsidiary of your Company in Sitarganj (Uttarakhand), for the manufacture of Toners with a manufacturing capacity of 1200 MT., is doing very well and giving satisfactory results which are attached with the

Annual Report. This subsidiary Co. is planning to expand its manufacturing capacity from 1200 MT to 1800 MT by 31st March, 2015.

Your company is always conscious for customers' satisfaction and strengthening and maintaining its established brand image. Therefore, it is always the aim of your company to offer quality products at reasonable prices, develop more effective logistics and expand the distribution channels so that customers' needs are catered by providing faster service through better presence and greater market penetration.

RESEARCH AND DEVELOPMENT ACTIVITIES

Your Company continued the research and development activities during the year in the key areas of product, process and material development. Your Company has always given prime importance to Research & Development which is the basis of your Company's success. With the help of the Pilot Plant, your Company has successfully developed new quality products at competitive prices to face the global competition and is very optimistic to develop many more products including Colour Toner in the times to come.

Continuing recognition by the Department of Scientific and Industrial Research, Ministry of Science & Technology to your In – House R & D Unit is a moral boosting and an encouraging feature for the team of your Research & Development Centre.

Your Company already started marketing of chemically prepared Colour toner and doing further R & D to develop mechanically prepared colour toners.

During the year the Company has incurred R & D expenses of Rs. 48.58 lacs in various heads in addition to Rs. 6.73 lacs for purchase of capital items. Your Company has exhaustive programme of R & D activities in the coming years.

DIRECTORS

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. Sanjeev Goel, Mr. Vikram Prakash and Arun Kumar Garg as Independent Directors for five consecutive years for a term upto 31st March, 2019. Details of the proposal for appointment of Mr. Sanjeev Goel, Mr. Vikram Prakash and Arun Kumar Garg are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 24th Annual General Meeting.

Accordingly, Mr. Kewal Krishan Dhiman shall retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under clause 49 of the Listing Agreement with the Stock Exchange.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:-

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (ii) the directors 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 at the end of the financial year and of the profit or loss of the company for that period;

- (iii) the directors have taken proper and sufficient care 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; and
- (iv) the directors have prepared the annual accounts on a going concern basis.

STATUTORY AUDITORS & AUDITORS' REPORT

M/s K. N. Gutgutia & Co., Chartered Accountants, New Delhi, Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The Company has received letter from M/s. K. N. Gutgutia & Company to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

M/s. K.N. Gutgutia & Co. is already functioning as auditors of the Company for the last more than 10 years and as per provisions of the Companies Act. 2013 and rules framed thereunder, they can hold office for a maximum number of 3 years. The Audit Committee and the Board of Directors recommends the reappointment of M/s K. N. Gutgutia & Co. Auditors of the Company to hold office for a period of 3 years from the Financial Year 2014-15 to 2016-2017 i.e. from the conclusion of the ensuing 24th Annual General Meeting till the conclusion of the 26th Annual General Meeting subject to ratification at every Annual General Meeting

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The reports and accounts of the Subsidiary Company as well as consolidated accounts along with the Statement pursuant to Section 212 of the Companies Act, 1956 are annexed.

INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and other applicable provisions, if any, the Board of Directors on the recommendations of the Audit Committee have appointed M/s. B.K. SHROFF & CO., Chartered Accountants, 3/7-B, Asaf Ali Road, New Delhi – 110 002, as Internal Auditors of the Company for the year 2014-15.

PERSONNEL

A Cordial Industrial relations continue to prevail thereby further strengthening employees' commitment to the growth of the Company.

The Board wishes to express its deep appreciation to all sections of the Employees for their whole hearted efforts, co-operation and outstanding contribution to the growth of the Company during the year.

Particulars of employees as required under section 217 (2A) of the Companies Act, 1956 read with Company (Particulars of Employees) Rules, 1975 form part of this Report. However, the information is not being sent alongwith the Annual Report as per Section 219 (1) (b) (iv) of the Act. Any shareholder interested in obtaining such particulars may write to the Company at its Corporate/Registered Office.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Additional information to the extent applicable on conservation of energy, technology absorption, foreign exchange earning and outgo is required to be disclosed in terms of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is given as Annexure 'A' and forms part of this report.

MANAGEMENT'S DISCUSSIONS AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

Place : New Delhi
Date : 21st May, 2014

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Your directors have constituted the Corporate Social Responsibility (CSR) Committee comprising of **Shri Sanjeev Goel as the Chairman, Shri Sushil Jain, and Shri Arun Kumar Garg** as other members.

The said committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

DISCLOSURES UNDER LISTING AGREEMENT

Your Company is now listed only with Mumbai Stock Exchange Limited. The Company is regular in paying the listing fees on demand and it has paid fee upto the current financial year.

DEMATERIALISATION OF SECURITIES

As informed earlier, the shares of your Company were included in the compulsory list for trading in dematerialisation form with effect from 30.10.2000 and your company had entered into necessary agreements with both the Depositories i.e. NSDL (National Securities Depository Limited) and CDSL (Central Depository Securities Limited). It is, therefore, advisable to trade in the shares of the company in dematerialisation form which is convenient and safe.

CORPORATE GOVERNANCE

In terms of Clause 49 of the Listing Agreement, a Report on Corporate Governance alongwith a certificate from the Auditors of the Company on the compliance of the conditions of Corporate Governance is provided elsewhere in this Annual Report.

ACKNOWLEDGEMENT

Your Directors acknowledge the cooperation and assistance extended by various agencies of the Central and State Governments, State Bank of India and Customers. Your Directors also thank the shareholders for their continued support.

For & on behalf of the Board
(SUSHIL JAIN)
Chairman & Managing Director

ANNEXURE "A " TO DIRECTORS' REPORT

ANNEXURE "A " TO DIRECTORS' REPORT

Information pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

(A) Conservation of Energy

Regular Supervision and controls are being maintained in areas where steps have already been taken for the conservation of energy.

(B) Technology Absorption

- | | | |
|----|---|---|
| 1. | Specific areas in which R&D carried out by the Company. | :: Development & Introduction of new Toners compatible for the upcoming Photocopiers, digital machines & laser printers. |
| 2. | Benefits derived as a result of the above R&D. | :: Availability of extended range of products resulting in procurement & servicing of orders for additional products in the export & domestic markets. |
| 3. | Further plan of action | :: Development of more toner formulations as well as their packaging.
:: Re-sourcing of raw materials from other economical sources.
:: Import substitution of plant/machinery items by developing indigenous ones for economy in working.
:: Development of Colour Toner formulations as well as their packaging. |
| 4. | Expenditure on R&D | :: Charged under the respective head of accounts Rs. 48.58 lacs. |

Technology Absorption, Adaption and Innovation

- | | | |
|----|------------------|--|
| 1. | Efforts in brief | :: The technology & know-how given by the collaborator has been absorbed. The Company is in continuous touch with the developments taking place in the international field. |
| 2. | Benefits derived | :: Efficient plant operation, achieving international product quality, self development of products and their packaging, substituting raw materials from economical sources. |

(c) Foreign Exchange Earnings / Outgo

1. Activities Relating to Exports

The Company has been able to increase its exports by 20% during the year ending 31st March, 2014 as compared to 31st March, 2013.

2. Total Foreign Exchange used and earned

	Rs. in Lacs	
	2013-2014	2012-2013
a) Total Foreign Exchange used		
i) Import of Raw Materials	1313.00	1184.17
ii) Import of Stores & Spares and Packing material	3.48	3.79
iii) Foreign Travel	36.11	29.06
iv) Consultancy Charges	6.98	----
v) Others	18.04	19.71
	TOTAL	1236.73
b) Total Foreign Exchange earned (on FOB basis)	3185.86	2670.83

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

INDUSTRY AND OUTLOOK

The Company manufactures Compatible Toners for Photocopiers, Laser Printers and Digital Multi-function printers. The Industry is continuously being affected by the clandestine import of Toners.

The long term aim of the Company is to strengthen its established brand image by offering customers quality products at reasonable prices. The aim of the Quality Policy of the Company is to provide satisfaction to its customers. To achieve this, the Company is committed to develop, produce and market products that cater continuously to the need and expectations of customers and giving the Company competitive advantage. The R & D team of the Company is giving good results as the Company has developed several new products at competitive prices which helps in facing competition and boosting export.

ITDL Imagetec Limited (subsidiary of ITDL) which set up a project of 1200 MT capacity in Sitarganj (Utranchal) for the manufacturer of Toners & Developers is showing good results. This subsidiary of the Company is planning to expand its capacity from 1200 MT to 1800 MT by 31st March, 2015.

RISKS & CONCERNS

Almost 100% of the Company's sales is through exports and hence the growth and profitability of the Company depends upon the demand of Company's products in the international market and stability of the foreign currency. Since 97% raw materials of the Company is imported, Foreign Exchange fluctuations, increase in oil prices and international freight etc. may have adverse impact on the cost of manufacture of the Co.'s products. The Company's ability to pass on the cost increase by corresponding increase in the selling prices of its products is constrained due to tough competition in the international market.

OPPORTUNITIES

The Company's status of an Export House awarded by the Directorate General of Foreign

Trade has made the Company eligible for various benefits available to export house.

Exports present the biggest opportunity for the Company for increasing the capacity utilisation and improving profitability. The Company has taken several steps to increase its presence in other countries and has been successful in increasing its exports.

FINANCIAL PERFORMANCE

The sales (net of Excise Duty) for the year were Rs. 3374 Lacs. The Company earned a profit before tax of Rs. 705 Lacs. This does not include the sales and profit of the subsidiary Company. However, the consolidated sales and profit before tax (including sales and profit of the subsidiary Company) for the year are Rs. 8362 lacs and Rs. 1944 lacs respectively. The nearly debt free status of both the holding and subsidiary Companies and improved liquidity resulted in significantly lowering the interest cost.

The Company has been able to increase its exports by 20% during the year ending 31st March, 2014 as compared to 31st March, 2013

INTERNAL CONTROL SYSTEM

The Company has proper and adequate Internal Control System to ensure that its assets are safeguarded and that transactions are properly authorized, reported and recorded. The Company has also a system of internal audit and management reviews to ensure compliance with the prescribed procedures and authority levels.

HUMAN RESOURCES

Industrial relations remained cordial during the year. The total number of employees as on 31.03.2014 were 91 Nos.

CORPORATE GOVERNANCE REPORT

(ANNEXURE TO THE DIRECTORS' REPORT)

As required under Clause 49 of the Listing Agreement of the Stock Exchange(s)

A. MANDATORY REQUIREMENTS**1. Company's Philosophy on Corporate Governance**

Corporate Governance to Indian Toners & Developers Limited means not only compliance with the provisions of Company Law, allied Acts and listing agreement but also directors' responsibility to work with morality, ethics and accountability towards shareholders for their acts and decisions.

The Company aims at conducting its business efficiently, by following professionally acknowledged good governance policies, thus meeting its obligations to all stakeholders in a balanced and accountable manner and its policies are towards creation of Shareholders value in terms of long term sustainability of the Company's business.

2. Composition of Board of Directors as on 31st March, 2014

- a). The Board of Directors has a mix of Executive and Non-Executive Directors. The Board comprises 1 Executive Director and 6 Non-Executive Directors. Accordingly, the composition of the Board meets the stipulated requirements.

Name of the Director	Category	No. of Equity Shares held as on 31.03.2014	Attendance Particulars		No. of other Directorship and Committee Memberships / Chairmanships		
			Board Meeting	Last AGM	Other Director Ships*	Committees	
						Member Ships	Chairman Ships
Shri Sushil Jain	CMD#	688406	4	Present	5	----	----
Shri P.K. Kanoria	NED	NIL	1	Not Present	11	----	----
Shri Vikram Prakash	NED-I	NIL	4	Not Present	5	2	3
Dr. Mauji Ram Jain**	NED-I	NIL	4	Not Present	4	----	----
Shri Sanjeev Goel	NED-I	2500	4	Present	2	----	----
Sh. Kewal Krishan Dhiman	NED	20	2	Not Present	---	----	----
Shri Arun Kumar Garg	NED-I	NIL	4	Not Present	6	----	----

* Directorship in Private Limited Companies are included in the above table

** Dr. Mauji Ram Jain expired on 03.04.2014.

Chairman & Managing Director

NED-I Non Executive Director - Independent

NED Non Executive Director

During the Year 2013 - 2014 the Board of Directors met 4 times on 17th May, 2013, 3rd August, 2013, 6th November 2013 and 3rd February, 2014.

3. Committees of the Board

A. Audit Committee

The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure process, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters. The Audit Committee consists of three Directors, all of whom are Independent Directors:

Shri Sanjeev Goel is the Chairman of the Audit Committee. The other members of the Committee are Shri Vikram Prakash and Dr. Mauji Ram Jain. Consequent to the death of Dr. Mauji Ram Jain on 03.04.2014 he ceased to be a director of the Board and a member of the Audit Committee. Mr. Arun Kumar Garg, an Independent Director of the Company has been appointed as a Member of the Audit Committee w.e.f. 21.05.2014.

The gist of terms of reference of the Audit Committee is as follows:

1. Regular review of accounts, accounting policies, disclosures, etc
2. Review of the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
3. Qualifications in the draft audit report.
4. Establishing and reviewing the scope of the independent audit including the observations of the auditors and review of the quarterly, half yearly and annual financial statements before submission to the Board.
5. Conducting post audit discussions with the independent auditors to ascertain any area of concern.
6. Establishing the scope of and frequency of internal audit, reviewing the findings of the internal auditors and ensuring the adequacy of internal control systems.
7. To look into the matters pertaining to the Directors' Responsibility Statement with respect to compliance with Accounting Standards and accounting policies.
8. Compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
9. The Committee shall look into any related party transactions i.e., transactions of the Company of material nature, with promoters or management their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
10. Appointment and remuneration of Statutory and Internal Auditors.
11. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Audit Committee.

The Audit Committee met 4 times during the year on 17.05.2013, 03.08.2013, 06.11.2013 and 03.02.2014 to deliberate on the aforesaid matters. The Minutes of the meetings are placed before the Board at the succeeding Board Meeting for information.

Details of the attendance of Directors are given below:

Sr.No	Name of Members	Audit Committee	
		Held	Attended
1	Sh. Sanjeev Goel	4	4
2	Sh. Vikram Prakash	4	4
3	Dr. Mauji Ram Jain	4	4

4. Nomination and Remuneration Committee

Brief Description of Terms of reference.

- To review, assess and recommend the appointment of Managing / wholtime Directors.
- To periodically review the remuneration package of working Directors and recommend suitable revision to the Board.

INDIAN TONERS & DEVELOPERS LIMITED

Composition and Attendance at the Meeting

The Nomination and Remuneration Committee comprises of three independent Directors viz Shri Sanjeev Goel, Shri Vikram Prakash and Dr. Mauji Ram Jain. Shri Sanjeev Goel is the Chairman of the Nomination and Remuneration Committee. In order to further strengthen the Nomination and Remuneration Committee, Mr. Arun Kumar Garg, an Independent Director of the Company was appointed as a Member of the Nomination and Remuneration Committee w.e.f. 03.02.2014.

The Committee met one time during the year on 03.02.2014 where all the members were present. The Remuneration paid to Executive Directors and relatives of Directors, if any is reviewed / recommended by the Remuneration Committee, approved by the Board and is within the limits set by the shareholders at Annual General Meetings and as approved by the Central Government under the provision of the Companies Act. The remuneration package of Chairman and Managing Director comprises of salary, prerequisites and allowances and contributions to Provident and other Funds. The Remuneration Policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. Non-Executive Directors are not paid any remuneration except sitting fees.

Remuneration to Chairman & Managing Director is subject to review and recommendation by the Nomination and Remuneration Committee to the Board and thereafter approved by shareholders in General Meeting. Presently, the Company does not have any stock option plan or performance linked incentives for its Directors.

Details of remuneration paid / payable during the period from 01.04.2013 to 31.03.2014 to Directors: Amount in Rs.

Name of Director	Salary including Personal Pay	HRA	Arrear	Commission	Perquisites + PF	Sitting Fee (Meeting)		Total
						Board	Committee	
Sh. Sushil Jain*	6521246	2187000	192927	-----	963495	-----	-----	9864668
Sh. P.K. Kanoria	-----	-----	-----	-----	-----	5000	-----	5000
Sh. Vikram Prakash	-----	-----	-----	-----	-----	20000	17500	37500
Dr. Mauji Ram Jain	-----	-----	-----	-----	-----	20000	17500	37500
Sh. Sanjeev Goel	-----	-----	-----	-----	-----	20000	21000	41000
Sh. Kewal K. Dhiman	-----	-----	-----	-----	-----	10000	-----	10000
Sh. Arun Kumar Garg	-----	-----	-----	-----	-----	20000	-----	20000

* Chairman & Managing Director

**5. Stakeholder's Relationship Committee
Terms of Reference**

The Board constituted a Shareholders / Investors Grievance Committee on 31.05.2002 which was renamed as Stakeholders' Relationship Committee with effect from 21.05.2014 to comply with the provisions of Section 178 of Companies Act, 2013 to look into redressal of Shareholders/ Investors' grievances like Transfer and Transmission of Shares, non-receipt of Balance Sheet and dematerialisation of shares and matters relating to share certificates, deletion of name, splitting & consolidation of shares and also to delegate any of its responsibilities, oversee the performance of the Registrar and Share Transfer Agents as well as recommend suggestions to improve the Investors' Services.

During the year 2013-2014, only one meeting of the committee was held.

During the Year 2013 - 2014, no complaints were received from Shareholders / Investors. There was no complaint pending as at 31.03.2014.

All valid share transfers received during the year 2013 - 2014 have been acted upon by the Company. There were no transfers pending as on 31st March, 2014.

Constitution, Meeting & Attendance thereat :-

The Stakeholders' Relationship Committee Comprises of following Members with Shri Sanjeev Goel as Chairman of the Committee :

INDIAN TONERS & DEVELOPERS LIMITED

Name of Members	Category	Committee Meetings	
		Held	Attended
Shri Sanjeev Goel	N E D I*	1	1
Shri Sushil Jain	E D (CMD)**	1	1
Shri S. C. Singhal	Company Secretary***		

* Non Executive Independent Director, ** Executive Director (Chairman & Managing Director) ***w.e.f. 21.05.2014.
The Name and designation of the Compliance Officer is Sh. S. C. Singhal, Company Secretary; e-mail ID : investors@indiantoners.com

6. Share Transfer Committee

The Share Committee Meeting is in existence from the inception of the Company. It Comprise of following members:

Name of Members	Category	Held	Committee Meetings Attended
Shri Sushil Jain	CMD	21	21
Shri S. C. Singhal	Co. Secretary	21	21

Every effort is made to clear share transfers/ transmissions and split / consolidation requests with in 15 days.

7. Corporate Social Responsibility (CSR) Committee

The Board constituted the Corporate Social Responsibility (CSR) Committee on 21.05.2014 comprising of Shri Sanjeev Goel as the Chairman and Shri Sushil Jain and Shri Arun Kumar Garg as other members.

The said committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

8. General Body Meetings

Details of last three Annual General Meetings (AGMs) held are given below

Financial Year	Date	Time
2012 - 2013	05.08.2013	2.30 P.M.
2011 - 2012	16.08.2012	1.30 P.M.
2010 - 2011	18.08.2011	2.30 P.M.

All the aforesaid Annual General Meetings have been held at the Regd. Office of the Company. i.e. 10.5 km Milestone; Rampur - Bareilly Road; Rampur - 244901 (U.P.).

Postal Ballot

During the year ended 31st March, 2014 there have been no ordinary or special resolutions passed by the Company's shareholders through postal ballot.

Non of the business proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution through Postal Ballot.

9. Information as to Directors who are to be respoinded :

(i) Mr. Kewal Krishan Dhiman aged 52 Years is M. Com, MBA-Finance, PGDM (DUAL) - Production and materials management, Diploma In Export Management and Diploma in Central Excise and Custom. He has accumulated 32 Years of extensive working experience in diverse industries such a Bulk drugs, textile and auto ancillary. He was also on the Board of Director of M/s. Bhandari Hosiery Exports Limited from August, 2003 to March, 2005. He is, presently, the General Manager Plant of the "ITDL Imagetec Ltd.", a subsidiary of the Company.

He holds 20 shares of the Company in his name.

(i) **MR. SANJEEV GOEL** is a Non – Executive Independent Director of the Company. He joined the Board of Directors of the Company on 31.05.2002. Mr. Sanjeev Goel is the Chairman of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholder's Relationship Committee of the Board of Directors of the Company

Mr. Sanjeev Goel is a young, dynamic, Chartered Accountant of 55 years and in practice since February 1982 as a Sr. Partner in M/s. Goel Garg & Co. He has 26 years experience to his credit with exposure in all fields relating to Audit, Accounts, Finance, Taxation, Business Rehabilitation & Restructuring. He is also a Director in M/s. Alankar Securities Private Limited and M/s. ITDL Imagetec Limited.

He holds 2500 shares of the Company in his name as on march 31, 2014.

- (ii) **MR. VIKRAM PRAKASH** is a Non – Executive Independent Director of the Company. He joined the Board of Directors of the Company on 16.03.1990. Mr. Vikram Prakash is the Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company.
- Mr. Vikram Prakash** (86 years) is B.Sc. Engg. (Mech) and a Member of the Institute of Engineers (MIE). He held many senior positions of Central and State Govts. such as Director, Haryana Concast Ltd., Director, Praga Tools, Hyderabad, Director, HMT International, Bangalore, Chairman & Managing Director, Spices Trading Corporation Ltd. and Chairman & Managing Director of Project & Equipment Corporation of India Ltd. besides being Advisor to the Chairman of Asian Games held in 1982. He is also on the Board of M/s. ECE Industries Limited, M/s. Naihati Jute Mills Co. Limited, M/s. Noida Medicare Centre Limited, M/s. Pushpsons Industries Limited, M/s. Deepak Spinners Ltd., and is also the Chairman of the Audit Committee of M/s. ECE Industries Limited, M/s. Noida Medicare Centre Limited, M/s. Deepak Spinners Ltd., and member of Audit Committee of M/s. Pushpsons Industries Ltd., M/s. Naihati Jute Mills Co. Limited.
- He does not hold any shares of the Company in his name as on March 31, 2014.
- (iii) **Mr. Arun Kumar Garg** is a Non – Executive Independent Director of the Company. He joined the Board of Directors of the Company on 17.09.2012. Mr. Arun Kumar Garg is the Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company.
- Mr. Arun Kumar Garg** is a dynamic, Chartered Accountant of 56 years and is in practice. Mr. Arun Kumar Garg founded Arun K. Garg and Associates in the year 1985. The Principal offices of Arun K. Garg and Associates are at Delhi & Gurgaon and Associates all over the country. He has 31 years experience to his credit with exposure in all fields relating to Audit, Accounts, Finance, Taxation, Business Rehabilitation & Restructuring. He is also a Director in M/s. Styx Back Office Service Pvt. Ltd., M/s. Createum Serenity Estates Pvt. Ltd., M/s. Marius Risk Mmanagement Private Ltd., M/s. Elevate It Services Private Ltd., M/s. Bharat Bhushan Finance & Commodity Brokers Limited and M/s. Sirion Labs Private Ltd.
- He does not hold any shares of the Company in his name as on March 31, 2014.
10. **Materially Non – listed Subsidiary** : The Company has one materially non – listed subsidiary, namely M/s. ITDL Imagetec Ltd. Mr. Sanjeev Goel, Independent Director of the Company has been appointed a director there also to comply with clause 49 of the Listed Agreement. The minutes of the subsidiary is also put at the Board Meeting of this Company.
11. **Disclosures of Non-compliances, Related Party Transactions, if any**
The Company has complied with the requirement of regulatory authorities on capital market and hence there was no question of penalties / strictures being imposed by SEBI or the Stock Exchange against the Company in the last three years.
Details of Related party transactions are disclosed in Note **No. 41** of notes to the Financial Statements.
12. **Means of Communication**
- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the proforma and time prescribed by Clause 41 of the Listing Agreement.
 - The approved financial results are forthwith sent to the Listed Stock Exchanges and are published in the news papers namely Money Maker and Mahalaxmi Vyapaar within forty - eight hours of approval thereof.
 - The results being sent to the Bombay Stock Exchanges Limited where the Shares of the company are listed, for putting, in their own web-site.
 - No formal presentations were made to the institutional investors and analysts during the year under review.
 - Management discussion and Analysis forms part of the Annual Report, which is posted to the Shareholders of the Company.
13. **CEO / CFO Certificate**
Certificate from CEO / CFO for the Financial Year ended March 31, 2014 has been provided elsewhere in the Annual Report.
14. **General Shareholders' information**
- a). **Next Annual General Meeting** : As indicated in the Notice to our Shareholders, the Annual General Meeting of the Company will be held on **30th August, 2014**. The time and venue of the meeting is as indicated in the notice.

INDIAN TONERS & DEVELOPERS LIMITED

- b). Financial Year : April 1st, 2013 to March 31st, 2014.
c). Date of Book Closure : 23.08.2014 to 30.08.2014.
d). Dividend payment : N.A.
e). Listing on Stock Exchanges :
• Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023
f). Stock Code
• Bombay Stock Exchange Limited, Mumbai 523586
• ISIN Number for NSDL / CDSL INE826B01018
g). Market Price Data : High, Low during each month in last financial year

Month	BSE	
	High (Rs.)	Low (Rs.)
April, 2013	17.80	13.15
May, 2013	14.85	12.35
June, 2013	15.12	12.80
July, 2013	16.00	11.00
August, 2013	14.40	11.05
September, 2013	14.70	11.05
October, 2013	14.60	12.50
November, 2013	19.95	12.75
December, 2013	19.00	16.10
January, 2014	18.80	16.20
February, 2014	24.60	17.10
March, 2014	26.90	21.00

[Source: www.bseindia.com]

- h) Share Transfer Procedure : Every effort is made to clear share transfers/ transmissions and split / consolidation requests with in 15 days.
Share Transfer Agents: Alankit Assignments Limited, 2E/8, Alankit House, Jhandewalan Extension, New Delhi - 110 055.
Ph. No. (011) 43541234, 42541234, Fax No. (011) 42541967
- i). **Distribution Schedule** : The distribution of Company's shareholding as on 31st March, 2014 was as follows:

No. of Equity Shares held			Shareholders No. (%)		No. of Shares	% of Total Shares
1	to	250	11691	87.077	1244328	15.440
251	to	500	939	6.994	391550	4.859
501	to	1000	429	3.195	373779	4.638
1001	to	2000	163	1.214	254915	2.163
2001	to	3000	65	0.484	163464	2.028
3001	to	4000	31	0.231	110687	1.373
4001	to	5000	19	0.142	90187	1.119
5001	to	10000	42	0.313	323105	4.009
10001	&	Above	47	0.350	5106885	63.370
			13426	100.000	8058900	100.000

INDIAN TONERS & DEVELOPERS LIMITED

Shareholding Pattern as on 31st March, 2014

Category Code	Category of Shareholder	Number of Shares Holders	Total No. of Shares	No. of Shares held in dema- terialized form	Total shareholding as per- centage of total no. of shares	Share Pledged of otherwise encumbered Shares %
(A)	Shareholding of Promoter & Promoter Group²					
	(1) Indian					
	(a) Individuals/Hindu Undivided Family	7	1177606	1177606	14.61	14.61
	(b) Central Govt. / State Government(s)	-	-	-	-	-
	(c) Bodies Corporate	4	2828924	2828924	35.10	35.10
	(d) Financial Institutions / Banks	-	-	-	-	-
	(e) Any other (specify)	-	-	-	-	-
	Sub – Total (A)(1)	11	4006530	4006530	49.71	49.71
	(2) Foreign					
	(a) Individuals (Non-Resident Individuals /Foreign individuals)	-	-	-	-	-
	(b) Bodies Corporate	-	-	-	-	-
	(c) Institutions	-	-	-	-	-
	(d) Any Other (Specify)	-	-	-	-	-
	Sub-Total (A) (2)	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group					
	A) = (A)(1)+(A)(2)	11	4006530	4006530	49.71	49.71
(B)	Public Shareholding³					
	(1) Institutions					
	(a) Mutual Funds/UTI	2	3200	0	0.03	0.03
	(b) Financial Institutions / Banks	-	-	-	-	-
	(c) Central Govt. / State Govt.(s)	-	-	-	-	-
	(d) Venture Capital Funds	-	-	-	-	-
	(e) Insurance Companies	-	-	-	-	-
	(f) Foreign Institutional Investor	-	-	-	-	-
	(g) Foreign Venture Capital Investors	-	-	-	-	-
	(h) Any Other(Specify)	-	-	-	-	-
	Sub-Total(B) (1)	2	3200	0	0.03	0.03
	(2) Non-Institutions					
	(a) Bodies Corporate	116	399539	386739	4.95	4.95
	(b) Individuals					
	i) Individual Shareholders holding nominal Share Capital up to Rs. 1 lakh	13125	2770417	1632836	34.37	34.37
	ii) Individual shareholders holding nominal shares capital in excess of Rs. 1 lakh	28	771445	771445	9.57	9.57
	(c) Others					
	(1) Directors	1	2500	2500	0.03	0.03
	(2) N. R. I.	18	32122	32122	0.39	0.39
	(3) Clearing Members	8	2119	2119	0.02	0.02
	(4) H U F	117	71028	71028	0.88	0.88
	Sub-Total (B) (2)	13413	4049170	2898789	50.24	50.24
	Total Public Shareholding					
	(B) = (B) (1) + (B) (2)	13415	4052370	2898789	50.28	50.28
	TOTAL (A) (B)	13426	8058900	6905319	100.00	100.00

INDIAN TONERS & DEVELOPERS LIMITED

(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	-	-
(2) Public	0	0	0	0.00	0.00	-	-
GRAND TOTAL (A)+(B)+(C)	134268058900	6905319	100.00	100.00			

- j) Dematerialisation of Shares : Approximately 85.68% of the total paid up share capital of the Company has been dematerialized upto March, 31, 2014
- k) Prevention of Insider Trading : The Company has taken necessary steps to prevent Insider Trading in terms of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time to ensure protection of general Shareholders rights and interests. The Company Secretary is the Compliance Officer in this regard.
- l) Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity : The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.
- m) Plant Location : 10.5 K.M. Rampur-Bareilly Road, Rampur-224 901 . UP.
- n) Plant Location of subsidiary : D – II, Phase – II, Eldeco – Sidcul Industrial Park, Sitarganj – 262405, Distt. Udham Singh Nagar, Uttarkhand
- o) Address for correspondence: Sh. S. C. Singhal, Company Secretary, 1223, DLF Tower B, Jasola, New Delhi - 110025 Ph. No. (011) 45017000

B. Non-Mandatory Requirements :

The Executive Chairman of the company maintains an office at his residence for which company reimburses him.

C. Code of Conduct:

The Code of Conduct for Directors and Senior Management Personnel was approved and adopted by the Company in the Board Meeting held on 31.10.2005 and annual compliance certificate from all the Directors and Senior Personnel of the Company are obtained.

CERTIFICATE

The Annual Compliance Confirmation for compliance of the Code of Conduct for the year ending 31.03.2014 has been received from all the Directors and Senior management Personnel of the Company.

New Delhi
21.05.2014

Sushil Jain
Chairman & Managing Director

D. Compliance Certificate from the Auditors :

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated vide clause 49 of the Listing Agreement. The Certificate is annexed.

**AUDITORS' CERTIFICATE
ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE
TO THE MEMBERS OF INDIANTONERS & DEVELOPERS LTD**

We have examined the compliance of conditions of corporate governance by **INDIAN TONERS & DEVELOPERS LTD.** for the year ended on 31st March, 2014, as stipulated in clause 49 of the listing agreements of the said company with stock exchanges in India.

INDIAN TONERS & DEVELOPERS LIMITED

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

FOR K.N.GUTGUTIA & CO.,
(B.R.GOYAL)
PARTNER
CHARTERED ACCOUNTANTS
Membership No. 12172
ICAI's FRN 304153E

Date: 21st, May 2014
Place: New Delhi

CEO / CFO Certificate

We certify to the Board that :

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that they we evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee that :
 - (i) there has not been any significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (iii) there has not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(Sushil Jain)
Chairman & Managing Director

(S. C. Singhal)
Company Secretary
& Acting C.F.O

Date: 21.05.2014
Place : New Delhi

INDEPENDENT AUDITORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

TO THE MEMBERS OF INDIAN TONERS & DEVELOPERS LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **INDIAN TONER & DEVELOPERS LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, by the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - (a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2014;
 - (b) In the case of Statement of Profit and Loss, of the Profit for the year ended on that date;and
 - (c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956 (the Act), we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order to the extent applicable to the company.
8. As required by section 227(3) of the Act, 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of the written representations received from the Directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 ;

FOR K.N.GUTGUTIA & CO.,
CHARTERED ACCOUNTANTS
FRN 304153E

(B.R.GOYAL)
PARTNER
M. No. 12172

Place : New Delhi
Dated : 21st May, 2014

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 7 under the heading "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's report of even date to the matters of Indian Toners & Developers Limited ("the Company") on the financial statements for the year ended March 31, 2014.

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As per the information and explanation given to us physical verification of fixed assets has been carried out by the Management during the year and no discrepancy was noticed on such verification.
 - (c) During the year the Company has not disposed off any substantial/ major part of fixed assets.
- ii) (a) As per the information furnished, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stock, the frequency of the physical verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. In our opinion, discrepancies noticed on physical verification of stocks were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii) (a) The company has not granted any loans during the year to any Company listed under section 301 of the Companies Act, 1956. However, there was opening balance of Rs. 700 Lacs outstanding as at the opening of the year out of loans granted in the earlier years to its subsidiary company. There was no amount outstanding at the close of the year. The maximum amount involved during the year was Rs. 700 Lacs. According to the information and explanations given to us, in our opinion, the terms and condition of the said loan are not, *prima facie* prejudicial to the interest of the Company.
 - (b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the companies Act, 1956 and hence the requirements of sub clauses (e) to (g) of clause (iii) of the Order are not applicable to it.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls in respect of these areas.
- v) a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year with its subsidiary, at such consideration which are reasonable having regard to the nature of strategic relationship with the company.
- vi) The Company has not accepted any public deposits. Accordingly, paragraph (vi) of the Order is not applicable to it.
- vii) In our opinion, the company has an internal audit system commensurate with the size of the company and the nature of its business.
- viii) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintained of cost records has been prescribed under clause (d) of sub section (1) of Section 209 of the Act, and are of the opinion

INDIAN TONERS & DEVELOPERS LIMITED

that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a details examination of the record with a view of determine whether they are accurate or complete.

- ix) (a) According to the information's and explanations given to us and records examined by us , the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund , employees state insurance, income tax , sales-tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues of the aforesaid nature were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there was no dues as at 31st March,2014 of sales tax, income-tax, customs, wealth-tax, service tax, excise duty, cess which have not been deposited on account of disputes.
- x) There are no accumulated losses of the Company as on 31st March, 2014. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) Based on our audit procedures and the information given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions or banks.
- xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/ or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit fund Company or nidhi /mutual benefit fund/ society.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures, and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank of financial institution.
- xvi) According to the information and explanations given to us, no term loan has been raised by the Company during the year.
- xvii) According to the information & explanation given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long term investments.
- xviii) The Company has not made any preferential allotment of shares during the year.
- xix) During the year covered by our audit report the Company has not issued secured debentures.
- xx) The Company has not raised any money by public issues during the year covered by our report.
- xxi) Based upon the audit procedures performed and the information and explanations given to us, by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

FOR K.N.GUTGUTIA & CO.,
CHARTERED ACCOUNTANTS
FRN 304153E

(B.R.GOYAL)
PARTNER
M. No. 12172

Place : New Delhi
Dated : 21st May, 2014

Balance Sheet As At 31st March 2014

(Rs. in Lacs)

Particulars	Note No.	As at 31st March 2014	As at 31st March 2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
a. Share Capital	2	805.89	805.89
b. Reserve & Surplus	3	4121.24	3850.11
(2) Non Current Liabilities			
a. Long Term Borrowings	4	-	5.64
b. Deferred Tax Liability (Net)	5	214.94	230.44
c. Long Term Provisions	6	15.73	15.66
(3) Current Liabilities			
a. Trade Payables	7	377.78	283.00
b. Other Current Liabilities	8	151.68	119.35
c. Short-Term Provisions	9	210.21	223.97
TOTAL		5897.47	5264.06
II. ASSETS :			
(1) Non Current Assets			
a. Fixed Assets			
	10		
i) Tangible Assets		1286.00	1254.87
ii) Intangible Assets		8.71	20.53
iii) Capital Work in progress		8.78	-
b. Non current investments	11	51.00	110.10
c. Long terms loans and advances	12	45.42	107.44
(2) Current Assets			
a. Current Investments	13	2649.52	1501.57
b. Inventories	14	468.06	529.90
c. Trade receivables	15	606.88	568.72
d. Cash and Bank Balances	16	484.84	205.70
e. Short-term loans and advances	17	279.76	960.49
f. Other current assets	18	7.90	4.74
TOTAL		5897.47	5264.06
Significant Accounting Policies	1		
The Notes form an integral part of these Financial statements	1-44		

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**

Chartered Accountants
ICAI's FRN 304153E

(B.R.GOYAL)

Partner

Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 21st Day of May 2014

(S.C. SINGHAL)
Company Secretary

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Chairman & Managing Director

For and on Behalf of the Board of Directors

Statement of Profit & Loss Account for the year ended on 31st March, 2014

(Rs. in Lacs)

S.No.	Particulars	Note No.	For the year ended 31st March 2014	For the year ended 31st March, 2013
INCOME				
I	Revenue from operations (Net)	19	3395.48	2813.66
II.	Other Income	20	177.16	206.56
III.	Total Revenue (I+II)		<u>3572.64</u>	<u>3020.22</u>
IV	Expenses :			
	Cost of materials consumed	21	1444.55	1290.59
	Other Manufacturing Expenses	22	475.09	558.15
	Changes in inventories of finished goods & work-in-progress	23	13.53	(-) 78.32
	Employee Benefit Expenses	24	427.28	389.37
	Financial Costs	25	8.28	13.71
	Depreciation & Amorisation Expenses	10	108.56	96.35
	Other Expenses	26	361.38	356.81
	Total Expenses (IV)		<u>2838.67</u>	<u>2626.95</u>
V	Profit before exceptional items and tax		733.97	393.56
VI	Exceptional Items	(III-IV) 27	28.64	40.21
VII	Profit before tax		<u>705.33</u>	<u>353.43</u>
VIII	Tax expenses :			
	(1) Current tax		(200.33)	(108.00)
	(2) Taxes in respect of earlier years		20.63	
	(3) Deferred tax (charge/credit)		15.50	(15.26)
IX	Profit for the year		<u>541.13</u>	<u>230.17</u>
X	Earning per equity share @ Rs. 10 per share			
	(1) Basic	40	6.71	2.86
	(2) Diluted	40	6.71	2.86
	Significant Accounting Policies	1		
	The Notes form an integral part of these Financial statements	1-44		

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**

Chartered Accountants
ICAI's FRN 304153E
(B.R.GOYAL)

Partner
Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 21st Day of May 2014

(S.C. SINGHAL)
Company Secretary

(SANJEEV GOEL)
Director

For and on Behalf of the Board of Directors

(SUSHIL JAIN)
Chairman & Managing Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014**NOTE '1' SIGNIFICANT ACCOUNTING POLICIES****GENERAL INFORMATION**

Indian Toners & Developers Limited (hereinafter referred to as 'the Company') is a manufacturer of Toners only. The Company's manufacturing facilities are located at Rampur (Uttar Pradesh).

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared on an accrual basis and under historical cost convention and in compliance in all material aspect, with the applicable accounting principles in India. The applicable accounting standards notified under Section 211(3C) and the other relevant provisions of the Companies Act 1956.

All the Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent the Company has ascertained its operating cycle to be less than 12 months.

1.2 TANGIBLE AND INTANGIBLE FIXED ASSETS

- a) Fixed Assets are stated at cost less accumulated Depreciation provided for.
- b) i) Depreciation is provided on *straight line method* treating the Plant as continuous process Plant (except R & D Plant), at rates and in the manner as per Schedule XIV to the Companies Act, 1956 as amended vide notification dated 16th December, 1993. Depreciation on assets added / deducted during the year is charged proportionate with reference to the date of additions / deductions.
ii) Depreciation on R & D plants & machinery is charged, treating the same as non – continuous, in the same manner as mentioned above.
- c) Intangible assets, represented by product development are amortized over a period of five years from the quarter in which the same is put to its commercial use.
- d) Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100 percent.
- e) Software are amortised on straight line method over a period of three years.

1.3 IMPAIRMENT OF ASSETS

The carrying amount of fixed assets are revised at each Balance Sheet date if there is any indication of impairment based upon internal / external factors. Any impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

1.4 RESEARCH & DEVELOPMENT

Research costs are expensed as incurred and presented under the natural heads of expenditure.

Development cost including regulatory cost and legal expenses leading to Product Registration/Market Authorization relating to the new and/or improved product is recognized as an intangible asset to the extent that it is expected that such asset will generate future economic benefits, adequate technical, financial and other resources required to complete the development and to use or sell the asset are available and the expenditure attributable to the asset during its development can be measured reliably.

Capital expenditure on Research & Developments is treated in the same manner as Fixed Assets. The Revenue expenditure on R & D (other than on product development) is charged off in the year in which the same are incurred. However, expenditure on development of new product is recognized as intangible asset to the extent it is expected that such asset will generate future economic benefits.

1.5 EMPLOYEE BENEFITS

- Contributions payable for provident fund and employee state insurance, which are defined contribution plans are charged to statement of profit & loss.
- Gratuity and leave encashment which are defined benefits plans are accrued, recognized and calculated on unit credit method, based on actuarial valuation, as at balance sheet date provided by L.I.C. and by an independent actuarial valuer respectively.
- The Company has opted for a group gratuity – cum Life Assurance Scheme of the Life Insurance Corporation of India for employees and the annual contribution for it is charged to the statement of profit & loss on the accrual basis.

INDIAN TONERS & DEVELOPERS LIMITED

- All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits such as salaries, wages and bonus etc. one recognized in the statement of profit & loss in the period in which the employee renders the related service.

1.6 INVESTMENTS

Investments that are readily and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. Current investments are carried at lower of cost and fair value. Non-current investments are carried at cost. However, provision of diminution is made to recognize as decline, other than temporary, in the value of investment, such reduction being determined and made for each investment individually.

1.7. INVENTORY VALUATION

Inventories are valued at lower of cost or net realizable value except scrap, which is valued at net estimated realizable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials, Stores & Spares, Power & Fuel and packing Materials	Weighted average method
Work-in -process and finished goods	Variable Cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.

Cost includes all direct costs, cost of conversion and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition inclusive of excise duty wherever applicable. Cost formula used is based upon weighted average cost.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

1.8. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded at the exchange rate prevailing on / or closely approximating to the date of transaction. Current Assets and Liabilities are restated at the rate prevailing at the period end or at the forward rate where forward cover for specific asset / liability has been taken. The difference between the period end rate and the exchange rate at the date of the transaction is recognized as income or expense in the Statement of profit & loss. In respect of forward exchange contracts, the difference (being premium / discounts) between the contract rate and the rate on the date of transaction is recognized as income or expense in the Statement of profit & loss over the life of the contract.

1.9. TAXATION

Current tax is provided at the rates in force, on the taxable profits arrived at with reference to the provisions of Income Tax Act, 1961.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

Deferred tax assets are reviewed at each balance sheet date and is written – down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

1.10. BORROWING COST

Borrowing Costs are charged to Statement of profit & loss, except when funds are specially borrowed to acquire fixed assets, in which case the same is capitalized till the date the subject assets are ready for the intended use.

1.11. The Company has the practice of providing for the liability on account of import duty on Raw material / Stores / Spares in transit or in Bonded Warehouse at the year end and providing for liability on account of Excise duty on stock of finished goods (other than stocks meant for Exports on which no Excise Duty is payable) lying in the factory premises.

1.12. PROVISIONS AND CONTINGENT LIABILITY

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligations. A disclosure of the contingent liability, if determinable, is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. But where is a possible obligation, but the likelihood of outflow of resources is remote, no provision / disclosure is made.

1.13. REVENUE RECOGNITION

- (a) Revenue from sale of goods is recognized when the goods are dispatched to the customers and is stated gross of excise duty and net of sales returns and sales tax.
- (b) Gain / Loss on investments in Growth / Dividend plans of Mutual Funds are accounted for on sale / redemption of units.
- (c) Dividend income is recognized when the right to receive the income is established.
- (d) Income from interest on deposits and loans is recognized on time proportionate method.

1.14. USE OF ESTIMATES

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period the same is determined

1.15. EARNINGS PER SHARE

Basics earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the financial statements for the year ended 31st March 2014

Note No. '2' Share Capital

(Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
AUTHORISED CAPITAL		
17000000 Equity Shares of Rs. 10/- each (P.Y. 17000000 equity shares of Rs. 10/- each)	<u>1700.00</u>	<u>1700.00</u>
ISSUED & SUBSCRIBED		
8058900 Equity Shares of Rs. 10/- each (P.Y. 8058900 equity shares of Rs. 10/- each)	805.89	805.89
PAID UP		
8058900 Equity Shares of Rs. 10/- each, fully paid (P.Y. 8058900 equity shares of Rs. 10/- each)	805.89	805.89
TOTAL	<u>805.89</u>	<u>805.89</u>

2.1. During the current year and in the previous year, there have been no movements in the number of the equity shares outstanding.

2.2. The Company has only one class of equity shares, having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

2.3 Details of shareheld by shareholders holding more than 5% of the aggregate shares in the company :

Name of the shareholders	As at 31st March 2014 % of Holding	As at 31st March 2013 % of Holding
ABC Commercial Co. Ltd. 474000 shares (p.y. 474000 shares)	5.9	5.9
Mahavir Phototech Pvt. Ltd. 915561 shares (p.y. 915561 shares)	11.4	11.4
Alankar Securities Pvt. Ltd. 807854 shares (p.y. 807854 shares)	10.0	10.0
Triveni Securities Pvt. Ltd. 631509 shares (p.y. 631509 shares)	7.8	7.8
Sushil Jain 871006 shares (p.y. 666462 shares) @ Rs. 10 each	10.81	8.27

Note No. '3' Reserve & Surplus

(Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Surplus		
Opening Balance	3580.11	3349.94
Add: Net profit for the year	541.13	230.17
TOTAL	<u>4121.24</u>	<u>3580.11</u>

Note No. '4' Long Term Borrowings

(Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Vehicle Loan (Secured)	-	5.64
TOTAL	<u>-</u>	<u>5.64</u>

Aggregating to Rs. 17.92 lac (p.y. 28.42 lac) are secured against specific vehicle.
Repayment in 60 monthly instalments commencing from Nov. 2009

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '5' Deferred Tax Liabilities (net) (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Deferred Tax Liability on account of :		
Accelerated Depreciation/Amortisation	223.35	239.15
Deferred Tax Asset on account of :		
Provision for leave Encashment	(8.41)	(8.71)
NET DEFERRED TAX LIABILITY	<u>214.94</u>	<u>230.44</u>

Note No. '6' Long Term Provisions (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Employee Benefits		
Provision for Leave Encashment (Refer Note No. 37)	15.73	15.66
TOTAL	<u>15.73</u>	<u>15.66</u>

Note No. '7' Trade Payables (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Trade Payables	377.78	283.00
(For micro and small enterprises Refer Note No. 31)		
TOTAL	<u>377.78</u>	<u>283.00</u>

Note No. '8' Other Current Liabilities (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Current Maturities of long term debt (secured) (refer Note No. 4)	6.72	12.28
Bank Book Overdraft	16.24	
Trade Advances		0.19
Statutory Dues Payable	5.49	8.29
Other Payable		
- Expenses Payable	88.19	66.22
- Accrued Salaries & Benefits Payable	35.04	32.37
TOTAL	<u>151.68</u>	<u>119.35</u>

Note No. '9' Short Term Provisions (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Employee Benefits		
Provision for Leave Encashment (Refer Note No. 36)	10.21	9.97
Provision for income tax & wealth tax	200.00	214.00
TOTAL	<u>210.21</u>	<u>223.97</u>

Note No. '10'
Fixed Assets
Notes to the financial statements As at 31st March 2014

(Rs. in lacs)

S.No.	Particulars	Gross Block			Depreciation			Net Block		
		Balance as at 01.04.2013	Additions during the year	Deduction during the year	Balance as at 31.03.2014	As at 1st April, 2013	Addition during the year	Deduction during the year	Balance as at 31.03.2014	Balance as at 31.03.2013
I Tangible Assets										
1.	Land	3.50	-	-	3.50	-	-	-	3.50	3.50
2.	Building	206.08	-	-	206.08	96.53	-	103.41	102.67	109.55
3.	Plant and Equipments	2900.02	48.46	9.09	2999.39	2140.40	49.20	2181.49	757.90	759.63
4.	Electric Installation	319.45	-	-	319.45	44.01	15.17	59.18	260.27	275.44
5.	Furniture & Fixtures	38.00	6.32	32.38	11.94	26.38	1.13	4.56	7.38	11.62
6.	Vehicles	127.92	16.05	9.49	134.48	46.77	12.18	6.74	82.27	81.51
7.	Office Equipment	49.35	3.39	44.34	8.40	44.61	0.87	4.84	3.56	4.74
8.	Computer	46.81	8.24	41.21	13.84	37.56	3.64	34.93	7.57	9.25
9.	Improvement in Leasehold property, Jasola		69.16		69.16		7.68		61.48	
SUB TOTAL (A)	3691.13	151.62	136.51	3706.24	2436.26	96.75	113.37	2419.64	1286.60	1254.87
II Intangible Assets										
1.	Intangible R & D (Product Development)	34.85	-	-	34.85	19.17	6.97	26.14	8.71	15.68
2.	Computer Software	23.04	-	-	23.04	18.20	4.84	23.04	-0.00	4.85
SUB TOTAL (B)	57.89	-	-	57.89	37.37	11.81	-	49.18	8.71	20.53
Total [A+B]	3749.02	151.62	136.51	3764.13	2473.63	108.56	113.37	2468.82	1295.31	1275.40
(Current Year)	3427.34	356.96	35.28	3749.02	2394.36	96.35	17.58	2473.63	1275.42	1032.48

Note : Building, Plant & Machineries, Electrical Installations, furniture fixture, Office Equipments & computers includes Rs 28.18 Rs 365.51, Rs. 10.09, Rs.1.15, Rs 4.27 & 2.15 respectively which includes P&M, Office equipment & Computers of Rs 3.51, 1.62 & 1.44 respectively purchased during the year towards assets for R & D purpose.

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '11' Non Current Investment (at Cost) (Rs. in lacs)

Particulars	No.	As at 31st	No.	As at 31st
	of shares	March 2014	of shares	March 2013
1 Investment in Subsidiaries (Unquoted, Trade)				
ITDL Imagetec Limited - Subsidiary Company (Equity Shares of Rs. 10 each)	510000	51.00	510000	51.00
2 Non Trade Investment in Associates (Unquoted, Trade)				
Triveni Securities Private Limited (Equity Shares of Rs. 10 each)			100000	30.00
Equity Share Mahavir Phototech Pvt. Ltd. (Equity Shares of Rs. 10 each)			97000	29.10
TOTAL		<u>51.00</u>		<u>110.10</u>

Note No. '12' Long Term Loans & Advances (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
I) Capital Advances (unsecured considered goods)		26.91
II) Security Deposit		
Security Deposit-Others (Unsecured considered goods)	35.45	34.86
III) Others : Fixed Deposit with banks with maturity period more than 12 months	9.97	45.67
TOTAL	<u>45.42</u>	<u>107.44</u>

Note No. '13' Current Investment (at the lower of cost and fair value) (Rs. in lacs)

Particulars	No.	As at 31st	As at 31st
		March, 2014	March, 2013
1 Investment in Mutual Funds (unquoted) Units of Rs. 10 each, unless otherwise specified)			
a) UTI Treasury Advantage Fund - Periodic Dividend Plan Payout (P.Y.NAV Rs-197.37 lacs P.Y.Units-18163.347)		-	191.37
b) UTI Floating Rate Fund - STP - Regular Plan - Growth (NAV Rs-166.12 lacs Units- 10462.808) (P.Y.NAV Rs- 197.21 lacs P.Y.Units-10462.808)		130.00	189.25
c) UTI Treasury Advantage Fund - Growth Plan (NAV Rs.259.43 lacs,Units 8035.146) (P.Y.NAV Rs 432.97 lac,P.Y.Units 14643.474)		222.91	402.97
d) UTI Treasury Advantage Fund - Institutional Plan Growth (NAV Rs.403.81 lacs,Units 23256.642) (P.Y.NAV Rs.612.21 lacs, Units 38650.703)		355.37	579.81
e) UTI Floating Rate Fund - Short Term Plan - Institutional Growth Option (NAV Rs.1174.08 lacs,Units 56722.606) (P.Y.NAV Rs.151.28 lacs,Units 11400.354)		1081.24	138.17
f) UTI Fixed Income Fund Series XV-IX (365Days)-Direct Growth Plan (NAV Rs.478.12 lacs,Units 4500000.00) (P.Y.NAV Rs.Nil P.Y.Units Nil)		450.00	579.81
g) UTI Fixed Income Interval Fund VI Quaterly Interval Plan- Retail Option (NAV Rs.52.96 lacs,Units 334813.208) (P.Y.NAV Rs.Nil P.Y.Units Nil)		50.00	579.81
h) UTI Treasury Advantage Fund-Institutional Plan Direct Plan Growth (NAV Rs.349.61 lacs,Units 20096.542) (P.Y.NAV Rs.Nil P.Y.Units Nil)		340.00	579.81
i) UTI Fixed Income Fund Series XVII (NAV Rs.20.62 lacs,Units 200000.000) (P.Y.NAV Rs.Nil P.Y.Units Nil)		20.00	579.81
TOTAL		<u>2649.52</u>	<u>1501.57</u>

Note No. '14' Inventories (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
1 Raw Material (including in transit Rs. 32.53 lacs) (previous year 5.42 lacs)	239.19	279.18
2 Work in Process (Toners)	100.96	138.99
3 Finished Goods (Toners)	57.27	32.76
4 Oil & Lubricants	12.47	26.17
5 Stores & Spares	37.59	38.72
6 Packing Material	20.58	14.08
TOTAL	<u>468.06</u>	<u>529.90</u>

(For valuation, refer Note No. 1.7)

INDIAN TONERS & DEVELOPERS LIMITED

Details of Raw Materials Inventory	As at 31st March 2014	As at 31st March 2013
Particulars		
1 Resin	76.54	163.05
2 Magnetite	34.69	6.28
3 Others	127.96	109.85
TOTAL	<u>239.19</u>	<u>279.18</u>
Note No. '15' Trade receivables		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1 <u>Outstanding for a period exceedings six months from the date they are due for payment :</u>		
Unsecured, Considered Goods :	-	-
2 <u>Others receivables :</u>		
Unsecured, Considered Goods :	606.88	568.72
(including Related Party refer Note 41)		-
TOTAL	<u>606.88</u>	<u>568.72</u>
Note No. '16' Cash & Bank Balances		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1 <u>Cash & Cash equivalent</u>		
Cash on Hand		
Cash Balance	1.66	2.50
Cheque in Hand		1.25
Sub Total (A)	<u>1.66</u>	<u>3.75</u>
2 <u>Bank Balance</u>		
Current Account	15.94	73.11
EEFC Account	356.25	107.52
Bank Deposits#	4.29	-
Sub Total (B)	<u>376.48</u>	<u>180.63</u>
3 <u>Other Bank Balance</u>		
Balance with Banks to the extended held as Marging Money*	106.70	21.32
Sub Total (C)	<u>106.70</u>	<u>21.32</u>
Total [A+B+C]	<u>484.84</u>	<u>205.70</u>
*Pledged with banks against LC & Bank guarantee on behalf of the company		
#Fixed deposits with banks with maturity period more than 3 months but upto 12 months		
Note No. '17' Short Terms Loans and Advances		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1. Advances to Employees (Unsecured, considered goods)	0.70	1.42
2 Loans & Advancs to related parties (Unsecured, considered goods)		700.00
3 <u>Balance with Govt. Authorities</u>		
Balance with Excise / Sales Tax	26.50	45.03
Service tax Recoverable	12.96	2.48
4 <u>Security Deposit</u>		
Security Deposit Others (Unsecured cosidered goods)	-	-
5 <u>Others</u>		
Advance to Suppliers (unsecured considered goods)	20.93	5.10
Advance Income Tax (including TDS)	203.48	194.30
Prepaid Expenses	8.26	10.99
Others	6.93	1.17
TOTAL	<u>279.76</u>	<u>960.49</u>

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '18' Other Current Assets	(Rs. in lacs)	
Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
1 Interest Accrued (but not due) on Fixed Deposits	7.01	3.54
2 Insurance Claim Receivables	-	0.14
3 Interest Accrued on Electricity Deposit	0.89	1.06
TOTAL	<u>7.90</u>	<u>4.74</u>

Note No. '19' Revenue from Operations	(Rs. in lacs)	
Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
1 Sale of Products		
Manufacturing Goods (Comparises of Toners)	3282.45	2719.75
Less : Sale Return	-	-
Less : Excise Duty	0.13	0.99
	<u>3282.32</u>	<u>2718.76</u>
2 Other Operating Revenue		
Export Incentives	91.19	73.05
Scrap Sales	1.70	1.83
Sale of Focus License	20.27	20.02
	<u>113.16</u>	<u>94.90</u>
TOTAL	<u>3395.48</u>	<u>2813.66</u>

Note No. '20' Other Income	(Rs. in lacs)	
Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
1 Interest Income :		
from Subsidiaries	31.45	95.87
from others	10.66	19.77
2 Dividend Income : on current investments assignments	2.16	13.91
: from subsidiaries	51.00	10.20
3 Capital Gain on Mutual Funds	32.94	-
4 Provision no longer required written back	5.16	2.23
5 Other Income (including insurance Claim recd Rs. .Nil, P.Y. Rs. 0.14 lacs)	12.28	23.64
6 Foreign Exchange Flutuations Gain (Net)	-	40.94
7 Reversal of Service Tax Adjustments	31.51	-
TOTAL	<u>177.16</u>	<u>206.56</u>

Note No. '21' Cost of Material Consumed	(Rs. in lacs)	
Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Raw Materials		
Opening Stock	246.65	246.45
Add : Purchase	1386.07	1290.79
Less : Closing Stock	188.17	246.65
Consumed	<u>1444.55</u>	<u>1290.59</u>

Include Rs.3.41 lacs (P.Y. Rs. 1.99 lacs) related with R & D expenses (Refer note No. 36)

Imported & Indigenous Raw Material Consumed	(Rs. in lacs)			
Raw Material	For the year ended	% of total	For the yearended	% of total
	31st March 2014 (Rs.)	consumption	31st March 2013 (Rs.)	consumption
1. Imported	1368.53	94.74	1246.35	96.57
2. Indigenous	76.02	5.26	44.24	3.43
TOTAL	<u>1444.55</u>	<u>100.00</u>	<u>1290.59</u>	<u>100.00</u>

Details of Raw Material Consumed	(Rs. in lacs)	
1. Resin	983.23	833.75
2. Magnetitie	186.95	205.08
3. Others	274.37	251.76
TOTAL	<u>1444.55</u>	<u>1290.59</u>

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '22' Other Manufacturing Expenses (Rs. in lacs)

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
1 Packing Material Consumed	113.49	109.17
2 Stores and Spares Consumed	23.98	10.59
3 Electricity & Power Charges	289.64	373.22
4 Repair & Maintenance of Plant & Machinery	33.18	39.20
5 Repair & Maintenance of Building	6.93	18.29
6 Security Expenses	<u>7.87</u>	<u>7.68</u>
Total	<u>475.09</u>	<u>558.15</u>

Imported & Indigenous Stores, Spares & packing Material Consumed (Rs. in lacs)

Particulars	For the year ended 31st March 2014	% of total consumption	For the yearended 31st March 2013	% of total consumption
Imported	3.36	2.44	2.07	1.73
Indigenous	<u>134.11</u>	97.56	<u>117.69</u>	98.27
TOTAL	<u>137.47</u>	100.00	<u>119.76</u>	100.00

Note No. '23' Change in Inventories of Finished goods & work in progress (Rs. in lacs)

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Inventories at the end of the year : Finished goods (Toners)	57.27	32.76
: Work-in-Process (Toners)	<u>100.95</u>	<u>138.99</u>
	<u>158.22</u>	<u>171.75</u>
Inventories at the beginning of the year : Finished Goods (Toners)	32.76	10.71
: Work-in-Process (Toner)	<u>138.99</u>	<u>82.72</u>
	<u>171.75</u>	<u>93.43</u>
Decrease/Increase during the year	<u>13.53</u>	<u>(78.32)</u>

Note No. '24' Employee Benefit Expenses (Rs. in lacs)

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
1 Salaries, Wages, Bonus etc.	403.38	366.43
2 Contribution to Provident & Other Funds	18.36	17.44
3 Staff Welfare Expenses	<u>5.54</u>	<u>5.50</u>
TOTAL	<u>427.28</u>	<u>389.67</u>

Include Rs.15.32 lacs (P.Y. Rs. 18.91 lacs) related with R & D expenses (Refer note No. 36)

Note No. '25' Finance Cost (Rs. in lacs)

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
1 Interest Expenses	<u>8.28</u>	<u>13.71</u>
TOTAL	<u>8.28</u>	<u>13.71</u>

Note No. '26' Other Expenses (Rs. in lacs)

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
1 Rent x	15.89	9.60
2 Rates & Taxes	7.60	19.09
3 Insurance Expenses	6.40	6.76
4 Repair & Maintenance to Computers	3.72	4.49
5 Repair & Maintenance Office	1.45	3.14
6 Advertisement & Sales Promotion	43.20	24.11
7 Communication Expenses x	16.80	14.44
8 Travelling Expenses (including Foreign Travelling) & Conveyance	44.19	50.51
9 Vehicle Running & Maintenance Account	16.53	14.42
10 Staff Recruitment Expenses	0.52	1.42
11 Printing & Stationery Account	7.82	5.61
12 Electricity & Water Expenses x	4.78	5.39
13 <u>Auditors Remuneration</u>		
As Audit Fees	1.50	1.50
As Tax Audit Fees	0.25	0.25
For Other Services	<u>0.11</u>	<u>0.22</u>

INDIAN TONERS & DEVELOPERS LIMITED

14. Legal & Professional Expenses	19.87	12.35
15 Directors Sitting Fees	1.51	1.48
16 Freight Outward	95.17	93.20
17 Discount & Incentives	1.50	2.79
18 Bank Charges	22.80	17.58
19 Bad Debts	-	0.03
20 Office Maintenance	13.46	4.14
21 Loss on Sale of Fixed Assets	7.06	4.68
22 Assets w/o	9.43	-
23 General Expenses	18.11	28.11
24 Service Tax Adjustments	-	31.51
25 Foreign Exchange Fluctuation Loss (Net)	1.71	-
TOTAL	<u>361.38</u>	<u>356.82</u>

x Note : After adjustments of recoveries expenses from Subsidiary Company ITDL.

Details of Research & Development Expenses **(Rs. in lacs)**

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
1. Raw Material Consumed	3.41	1.99
2. Employees Benefit Expenses	15.32	18.91
3. Other Manufacturing Expenses	9.01	16.33
4. Other Expenses (including Dep.)	<u>20.84</u>	<u>23.24</u>
TOTAL	<u>48.58</u>	<u>60.47</u>

Note No. '27' Exceptional Items **(Rs. in lacs)**

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Rent Accrued (on account of disputed rent)	-	1.81
Loss on account of closure of Subsidiary Company in USA	-	17.40
Loss on account of closure of Subsidiary Company in USA	28.64	20.91
TOTAL	<u>28.64</u>	<u>40.12</u>

Notes to the Financial Statements **(in lacs)**

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
28. Contingent liabilities not provided for in respect of:		
a) Letters of credit established in favour of the suppliers	581.58	356.96
b) Guarantee issued by SBI on behalf of Company	0.65	0.25
c) Sales Tax / Trade Taxes demands against which appeals have been preferred	NIL	0.82
d) Export obligation against advance licenses	49.23	250.25
29. Commitments :	As at 31st March 2014	As at 31st March 2013
Estimated amount of contract remaining to be executed on capital amount and provided for	NIL	90.00
30. Balances in accounts of Sundry Debtors, Advances, Security deposits of dealers and creditors are subject to confirmations for the respective parties (Net of advances).		
31. a) Trade payable includes (i) Rs. Nil (Previous Year Nil due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME).		
b) No interest is paid/payable during the year no any enterprises registered under MSME.		
c) The above information's have been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplied under MSME.		
32. a) Accounting Standard as to Segment Reporting AS -17 is not applicable to the Company as it is engaged in the business of Toners which is the single reportable segment. However, disclosure as to secondary segment is as under :		(Rs. in lacs)

INDIAN TONERS & DEVELOPERS LIMITED

	For the year ended 31st March 2014	For the year ended 31st March 2013
Geographical Segment :		
i) Domestic Sale (including Excise Duty) :	82.18	39.78
ii) Export Sales (including Export benefits) :	<u>3291.45</u>	<u>2754.85</u>
	<u>3376.64</u>	<u>2794.63</u>
b) Details of sales : (including Export Benefit on Export Sales) :		
Sales	3373.64	2794.63
Excise Duty	<u>(-) 0.13</u>	<u>(-) 0.99</u>
NET SALES	<u>3373.51</u>	<u>2793.64</u>

33. a) Estimated benefits aggregating to Rs. 91.19 lacs (Previous Year Rs. 73.05 lacs) against export effected during the year has been taken into account for the year as incentive accounting in respect of duty free imports of Raw Material under Advance Licence Scheme and corresponding amount has been added to the cost of Materials.
- b) Service Tax amounting to Rs. 12.95 lacs (Previous Year Rs. 2.48 lacs) have been treated as recoverable and is subject to claim yet to be filed with Department.
34. Amount of Exchange difference debited to Profit & Loss Account amounted to **Rs.319.00 lacs** (previous year Rs. 30.42 lacs) and credited to P & L a/c amounted to **Rs. 317.29 lacs** (Previous Year Rs. 71.36 lacs)
35. R & D expenses included under various heads **Rs.48.58 lacs** [Including Raw Material Consumption Rs. 3.41 lacs & Depreciation Rs. 19.41 lacs] (Previous year Rs.60.47 lacs Raw Material Consumption Rs. 1.99 lacs & Depreciation Rs. 18.98 lacs) respectively.
36. The Company has calculated the various benefits provided to employees as under:

- A) Defined Contribution Plans
 Provident Fund

During the year the Company has recognized the following amounts in the Statement of Profit and Loss :

	For the year ended 31st March 2014	For the year ended 31st March 2013
	(Rs. In Lacs)	
Employers Contribution to Provident Fund	18.22	15.14
B) State Plans		
a) Employee State Insurance		

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:

	For the year ended 31st March 2014	For the year ended 31st March 2013
	(Rs. In Lacs)	
Employers Contribution to Employee State Insurance	0.14	0.28
C) Defined Benefit Plans		
a) Gratuity		
b) Leave Encashment		

The discount rate assumed is 9% which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market, Reconciliation of opening and closing balances of the present value of the defined benefit obligation is as under:

INDIAN TONERS & DEVELOPERS LIMITED

Particulars	(Rs. in lacs)			
	Gratuity (Funded)*		Leave Encashment (Unfunded)*	
	CurrentYear	PreviousYear	CurrentYear	PreviousYear
The principal assumptions used in actuarial valuation as per below:				
· Discount rate	8.75%	9%	9%	9%
· Expected rate of return on assets	—	—	—	—
· Expected rate of future salary increase	6%	6%	5%	5%
Change in present value of obligations				
· Present value of obligations as at the beginning of the year	31.13	30.73	25.63	18.41
· Interest cost / Contribution	3.12	(0.96)	2.05	1.47
· Current service cost	23.79	9.65	4.42	5.27
· Benefits paid/transferred	(1.91)	(13.47)		
· Actuarial Gain on Obligations			(6.16)	0.48
· Present value of obligation as at end of the year	56.13	31.12	25.95	25.63
Changes in fair value of plan assets	Not Available	Not Available	Not Available	Not Available
Liability recognized in the Balance Sheet				
· Present value of obligations as at 31.03.2014	—	—	25.95	25.63
· Fair value of plan assets as at the end of the year	—	—	—	—
· Unfunded Status	—	—	—	—
· Unrecognised Actuarial (Gain) / Loss	—	—	—	—
· Net (Assets) / Liability recognized in Balance Sheet	—	—	25.95	25.63
Expenses recognized in Profit and Loss Account				
· Current service cost	23.79	9.96	4.42	5.27
· Interest cost	—	—	2.05	1.47
· Expected return on plan assets	—	—	—	—
· Net Actuarial (Gain) / Loss recognized during the year	—	—	(6.16)	0.48
· Total Expense recognized in Statement of Profit and Loss	23.79	9.96	0.31	7.22
*Funded with L.I.C.				
37. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS:			(Rs. in lacs)	
	For the year ended 31st March 14		For the year ended 31st March 2013	
i) Raw Materials	1313		1184.17	
ii) Stores & Spares and packing materials	3.48		3.79	
38. Expenditure in foreign currency :			(Rs. in lacs)	
	For the year ended 31st March 2014		For the year ended 31st March 2013	
(i) Foreign Travels	36.11		29.06	
(ii) Consultancy Charges	6.98		0	
(iii) Others (Exhibition, Advertisement etc.)	18.04		19.71	
39. Earning in Foreign Exchange :			(Rs. in lacs)	
	For the year ended 31st March 2014		For the year ended 31st March 2013	
FOB Value of Exports	3185.86		2670.83	
40. Calculation of Earning Per Share			(Rs. in lacs)	
	For the year ended 31st March 2014		For the year ended 31st March 2013	
1. No. of Shares at the beginning of the year	8059000		8059000	
2. No of Shares at the close of the year	8059000		8059000	
3. Net Profit after Tax Rs.	541.11		230.18	
4. E. P. S. Rs.	6.71		2.86	

INDIAN TONERS & DEVELOPERS LIMITED

41. Related Party Disclosure (Pursuant to Accounting Standard - 18)

- | | | | |
|-----|--|---|--|
| (a) | Wholly and Subsidiary Company | - | ITDL Imagetec Limited |
| (b) | Key Management Personnel | - | Shri Sushil Jain (Chairman & Managing Director) |
| (c) | Relative of Key Management | - | Shri Akshat Jain, (son of Sh. Sushil Jain)
President |
| (d) | Enterprises over which Key Management Personnel and/or relative are able to exercise significant influence | - | Jain Tube Company Limited
- Shrilon India Ltd.
- Alankar Securities Private Limited
- Mahavir Phototech Private Limited
- Triveni Securities Private Limited |

(ii) Detail of transactions with Related Parties during the year :

Particulars	Subsidiary Companies	Key Management Personnel	Relative of Key Management Personnel	Enterprises referred in (1) (d) above
Remuneration	—	101.78	43.51	—
Paid	—	(97.54)	(39.42)	—
Advance to	—	—	—	—
Subsidiary Co.	(15.65)	—	—	—
Rent Received	42.81	—	—	—
	(29.91)	—	—	—
Expenses Recovered &	48.02	—	—	—
Interest charged	(144.92)	—	—	—
Divident Receivable	51.00	—	—	—
from Subsidiary co.	(10.20)	—	—	—
Loan recieved back	700.00	—	—	—
	(600.00)	—	—	—
i) Outstandings:				
Balances as at year end	0	—	—	—
(balances due from the Company)	(700.00)	—	—	—

Note :-

- i) Figures in the bracket are for the previous year.
 - ii) In addition to above during the year Company entered into an agreement of High Seas Sale/purchase with Subsidiary company (ITDL Imagetec Ltd..total sale and purchase made on High seas basis is Rs. Nil (previous Year Rs-Nil) and Rs. 80.54 Lacs (Previous Year Rs. Nil). Local Sale & Purchase Rs. 14.28Lacs(Previous year Rs. 14.49Lacs) &Rs. 17.96 (Previous Year 1.3Lacs) respectively from subsidiary company. Also the company has sold Licenses under Focus scheme from the holding company of Rs20.67Lacs (Previous Year Rs. 20.54 Lacs)
42. Loans to subsidiary company, namely, ITDL Imagetec Ltd. Include accrued interest Rs. 31.45Lacs (P.Y. 95.87Lacs). Maximum amount of loan/interest during the year Rs. 700.00Lacs (P.Y. Rs. 1327.89Lacs)
 43. Previous year's figures have been regrouped / rearranged whenever necessary to make them comparable with those of the current year.
 44. The financial statements for the year ended 31st March 2014 are prepared under Schedule VI of Companies Act, 1956.

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**

Chartered Accountants
ICAI's FRN 304153E

(B.R.GOYAL)

Partner

Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 31st Day of May 2014

(S.C. SINGHAL)
Company Secretary

(SANJEEV GOEL)

Director

(SUSHIL JAIN)

Chairman & Managing Director

For and on Behalf of the Board of Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

A. CASH FLOW ARISING FROM OPERATING ACTIVITIES	For the Year ended 31st March 2014	For the year ended 31st March 2013
Net Profit/Loss before tax	705.31	353.43
Adjustment for		
Depreciation & Amortisation	108.58	96.35
Loss / (Profit) on sale of Fixed Assets	7.06	4.68
Assets Written Off	9.43	-
Loss/(profit) on Sale of Investments	23.64	20.91
Finance Cost	8.28	13.71
Interest Income	(42.11)	(115.64)
Provision for Leave Encashment	0.32	7.22
Bad Debt/Irrecoverable Advanced written off (net of write in)	-	0.03
Liabilities / provisions no longer required written back	(5.16)	(2.23)
Service Tax Adjustment	(31.51)	31.51
Loss/(profit) on closure of Subsidiary	-	17.40
Unrealised Foreign Exchange (Gain)/Loss	1.71	(1.89)
Income from Current Investments (Non Trade) Dividend	(53.16)	(24.11)
Operating Profit Before Working Capitals Changes	737.39	401.37
Adjustments For		
(Increase) / Decrease in Inventories	61.85	(98.09)
Other Current Assets		
(Increase) / Decrease in Trade receivables & other receivables	(60.58)	2.38
(Increase) / Decrease in Trade payables & other payables	148.05	(45.30)
Cash Generated from Operations	886.71	260.36
Direct Taxes including Wealth Taxes (net of refunds)	(179.70)	(111.75)
Net Cash Inflow / (outflow) in course of Operating Activities (A)	707.01	148.61
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital Advances & CWIP	(160.39)	(380.54)
Purchase of investments (Net of sales)	(1117.48)	(592.66)
Loan recieved back from subsidiaries	700.00	600.00
Proceeds from sales of fixed assets	6.65	9.68
Movement in other Bank Balances	(27.66)	(11.51)
Interest Received	42.11	115.64
Dividend Received	53.16	24.11
Net Cash Inflow / (outflow) in course of Investing Activities (B)	(503.61)	(235.28)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (Payments of) long Terms Borrowing	(5.64)	(10.30)
Interest paid	(8.28)	(13.71)
Net Cash Inflow / (outflow) from Financing Activities (C)	(13.92)	(24.01)
Net Increase / (Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	189.48	(110.68)
Cash And Cash Equivalents at the beginning of the year	184.38	295.07
Cash & Cash Equivalent At closing of the year	373.86	184.39

Notes : (1) The Cash Flow Statements has been prepared under the Indirect Method set out in Accounting Standard - 3 Cash Flow Statement specified in the Companies (Accounting Standard) Rules, 2006.

(2) Previous Years figures have been regrouped / rearranged wherever considered necessary to confirm to make them comparable with those of Current Year's figures.

Significant Accounting Policies : The Notes form an integral part of these Financial statements

As per our Report of Even Date attached

For **K.N. GUTGUTIA & COMPANY**

Chartered Accountants

ICAI's FRN 304153E

(B.R.GOYAL)

Partner

Membership No. 12172

11K, Gopala Tower,

25, Rajendra Place, New Delhi

The 21st Day of May 2014

For and on Behalf of the Board of Directors

(S.C. SINGHAL)
Company Secretary

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Chairman & Managing Director

**STATEMENT PURSUANT TO SECTION 212 OF THE
COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

Name of the Subsidiary	ITDLIMAGETEC LTD.
The Financial Year of the Subsidiary Company ended on	31 st March 2014
Holding Company's interest	51%
Share held by the Holding Company in the subsidiary	510000 Shares @ Rs. 10 each
Net aggregate amount of Profit / (Loss) of the subsidiary so far as it concerns the Members of the Holding Company and is not dealt with in the Accounts of the Holding Company.	
a. For the financial year ended on March 31, 2014 (Rs.)	Rs. 637.85 lacs
b. For the other previous financial years of the Subsidiary since it became a Subsidiary (Rs.)	Rs. 1185.58 lacs
Net aggregate amount of Profit / (Loss) of the subsidiary so far as it concerns the Members of the Holding Company and is dealt with in the Accounts of the Holding Company.	
a. For the financial year ended on March 31, 2014 (Rs.)	NIL
b. For the other previous financial years of the Subsidiary since it became a Subsidiary (Rs.)	NIL

For and on Behalf of the Board of Directors

(S.C. SINGHAL)
Company Secretary

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Chairman & Managing Director

Place : New Delhi
Date: 21st May, 2014

DIRECTORS' REPORT

ITDL IMAGETEC LIMITED

To,

The Members,

Your Directors have pleasure in presenting the 8th Annual Report alongwith the Accounts for the year ended March 31, 2014.

OPERATIONS

During the year your Company achieved a turnover of Rs. 5093 lacs as against Rs. 4078 lacs during the preceding year. The net profit (after tax) was Rs. 1251 lacs (including provision of Rs. 262 lacs for Mat Credit Entitlement) during the year as against Rs. 883 lacs (including provision of Rs. 181 lacs for Mat credit Entitlement) in the previous year. The production during the year increased 948.36 MT as compared to 807.27 MT in the last year.

The capacity utilization of the Manufacturing Plant of your Company at Sitarganj will be almost 90-100% during the Financial Year 2014-15, and therefore, it is necessary to go in for expansion. Keeping this in mind, your directors have decided to add one more line of production during the year which will increase the toner manufacturing capacity of the Sitarganj Plant from 1200MT to 1800MT per year.

The market is growing and it is always the endeavour of your Company to grow as per the industry growth rate and more. However, clandestine import of toners by unethical means by traders and dumping by China is always a challenge for the Company but despite these odds, it will be able to manage and maintain its race to increase its turnover and profits by increasing its market share.

DIVIDEND

During the year, your company paid an interim dividend of 50%. The Board of Directors have not recommended any final dividend. As such the total dividend during the year will remain 50%. The dividend for financial year 2013-2014 is in addition to Corporate Dividend tax paid by the Company. The total outflow on account of dividend for 2013-2014 is Rs. 58.50 lacs including dividend distribution tax.

PROSPECTS

In view of the Excise and Income Tax exemptions / concessions available in Uttrakhand, your company has a more bright future. However, the increase in the Power Tariff and erratic power supply position may increase the cost of production and have adverse impact on the profits of the Company.

DIRECTORS

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. Sanjeev Goel as Independent Director for five consecutive years for a term upto 31st March, 2019. Details of the proposal for appointment of Mr. Sanjeev Goel is mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 8th Annual General Meeting. Accordingly, Mr. Satyendra Paroothi shall retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The Company has received declarations from Shri Sanjeev Goel, Independent Director of the Company confirming that he meets with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and other applicable provisions of the Act.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed that :

- (I) In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (II) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (III) The directors have taken proper and sufficient care 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; and
- (IV) The directors have prepared the annual accounts on a going concern basis.

STATUTORY AUDITORS & AUDITORS' REPORT

M/s K. N. Gutgutia & Co., Chartered Accountants, New Delhi, Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The Company has received letter from M/s. K. N. Gutgutia & Company to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

M/s. K.N. Gutgutia & Co. is already functioning as auditors of the Company for the last more than 7 years and as per provisions of the Companies Act, 2013 and rules framed thereunder, they can hold office for a maximum number of 3 years. The Board of Directors recommends the reappointment of M/s K. N. Gutgutia & Co. Auditors of the Company to hold office for a period of 3 years from the Financial Year 2014-15 to 2016-2017 i.e. from the conclusion of the ensuing 8th Annual General Meeting till the conclusion of the 10th Annual General Meeting subject to ratification at every Annual General Meeting.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The reports and accounts of the Subsidiary Company as well as consolidated accounts along with the Statement pursuant to Section 212 of the Companies Act, 1956 are annexed.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Your directors have constituted the Corporate Social Responsibility (CSR) Committee comprising of Shri Sanjeev Goel as the Chairman, Shri Sushil Jain, and Shri Akshat Jain as other members.

The said committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

PERSONNEL

Cordial Industrial relations continue to prevail thereby further strengthening employees' commitment to the growth of the Company.

The Board wishes to express its deep appreciation to all sections of the employees for their whole hearted efforts, co-operation and outstanding contribution to the growth of the Company during the year.

The Company has no employees in the category specified u/s 217 (2A) of the Companies Act, 1956 read with Companies (particulars of employees) rules, 1975 and Companies (Particulars of employees) (Amend) Rules, 2002.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

The additional information as required to be disclosed in terms of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is as under :

- (a) Conservation of Energy : Regular supervision and controls are being maintained in areas where steps have already been taken for the conservation of energy.
- (b) Technology Absorption, Adaption and Innovation : The activities of the Company do not involve any foreign technology and consequently process of absorption and technology and its adaption does not arise. However, innovative methods of production are continuously under introduction suiting to the requirement of the jobs.

(c) Foreign Exchange Earning and Outgo :

	Rs. in Lacs	
	2013-14	2012-13
I) Total Foreign Exchange Used		
i) Import of Raw Materials	1909.05	1477.42
ii) Import of Stores & Spares and Packing Material	2.90	0.37
iii) Foreign Travel	21.80	13.51
TOTAL	1933.75	1491.30
(II) Total Foreign Exchange earned (on FOB basis)	NIL	NIL

ACKNOWLEDGEMENT

Your Directors acknowledge the co-operation and assistance extended by various agencies of the Central and State Government, State Bank of India and customers.

Place : New Delhi
Date: 21st May, 2014

For and on Behalf of the Board of Director
(SUSHIL JAIN)
Director

INDEPENDENT AUDITORS' REPORT

ITDL IMAGETEC LIMITED

TO THE MEMBERS OF ITDL IMAGETEC LTD.

Report on the Financial Statements

1. We have audited the accompanying financial statements of **ITDL IMAGETEC LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - (a) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2014;
 - (b) In the case of Statement of Profit and Loss, of the Profit for the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act 1956 (the Act), we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order to the extent applicable to the Company.
8. As required by section 227(3) of the Act, 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of the written representations received from the Directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2014 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 ;

FOR K.N.GUTGUTIA & CO.,
CHARTERED ACCOUNTANTS
ICAI'S FRN 304153E
(B.R.GOYAL)
PARTNER
M. No. 12171

Place : New Delhi
Date: 21st May, 2014

ANNEXURE TO THE AUDITORS' REPORT

ITDL IMAGETEC LTD.

Referred to in paragraph 7 of our report of even date to the members of ITDL Imagetec Limited (the Company) on the Financial Statements as at and for the year ended 31st March, 2014.

- i)
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As per the information and explanation given to us physical verification of fixed assets has been carried out by the Management at the close of the year and no discrepancy was noticed on such verification.
 - (c) During the year the Company has not disposed off any substantial/ major part of fixed assets.
- ii)
 - (a) As per the information furnished, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stock, the frequency of the physical verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. In our opinion, discrepancies noticed on physical verification of stocks were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account
- iii)
 - (a) The Company had not granted any loans to companies, firm or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, therefore, the provisions of clause 4 (iii) (a) to (d) of the Companies (Auditors Report) order are not of applicable.
 - (b) The Company has not taken unsecured/secured loan during the year from any company listed under section 301 of the Companies Act, 1956. However, there was opening balance of Rs. 700 out of the Loans taken in the earlier year from its Holding Company. The maximum amount involved during the year was 700 Lacs. There was no amount outstanding at the end of the year. According to the information and explanations given to us, in our opinion, the terms and condition on which the said loans were taken were, *prima facie*, not prejudicial to the interest of the Company. The Company is regular in the matter of payment of interest and the principal amount.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, We have not observed any continuing failure to correct major weakness in internal controls in these areas.
- v)
 - a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the year with its Holding Company, at such consideration which are reasonable having regard to the nature of strategic relationship with the company.
- vi) The Company has not accepted any public deposits. Accordingly, paragraph (vi) of the Order is not applicable to it.
- vii) In our opinion, the company has an internal audit system commensurate with the size of the company and the nature of its business.
- viii) We have broadly reviewed the books of account maintained by the Company in respect of products

where, pursuant to the Rules made by the Central Government of India, the maintained of cost records has been prescribed under clause (d) of sub section (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a details examination of the record with a view of determine whether they are accurate or complete.

- ix) (a) According to the information's and explanations given to us and records examined by us , the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund , employees state insurance, income tax , sales-tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues of the aforesaid nature were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there was no dues as at 31st March, 2014 of sale tax, income-tax, customs, wealth-tax, service tax, excise duty, cess which have not been deposited on account of disputes.
- x) As the Company has been registered for a period of less than five years, hence, 4(x) of the Order is not applicable to it.
- xi) Based on our audit procedures and the information given by the management, we are of the opinion that the company has not defaulted in repayment of dues to Financial Institution/Bank.
- xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/ or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit fund Company or nidhi /mutual benefit fund/ society.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures, and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us, Company has not given any guarantees for loans taken by others from bank or financial institutions.
- xvi) According to the information and explanations given to us, the term loans raised during the year were applied to the purposes for which the same were availed.
- xvii) According to the information & explanation given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long term investments.
- xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix) During the year covered by our audit report the Company has not issued secured debentures.
- xx) The Company has not raised any money by public issues during the year covered by our report.

Based upon the audit procedures performed and the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

FOR K.N.GUTGUTIA & CO.,
CHARTERED ACCOUNTANTS
ICA'S FRN 304153E
(B.R.GOYAL)
PARTNER
M. No. 12171

Place : New Delhi
Date: 21st May, 2014

Balance Sheet As At 31st March 2014

(Rs. in Lacs)

S.No.Particulars	Note No.	As at 31st March 2014	As at 31st March 2013
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
a. Share Capital	2	100.00	100.00
b. Reserve & Surplus	3	3388.53	2196.34
(2) Non Current Liabilities			
a. Deferred Tax Liability (Net)	4	259.76	248.16
b. Other Long Term Liabilities	5	62.54	66.48
c. Long Term Provisions	6	13.38	7.39
(3) Current Liabilities			
a. Short Term Borrowings	7	-	702.25
b. Trade Payables	8	551.30	309.65
c. Other Current Liabilities	9	178.36	203.61
d. Short-Term Provisions	10	455.51	457.09
TOTAL		5009.37	4290.98
II ASSETS			
(1) Non Current Assets			
a. Fixed Assets			
i) Tangible Assets	11	2204.68	2274.78
ii) Intangible Assets		0.20	2.62
b. Long terms loans and advances	12	82.59	88.21
c. Other non-current assets	13	761.62	499.25
(2) Current Assets			
a. Current Investment	14	201.09	-
a. Inventories	15	519.68	385.09
b. Trade receivables	16	570.34	537.70
c. Cash and Bank Balances	17	188.36	58.95
d. Short-term loans and advances	18	457.20	431.36
e. Other current assets	19	23.61	13.02
TOTAL		5009.37	4290.98
Significant Accounting Policies	1		
The Notes form an integral part of these Financial statements	1-46		

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**
Chartered Accountants
ICAI's FRN 304153E
(B.R.GOYAL)
Partner
Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 21st Day of May 2014

For and on Behalf of the Board of Directors

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Director

Statement of Profit & Loss Account for the year ended on 31st March, 2014

(Rs. in Lacs)

S.No.	Particulars	Note No.	For the year ended 31st March, 2014	For the year ended 31st March, 2013
INCOME				
I	Revenue from operations	20	5093.58	4078.70
II.	Other Income	21	30.31	37.99
III.	Total Revenue (I+II)		<u>5123.89</u>	<u>4117.17</u>
IV Expenses				
	Cost of materials consumed	22	2026.72	1584.63
	Other Manufacturing Expenses	23	585.62	496.13
	Changes in inventories of finished goods & work-in-progress	24	16.83	(27.35)
	Employee Benefit Expenses	25	434.40	389.90
	Finance Costs	26	42.59	110.11
	Depreciation and amortization expenses	11	122.85	119.88
	Other Expenses	27	631.26	521.35
	Total Expenses (IV)		<u>3860.27</u>	<u>3194.65</u>
V	Profit before exceptional items and tax (III-IV)	(III-IV)	1263.62	922.52
VI	Exceptional Items-Accrued Rent	28	-	5.44
VII	Profit before tax (V-VI)		<u>1263.62</u>	<u>917.08</u>
VIII Tax expenses				
	1. Current tax (MAT)		264.87	183.52
	2. Deferred Tax		11.60	31.16
	3. MAT Credit Entitlement		(262.39)	(181.35)
	4. Excess / Short Provision adjusted		(1.15)	-
IX	Profit/(Loss) for the period		<u>1250.69</u>	<u>883.77</u>
X	Earning per equity share of Rs. 10 each			
	1. Basic		125.07	88.38
	1. Diluted		125.07	88.68
Significant Accounting Policies		1		
The Notes form an integral part of these Financial statements		1-46		

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**
Chartered Accountants
ICAI's FRN 304153E
(B.R.GOYAL)
Partner
Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 21st Day of May 2014

For and on Behalf of the Board of Director

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Director

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**Note '1'****GENERAL INFORMATION**

ITDL Imagetec Limited (hereinafter referred to as ' the Company ') is a manufacturer of Toners Only. The Company's manufacturing facilities are located at Sitarganj (Uttarakhand) .

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared on an accrual basis and under historical cost convention and in compliance in all material aspect, with the applicable accounting principles in India. The applicable accounting standards notified under Section 211(3C) and the other relevant provisions of the Companies Act 1956.

All the Assets & Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule VI of the Companies Act, 1956.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent the Company has ascertained its operating cycle to be less than 12 months.

1.2 TANGIBLE AND INTANGIBLE FIXED ASSETS :

- a) Fixed Assets are stated at cost less Depreciation provided for.
- b) Depreciation on provided on straight line method treating the Plant as continuous process Plant at rates and in the manner as per Schedule XIV to the Companies Act, 1956 as amended vide notification dated 16th December, 1993. Depreciation on assets added / deducted during the year is charged proportionate with reference to the date of additions / deductions.
- c) Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100 percent.
- d) Software are amortised on straight line method over a period of three years

1.3 IMPAIRMENT OF ASSETS

The carrying amount of fixed assets are revised at each Balance Sheet date if there is any indication of impairment based upon internal / external factors. Any impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of asset but selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

1.4 EMPLOYEE BENEFITS :

- Contributions payable for provident fund and employee state insurance which are defined contribution plans are charged to profit & loss account.
- Gratuity and leave encashment which are defined benefits are accrued, recognized and calculated on unit credit method, based on actuarial valuation, as at balance sheet date provided by L.I.C. and by an independent actuarial valuer respectively.
- The Company has opted for a group gratuity – cum Life Assurance Scheme of the Life Insurance Corporation of India for employees and the annual contribution for it is charged to the profit & loss account on accrual basis.
- All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits such as salaries, wages and bonus etc. one recognized in the statement of profit & loss in the period in which the employee renders the related service.

1.5 INVESTMENTS

Investments that are readily and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. Current investments are carried at lower of cost and fair value. Non-current investments are carried at cost. However, provision of diminution is made to recognize as decline, other than temporary, in the value of investment, such reduction being determined and made for each investment individually.

1.6 INVENTORY VALUATION

Inventories are valued at lower of cost or net realizable value except scrap, which is valued at net estimated realizable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials, Stores & Spares, Power & Fuel and packing Materials	Weighted average method
Work-in -process and finished goods	Variable Cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed productionoverheads are included based on normal capacity of production facilities.

Cost includes all direct costs, cost of conversion and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition inclusive of excise duty wherever applicable. Cost formula used is based upon weighted average cost.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

1.7 FOREIGN CURRENCY TRANSACTIONS :

Transactions in foreign currency are recorded at the exchange rate prevailing on / or closely approximating to the date of transaction. Current Assets and Liabilities are restated at the rate prevailing at the period end or at the forward rate where forward cover for specific asset / liability has been taken. The difference between the period end rate and the exchange rate at the date of the transaction is recognized as income or expense in the Profit and Loss Account. In respect of forward exchange contracts, the difference (being premium / discounts) between the contract rate and the rate on the date of transaction is recognized as income or expense in the Profit and Loss Account over the life of the contract.

1.8 TAXATION

- (a) Current tax is provided at the rates in force, on the taxable profits arrived at with reference to the provisions of Income Tax Act, 1961.
- (b) Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and is written - down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.
- (c) Minimum Alternate Tax (Mat) credit is recognized as an assets only when and to the extent there is a convincing evidence that the company will pay normal income tax during the specified period. In the year in which MAT credit become eligible to be recognized as an asset in accordance with Guidance Note issued by the Institute of Chartered Accountants of India , the said asset is credited by way of a Credit to Profit & Loss Account and shown as MAT Credit Entitlement .

1.9 BORROWING COST :

Borrowing Costs are charged to Statement of profit & loss, except when funds are specially borrowed to acquire fixed assets, in which case the same is capitalized till the date the subject assets are ready for the intended use.

1.10. PROVISIONS AND CONTINGENT LIABILITY

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligations. A disclosure of the contingent liability, if determinable, is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. But where there is a possible obligation but the likelihood of outflow of resources is remote, no provision / disclosure is made.

1.11. REVENUE RECOGNITION

- (a) Revenue from sale of goods is recognized when the goods are dispatched to the customers and is stated gross of excise duty and net of sales returns and sales tax.
- (b) Gain / Loss on investments in Growth / Dividend plans of Mutual Funds are accounted for on sale / redemption of units.
- (c) Dividend from the Units of Mutual Funds is accounted for when the Company becomes legally entitled to it
- (d) Income from interest on deposits and loans is recognized on time proportionate method.

1.12 USE OF ESTIMATES

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period the same is determined.

1.13 EARNINGS PER SHARE

Basics earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.14 GOVERNMENT GRANTS:

Grant is in the nature of capital subsidy received against specific fixed assets are adjusted to the cost of the assets as the same is towards meeting cost of asset created.

Notes to the financial statements as at 31st March 2014**Note No. '2' Share Capital****(Rs. in lacs)**

Particulars	As at 31st March 2014	As at 31st March 2013
AUTHORISED CAPITAL		
1000000 Equity Shares of Rs. 10/- each	100.00	100.00
(P.Y. 10,00,000 equity shares of Rs. 10/- each)	<u>100.00</u>	<u>100.00</u>
ISSUED CAPITAL		
1000000 Equity Shares of Rs. 10/- each	100.00	100.00
(P.Y. 10,00,000 equity shares of Rs. 10/- each)	<u>100.00</u>	<u>100.00</u>
SUBSCRIBED & PAID UP CAPITAL		
1000000 Equity Shares of Rs. 10/- each, fully paid	100.00	100.00
(P.Y. 10,00,000 equity shares of Rs. 10/- each, fully paid)	<u>100.00</u>	<u>100.00</u>
TOTAL	<u>100.00</u>	<u>100.00</u>

- During the current year and in the previous year, there have been no movements in the number of the equity shares outstanding.
- The Company has only one class of equity shares, having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors, if any is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of the shareholdings.
- Details of shares held by shareholders holding more than 5% as at 31st March 2014 & as at 31st March, 13 is set out below:**

Name of the shareholders	As at 31st March 2014		As at 31st March 2013	
	No. of	% of	No. of	% of
	Shares Held	Holding	Shares Held	Holding
Indian Toners & Developers Ltd.	510000	51.00%	510000	51.00%
Mr. Sushil Jain	166950	16.69%	166950	16.69%
Mrs. Nandita Jain	133010	13.30%	133010	13.30%
Mr. Akshat Jain	100010	10.00%	100010	10.00%
Ms. Ashima Jain	90000	9.00%	90000	9.00%
TOTAL	<u>999970</u>	<u>99.99%</u>	<u>999970</u>	<u>99.99%</u>

4. Details of shares held by holding company/associate company

Name of the shareholders	As at 31st March 2014		As at 31st March 2013	
	No. of	% of	No. of	% of
	Shares Held	Holding	Shares Held	Holding
Indian Toners & Developers Ltd.	510000	51.00%	510000	51.00%
TOTAL	<u>510000</u>	<u>51.00%</u>	<u>510000</u>	<u>51.00%</u>

ITDL IMAGETEC LIMITED

Note No. '3' Reserve & Surplus	(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013
Surplus		
Opening Balance	2196.34	1371.07
Add:Net profit for the year	1250.69	883.77
Amount available for Appropriation	<u>3447.03</u>	<u>2254.84</u>
Less : Appropriation		
i) Interim/Proposed Dividend on Equity Shares	(50.00)	(50.00)
ii) Dividend Distribution Tax	(8.50)	(8.50)
TOTAL	<u>3388.53</u>	<u>2196.34</u>

Dividend for 2013-14 proposed to be distributed to equity shareholders is Rs. 5/- (Previous Year Rs. 2/-) per equity share.

Note No. '4' Deferred Tax Liabilities	(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013
1. Deferred Tax Liability on account of :		
Accelerated Depreciation	266.62	254.41
	<u>266.62</u>	<u>254.41</u>
2. Deferred Tax Asset on account of :		
Provision for leave Encashment	6.86	6.25
	<u>6.86</u>	<u>6.25</u>
NET DEFERRED TAX LIABILITY	<u>259.76</u>	<u>248.16</u>

Note No. '5' Other Long Term Liabilities	(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013
Trade Deposit from Dealers & Distributors	62.54	66.48
TOTAL	<u>62.54</u>	<u>66.48</u>

Note No. '6' Long Term - Provisions	(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013
Provision for Leave Encashment (Refer Note No. 36)	13.39	7.39
TOTAL	<u>13.39</u>	<u>7.39</u>

Note No. '7' Short Term Borrowings	(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013
1. Loan Received from Related Party (The Holding Co.)		
Unsecured (Refer Note 44)	-	700.00
2. Cash Credit loan from Bank - repayable on demand (secured)	-	2.25
TOTAL	<u>-</u>	<u>702.25</u>

SECURITY:Hypothecation of Company's entire current assets (Present & Future) including raw material, WIP, Consumables & finished goods and receivable by way of first charge, first charge on Fixed Assets (except land & building) of the company and EM of land and building in the name of Company situated at D-11, Phase-II, Eldeco-Sidkul Industrial Park, Sitarganj, Distt. Udham Singh Nagar.

Note : Unsecured Loan for the related party is repayable in terms with the Holding Co.

Note No. '8' Trade Payable (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
1. Trade Payables* (for MSME refer note no. 34)	551.30	309.65
TOTAL	<u>551.30</u>	<u>309.65</u>

Note No. '9' Other Current Liabilities (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
1. Trade Advances	27.01	50.43
2. Statutory Dues Payable	7.13	14.60
3. <u>Other Payable</u> -		
a) Accrued Salaries & Benefits	48.61	49.82
b) Expenses Payable	64.63	75.60
c) Others	30.97	13.17
TOTAL	<u>178.36</u>	<u>203.62</u>

Note No. '10' Short Term Provisions (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
1. <u>Employee Benefit</u>		
Leave Encashment (Refer Note No. 36)	6.81	10.99
2. <u>Others</u>		
Provision for Dividend on Equity Shares	-	50.00
Provision for Dividend Distribution Tax	-	8.50
Provision for Taxation	448.70	387.50
TOTAL	<u>445.51</u>	<u>457.09</u>

Note No. '11'
Fixed Assets
Notes to the financial statements As at 31st March 2014

(Rs. in lacs)

S.No. Particulars	Gross Block			Depreciation			Net Block	
	Balance as at 01.04.2013	Additions during the Year	Disposal during the Year	Balance as at 01.04.2013	Additions	Disposal	Balance as at 31.03.2014	Balance as at 31.03.2013
I Tangible Assets								
1. Land	327.29	-	-	-	-	-	327.29	327.29
2. Building	571.09	26.83	-	76.18	19.30	-	502.44	494.91
3. Plant and Equipments	1635.00	4.99	15.54	328.49	86.54	3.30	1212.72	1306.50
4. Electric Installation	78.84	-	-	14.43	4.16	-	60.25	64.40
5. Furniture & Fixtures	25.74	20.12	-	5.21	2.74	-	37.90	20.52
6. Vehicles	48.85	-	-	6.20	4.64	-	38.01	42.65
7. Office Equipment	16.52	5.76	-	2.59	0.95	-	18.74	13.93
8. Computer	7.95	4.66	-	3.39	1.89	-	7.33	4.56
SUB TOTAL (A)	2711.26	62.36	15.54	436.49	120.22	3.30	2204.68	2274.78
II Intangible Assets								
Software	11.24	0.21	-	8.62	2.63	-	0.20	2.62
SUB TOTAL (B)	11.24	0.12	-	8.62	2.63	-	0.20	2.62
III Capital Work in progress								
Office Equipment	-	-	-	-	-	-	-	-
Plant and Equipment	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-
SUB TOTAL (C)	-	-	-	-	-	-	-	-
Total [A+B+C]	2722.52	62.57	15.54	445.11	122.85	3.30	2204.88	2277.40
(Current Year)	2673.88	77.30	28.67	328.33	119.88	3.09	2277.40	2345.55
(Previous Year)	2722.52	62.57	15.54	445.11	122.85	3.30	2204.88	2277.40

Capital Subsidy of Rs. 30 lacs received during the F.Y. 2011-12 for the company's investment in its manufacturing facility at Sitarganj (Uttarakhand) had been reduced from Plant & Machinery.

Note No. '12' Long Term Loans & Advances		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
I) Capital Advances	-	7.00
Unsecured, considered goods		
I) Security Deposit		
Security Deposit-Others (Unsecured considered goods)	35.25	32.83
II) Other Loans & Advance (Unsecured & considered goods)		
Margin Money held with bank*	-	0.74
Fixed Deposit with banks having maturity more than 12 months	47.34	47.64
TOTAL	<u>82.59</u>	<u>88.21</u>

*Pledged with banks against LC & Bank guarantee on behalf of the company

Note No. '13' Other Non Current Assets		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1 Mat Credit Entitlement	761.62	499.25
TOTAL	<u>761.62</u>	<u>499.25</u>

Note No. '14' Current Investment (At cost)		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1 UTI Floating Rate Fund - STP	201.90	-
TOTAL	<u>201.90</u>	<u>-</u>

Note No. '15' Inventories		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1 Raw Material (including in transit Rs. 162.55 lacs previous year 51.99 lacs)	296.90	173.35
2 Work in Process (Toners only)	30.68	41.67
3 Finished Goods (Toners only)	85.70	91.54
4 Stores & Spares	35.43	33.93
5 Fuel	20.05	15.81
6 Packing Materials (For valuation, refer Note No. 1.6)	50.92	28.79
TOTAL	<u>519.68</u>	<u>385.09</u>

Details of Raw Materials

Particulars	As at 31st March 2014	As at 31st March 2013
1 Resin	115.37	42.59
2 Magnetite	59.77	29.85
3 Others	121.76	100.91
TOTAL	<u>296.90</u>	<u>173.35</u>

Note No. '16' Trade receivables		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1 <u>Outstanding for a period exceeding six months from the date they are due for payment :</u>		
a) Unsecured, Considered Goods :	-	14.39
b) Doubtful (not provided for)	2.15	7.79
TOTAL	<u>2.15</u>	<u>22.18</u>
2 <u>Other receivables</u>		
a) Secured, Considered Goods :	68.52	72.48
b) Unsecured, Considered Goods :	499.67	443.04
c) Doubtful	-	-
TOTAL	<u>570.34</u>	<u>537.70</u>

Note No. '17' Cash & Bank Balances		(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013	
1. Cash & Cash Equivalents			
Cash on Hand			
Cash Balance	2.18	1.30	
Sub Total (A)	<u>2.18</u>	<u>1.30</u>	
Balance with banks	38.93	15.37	
Sub Total (B)	<u>38.93</u>	<u>15.37</u>	
With SBI, Jasola & East Patel Nagar (Emp. Trust A/c)	0.86	0.07	
2. Margin Money held with bank having maturity more than 3 months but upto 12 months*	146.39	42.21	
TOTAL [A+B+C]	<u>188.36</u>	<u>58.95</u>	

*Pledged with Banks against LC & Bank Guarantee on behalf of the company

Note No. '18' Short Terms Loans and Advances		(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013	
1. Advances to Employees (Unsecured, considered goods)	0.24	0.88	
2. Balance with Govt. Authorities (With Sales Tax & Excise Deptt., Rampur)	1.14	10.95	
3. <u>Others</u>			
Advance to Suppliers	1.46	3.62	
Advance Income Tax (including TDS)	442.37	388.73	
Prepaid Expenses	7.13	11.53	
Other (Refer Note No. 44)	0.31	15.65	
Income Tax Refunds	4.55		
TOTAL	<u>457.20</u>	<u>431.36</u>	

Note No. '19' Other Current Assets		(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013	
1. Interest Accrued on Fixed Assets	7.46	3.18	
2. Insurance Claim Receivables	6.64	0.26	
3. Focus Licence in hand	9.51	9.58	
TOTAL	<u>23.61</u>	<u>13.02</u>	

Note No. '20' Revenue from Operations		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
a) <u>Sale of Products</u>			
Manufacturing Goods (Comparises of Toners)	5386.84	4318.16	
Less : Discounts and Allowances	<u>(293.80)</u>	<u>(239.46)</u>	
	<u>5093.04</u>	<u>4078.70</u>	
b) <u>Other Operating Income</u>			
Sale of Scrap	0.54	0.48	
TOTAL	<u>5093.58</u>	<u>4079.18</u>	

Note No. '21' Other Income		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1. Interest Income on Fixed Deposit	11.81	10.74	
2. Sundry Balances written back	1.21	5.05	
3. Provision no longer required written back	0.04	5.79	
4. Insurance Claim Received	6.65	-	
5. Cash Discounts	7.66	5.24	
6. Other Income	2.84	5.06	
7. Foreign Exchange Fluctuation Gain / (Loss)	-	6.11	
8. Gain on Mutual Fund (Switch Over)	0.10	-	
TOTAL	<u>30.31</u>	<u>37.99</u>	

Note No. '22' Cost of Material Consumed		(Rs. in lacs)	
Particulars		For the Year ended 31st March 2014	For the Year ended 31st March 2013
Raw Materials			
Opening Stock		121.36	134.73
Add : Purchase during the year		2039.71	1571.26
Less : Closing Stock		134.35	121.36
TOTAL		2026.72	1584.63
Imported & Indigenous Raw Material Consumed		(Rs. in lacs)	
Particulars	Year ended 31st March 2014	%	year ended 31st March 2013
			%
1. Imported	2016.92	99.52	1574.64
2. Indigenous	9.80	0.48	9.99
TOTAL	2026.72	100.00	1584.63
			100.00
Details of Raw Material Consumed		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1. Resin	1188.62	940.57	
2. Magnetite	519.71	403.46	
3. Others	318.39	240.60	
TOTAL	2026.72	1584.63	
Note No. '23' Other Manufacturing Expenses		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1. Packing Material Consumed	249.02	195.69	
2. Stores and Spares Consumed	43.63	37.36	
3. Power & Fuel	269.24	236.50	
4. Repair & Maintenance of Plant & Machinery	7.93	8.06	
5. Repair & Maintenance of Building	5.11	10.17	
6. Security Expenses	10.69	8.35	
TOTAL	585.62	496.13	
Imported & Indigenous packing Material Consumed :		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	%	For the year ended 31st March 2013
			%
1. Imported	-	-	-
2. Indigenous	249.02	100	195.69
TOTAL	249.02	100	195.69
			100.00
Imported & Indigenous Stores & Spares Consumed			
1. Imported	1.61	3.69	0.04
2. Indigenous	42.02	96.31	37.31
TOTAL	43.63	100.00	37.35
			100.00
Note No. '24' Change in Inventories		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
Inventories at the end of the year			
1. Finished goods	85.70	91.54	
2. Work-in-Process	30.68	41.67	
	116.38	133.21	
Inventories at the beginning of the year			
3. Finished Goods	91.54	69.27	
4. Work-in-Process	41.67	36.59	
	133.21	105.86	
TOTAL	16.83	(27.35)	
Note No. '25' Employee Benefits Expenses		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1. Salaries, Wages, Bonus etc.	406.59	366.20	
2. Contribution to Provident & Other Fund	18.83	17.52	
3. Staff Welfare Expenses	8.98	6.18	
TOTAL	434.40	389.90	
Note No. '26' Finance Cost		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1. Interest to Holding Company	31.45	95.87	
2. Interest - Others	11.14	14.24	
TOTAL	42.59	110.11	

Note No. '27' Other Expenses		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1 Rent*	48.25	32.03	
2 Rates & Taxes	4.12	2.90	
3 Insurance	10.45	8.99	
4 Repair & Maintenance to Computers	1.13	0.35	
5 Repair & Maintenance Office	10.11	8.93	
6 Director Sitting Fees	0.22	0.33	
7 Freight, Clearing & Forwarding Expenses	103.75	110.54	
8 Advertisement Expenses & Sales Promotion Exp.	31.13	19.98	
9 Discount, Incentives & Samples	169.57	144.45	
10 Miscellaneous Expenses	17.72	13.42	
11 Recruitment Expenses & Seminar Exp.	1.69	4.09	
12 Printing & Stationery	12.86	5.02	
13 Electricity Expenses*	5.14	4.11	
14 Communication Expenses*	8.99	12.52	
15 Travelling & Conveyance Expenses	129.34	106.61	
16 Vehicle Running & Maintenance Expenses*	12.59	18.70	
17 Bank Charges	9.52	8.61	
18 Auditors Remuneration			
As Auditor	1.69	1.40	
As Taxation Matter	0.28	0.28	
For Other Services (Inc. Service Tax)	0.14	0.95	
19 Legal & Professional Expenses	6.68	9.58	
20 Commission on Sales	7.87	1.96	
21 Loss on Sale of Fixed Assets	10.31	5.60	
22 Foreign Exchange Fluctuation Gain / (Loss)	27.71	-	
TOTAL	631.26	521.35	

* Above Expenses include Rs.59.38 Lacs (previous year Rs. 49.05 lacs) paid to Holding Co.for sharing the Utilities.

Note No. '28' Exceptional Items		(Rs. in lacs)	
	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
Rent Accured (on account of disputed rent settled during the year)	-	5.44	
TOTAL	-	5.44	

Notes to the Financial Statements for the year ended 31st March, 2014 **(in lacs)**

29. Contingent liabilities not provided for in respect of:	As at 31st March 2014	As at 31st March 2013	
a) Letters of credit established in favour of the suppliers	640.82	446.45	
b) Sales Tax / Trade Taxes (the amount has been deposited and kept as advances)	1.14	NIL	
30. Commitments :	As at 31st March 2014	As at 31st March 2013	
Estimated amount of contract remaining to be executed on capital amount and provided for (net of advances)	NIL	18.82	
31. Balances in accounts of Sundry Debtors, Advances, Security deposits from dealers are subject to confirmations for the respective parties.			
32. a) Accounting Standard as to Segment Reporting AS -17 is not applicable to the Company as it is engaged in the business of Toners and Developers which is the single reportable segment.			
However, disclousure as to secondary segment is as under :			

ITDL IMAGETEC LIMITED

	For the Year ended 31st March 2014	For the Year ended 31st March 2013
Geographical Segment :	(Rs. in lacs)	(Rs. in lacs)
i) Domestic Sale	: 5093.04	4078.70
33. MAT Credit Entitlement (including for the previous year) amounting to Rs.761.64 lacs has been recognized in view of the company's current and future profitability projections.		
34. a. Trade Payables includes Rs, Nil (Previous Year Rs. Nil) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME)		
b. No interest is paid/ payable during the year as no enterprises registered under msme.		
c. The above information's have been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplies under MSME. This has been relied upon by Auditor.		
35. Amount of Exchange difference debited to statement of profit & loss amounted to Rs.27.71 lacs (Previous Year credited Rs.6.11 lacs)		

36. Disclosure as per AS 15 (revised):-

The Company has calculated the various benefits provided to employees as under:

A) Defined Contribution Plans
Provident Fund

During the year the Company has recognized the following amounts in the Statement of Profit and Loss Account :

	For the Year ended 31st March 2014 (Rs. In. Lacs)	For the Year ended 31st March 2013 (Rs. In. Lacs)
Employers Contribution to Provident Fund	13.84	12.65
B) State Plans		
a) Employee State Insurance		

During the year the Company has recognized the following amounts in the Statement of Profit and Loss Account:

	For the Year ended 31st March 2014 (Rs. In. Lacs)	For the Year ended 31st March 2013 (Rs. In. Lacs)
Employers Contribution to Employee State Insurance	4.99	4.87
C) Defined Benefit Plans		
a) Leave Encashment		
b) Gratuity		

The discount rate assumed is 8% which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market. Reconciliation of opening and closing balances of the present value of the defined benefit obligation is as under:

Particulars	(Rs. in lacs)			
	Gratuity (Funded)*		Leave Encashment (Unfunded)*	
	CurrentYear	PreviousYear	CurrentYear	PreviousYear
The principal assumptions used in actuarial valuation are as under :				
· Discount rate	8.75%	9%	9%	8%
· Expected rate of return on assets	—	—	—	—
· Expected rate of future salary increase	6%	6%	5%	5%
Change in present value of obligations	—	—	—	—
· Present value of obligations as at 01.04.2013	22.30	23.92	18.38	14.90
· Interest cost	2.00	1.81	1.47	1.19

ITDL IMAGETEC LIMITED

· Current service cost	1.78	4.77	4.40	4.83
· Benefits paid	(2.98)	(0.69)	-	-
· Actuarial (Gain)/loss on Obligations	-	(7.51)	(4.07)	(2.53)
· Present value of obligation as at 31.03.2014	23.10	22.30	20.18	18.38
Changes in fair value of plan assets	Not Available	Not Available	Not Available	Not Available
Liability recognized in the Balance Sheet				
· Present value of obligations as at 31.03.2014	—	—	20.18	18.38
· Fair value of plan assets as at the end of the year	—	—	—	—
· Unfunded status	—	—	—	—
· Unrecognised Actuarial (Gain) / Loss	—	—	—	—
· Net (Assets) / Liability recognized in Balance Sheet	—	—	20.18	18.38
Expenses recognized in Profit and Loss Account				
· Current service cost	1.78	4.77	4.40	4.83
· Post service cost	—	—	—	—
· Interest cost	—	—	1.47	1.19
· Expected return on plan assets	—	—	—	—
· Net Actuarial (Gain) / Loss recognized during the year	—	—	(4.07)	(2.53)
· Total Expense recognized in Profit and Loss Account	1.78	4.77	1.80	3.49

37. Loans from holding company include accrued interest amounting to Rs. 31.45 lacs during the year (Previous Year 97.87 lacs). Maximum amount of loan / interest during the year Rs. 700.00 lacs (Previous year Rs.1327.89 lacs)

38. Disclosure pursuant to AS-29 (Movement of provisions) (Rs. in lacs)

DISCOUNTS & INCENTIVES

	As at 31st March 2014	As at 31st March 2013
Opening Balance	12.05	10.13
Add Creations	2.54	2.90
Less		
(a) Utilizations	4.85	0.98
(b) Written Back	-----	-----
Closing Balance	<u>9.74</u>	<u>12.05</u>

39. Particulars of unhedge foreign currency expenses as at 31.03.2014 **(Rs. in lacs)**

	As at 31st March 2014	As at 31st March 2013
Creditors for Import of Goods	520.79	300.41

40. Expenditure in foreign currency : **(Rs. in lacs)**

	For the Year ended 31st March 2014	For the Year ended 31st March 2013
(i) Foreign Travels	21.80	13.51

41. Earning in Foreign Exchange : **(Rs. in lacs)**

	For the Year ended 31st March 2014	For the Year ended 31st March 2013
FOB Value of Exports	Nil	Nil

42. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS: **(Rs. in lacs)**

	For the Year ended 31st March 2014	For the Year ended 31st March 2013
i) Raw Materials	1909.05	1477.42
ii) Stores & Spares and packing materials	2.90	0.37

43. Calculation of Earning Per Share For the Year ended 31st March 2014 For the Year ended 31st March 2013

1. No. of Shares at the beginning of the year	1000000	1000000
2. No of Shares at the close of the year	1000000	1000000
3. Net Profit after Tax Rs. (in lacs)	1250.73	883.82
4. E. P. S. Rs.	125.07	88.38

44. Related Party Disclosure (Pursuant to Accounting Standard - 18)

(i) RELATIONSHIP:

(a) Indian Toners & Developers Ltd. (Holding Co.)	-	Shri Sushil Jain (Director)
(b) Key Management Personnel	-	Shri Akshat Jain, (Director)
(c) Relative of Key Management Personnel	-	Smt. Nandita Jain (Wife of Sh. Sushil Jain) Project Manager & Shareholder
	-	Ms. Aashima Jain (Daughter of Sh. Sushil Jain) Shareholder
(d) Enterprises over which Key Management Personnel and/or relative are able to exercise significant influence	-	Shrilon India Ltd. Alankar Securities Private Limited Mahavir Phototech Private Limited Triveni Securities Private Limited Jain Tube Company Limited

(ii) Detail of transactions with Related Parties during the year : (Rs. in lacs)

Name of the Company / Nature of transactions	For the Year 2013-14	For the Year 2012-13
Indian Toners & Developers Ltd.		
Opening balance		
Loans	700.00	1327.89
Advances	15.65	-----
Transactions during the year		
Loans & Advances received (Including interest Rs.31.45 lacs (Previous Year Rs. 95.87 lacs) and Sharing of expenses for office use and other facilities Rs.59.38 lacs (Previous Year Rs. 49.05 lacs)	(775.18)	(627.89)
Advance to Holding Company against Expenses	NIL	15.65
Interim Dividend Paid/Proposed	51.00	25.50
Closing balance		
Loan & Advances	NIL	700.00
Advance to Holding Company against Expenses	NIL	15.65
Dividend Payable	NIL	25.50
Remuneration Paid to relative of Key Management	7.75	6.59

Note:

(1)) In addition to above during the year Company entered into an agreement of High Seas Sale/Purchase with Holding Company (Indian Toners & Developers Limited). Total sale and purchase made on high seas basis is Rs.80.54 (Previous Year Rs. Nil) and Rs.Nil (Previous Year Rs.Nil) . Local Sales & Purchase Rs.17.96 Lacs (Previous Year Rs 1.30 lacs) & Rs.14.28 Lacs (Previous Rs. 14.49 Lacs) respectively from holding company. Also the company has purchased Licenses under Focus scheme from the holding company of Rs.20.67 lacs (Previous Year Rs. 20.54 lacs)

45. Previous year's figures have been regrouped / re arranged whenever necessary to make them comparable with those of the current year.

45. The financial statements for the year ended 31st March 2014 are prepared under Schedule VI.

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**
Chartered Accountants
ICAI's FRN 304153E
(B.R.GOYAL)
Partner
Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 21st Day of May 2014

For and on Behalf of the Board of Director

(SANJEEV GOEL)
Director

(SUSHIL JAIN))
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(Rs. in lacs)

A. CASH FLOW ARISING FROM OPERATING ACTIVITIES	For the Year ended 31st March 2014	For the year ended 31st March 2013
Net Profit before tax	1263.64	917.08
Adjustment for		
Depreciation & Amortisation	122.85	119.88
Loss / (Profit) on sale/discard of Fixed Assets/Intangibles	10.31	5.60
Finance Cost	42.59	110.11
Interest Income	(11.81)	(10.74)
Provision for Employee Benefits	1.80	3.48
Liabilities / provisions no longer required written back & sundry balance written back	(1.26)	(10.84)
Unrealised Foreign Exchange (Gain)/Loss	(14.45)	(11.18)
Loss of finished goods in transit	(6.65)	
Income from Current Investment (Non Trade) Dividend	(0.10)	
Operating Profit Before Working Capitals Changes	1406.92	1123.39
Adjustments For		
(Increase) / Decrease in Inventories	(134.57)	(46.22)
(Increase) / Decrease in Trade & other receivables	(8.77)	(63.21)
Increase / (Decrease) in Trade payables	228.13	(102.11)
Cash Generated from Operations	1491.70	911.85
Direct Taxes Paid	(256.24)	(190.94)
Net Cash Inflow / (outflow) in course of Operating Activities (A)	1235.46	720.91
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/Capital Advances & CWIP	(62.57)	(83.98)
Purchase of Investments (Net of Sales)	(201.10)	-
Proceeds from Sale of fixed assets	1.92	19.66
Movement in bank & other deposits	(98.56)	36.03
Interest Received	11.81	10.74
Dividend Received	0.10	-
Net Cash Inflow / (outflow) in course of Investing Activities (B)	(348.40)	(17.55)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of loan received from holding company (long term borrowings)	-	(600.00)
Dividend Paid	(117.00)	(23.24)
Interest paid	(42.59)	(110.11)
Proceed from / (payment of) Short Term Borrowings	(702.25)	2.25
Net Cash Inflow / (outflow) from Financing Activities (C)	(861.84)	(731.10)
Net Increase / (Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	25.22	(27.74)
Cash And Cash Equivalents at the beginning of the year (Opening Balance)	16.74	44.48
Cash & Cash Equivalent At the closing of the year	41.96	16.74

Notes : (1) The Cash Flow Statements has been prepared under the 'In direct Method' set out in Accounting Standard-3 Cash Flow Statements specified in the Companies (Accounting Standard) Rules, 2006.

(2) Previous Years figures have been regrouped / rearranged wherever considered necessary to confirm to make them comparable with those of current year's figure.

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**
Chartered Accountants
ICAI's FRN 304153E
(B.R.GOYAL)
Partner

For and on Behalf of the Board of Directors

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Director

Membership No. 12172
11K, Gopala Tower , 25, Rajendra Place, New Delhi
The 21st Day of May 2014

AUDITORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

**TO THE BOARD OF DIRECTORS OF INDIAN
TONERS & DEVELOPERS LIMITED
REPORT ON THE CONSOLIDATED
FINANCIAL STATEMENT
Report on the Consolidated Financial
Statements**

1. We have audited the accompanying Consolidated Financial Statement of **Indian Toners & Developers Limited** ("the Company") and its subsidiary (The Company and the subsidiary constitute Group) which comprises the Consolidated Balance Sheet as at March 31, 2014, and the Consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the
Consolidated Financial Statements**

2. Management is responsible for the preparation of these Consolidated Financial Statement that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend

Place : New Delhi
Date: 21st May, 2014

on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Groups preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. We report that the Consolidated Financial Statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 Consolidated Financial Statements notified under section 211 (3C) of the Companies Act, 1956.
7. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of our reports on the financial statements of the subsidiary, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - (a) in the case of the consolidated Balance Sheet of the state of affairs of the Group as at 31st March, 2014;
 - (b) in the case of consolidated Statement of Profit and Loss, of the Group of the Profit for the year ended on that date; and
 - (c) in the case of consolidated Cash Flow Statement of the Group, of the Cash Flows for the year ended on that date.

FOR K.N.GUTGUTIA & CO.,

(B.R.GOYAL)
PARTNER

CHARTERED ACCOUNTANTS
Membership No. 12172
ICAI'S FRN 304153E

Consolidated Balance Sheet As At 31st March 2014 (Rs. in lacs)

S.No.	Particulars	Note No.	As at 31st March 2014	As at 31st March 2013
I EQUITY AND LIABILITIES				
(1) Shareholders' Fund				
a.	Share Capital	2	805.89	805.89
b.	Reserve & Surplus	3	5758.53	4628.13
c.	Minority Interest		1800.99	1188.11
(2) Non Current Liabilities				
(a)	Long Term Borrowings	4	-	5.64
(b)	Deferred Tax Liabilities (Net)	5	474.69	478.60
(c)	Other Long Term Liabilities	6	62.52	66.48
(d)	Long Term Provisions	7	29.11	23.05
(4) Current Liabilities				
(a)	Short Term Borrowings	8	-	2.25
(b)	Trade Payables	9	900.63	608.76
(c)	Other Current Liabilities	10	357.81	291.21
(d)	Short-Term Provisions	11	665.72	681.06
TOTAL			10855.89	8779.18
II ASSETS				
(1) Non-Current Assets				
(a) Fixed Assets				
		12		
i)	Tangible Assets		3491.26	3529.65
ii)	Intangible Assets		8.91	23.15
iii)	Capital Work in progress		8.76	-
(b)	Non current investments	13	-	59.10
(c)	Long terms loans and advances	14	128.04	195.65
(d)	Other non-current assets	15	761.64	499.25
(2) Current Assets				
(a)	Current Investments	16	2850.62	1501.57
(b)	Inventories	17	987.74	914.99
(c)	Trade receivables	18	1177.21	1106.42
(d)	Cash and Cash Balances	19	673.21	264.65
(e)	Short-term loans and advances	20	736.98	676.16
(f)	Other current assets	21	31.52	8.59
TOTAL			10855.89	8779.18
Significant Accounting Policies			1	0.00

The Notes form an integral part of these Financial statements 1 to 48

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**Chartered Accountants
ICAI's FRN 304153E**(B.R.GOYAL)**

Partner

Membership No. 12172

11K, Gopala Tower , 25, Rajendra Place, New
Delhi

The 21st Day of May 2014

For and on Behalf of the Board of Directors

(S.C. SINGHAL)
Company Secretary**(SANJEEV GOEL)**
Director**(SUSHIL JAIN)**
Chairman & Managing Director

INDIAN TONERS & DEVELOPERS LIMITED

Consolidated Profit & Loss Account for the period ended on 31st March, 2014
(Rs. in lacs)

Particulars	Note No.	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Income			
I. Revenue from operations (net of excise duty Rs. 0.99 lacs) (P.Y. Rs. 0.24 lacs)	22	8463.93	6856.48
II. Other Income	23	149.98	138.96
III. Total Revenue (I + II)		<u>8613.91</u>	<u>6995.44</u>
IV. Expenses :			
Cost of material consumed	24	3447.62	2848.61
Other Manufacutring Expenses	25	1058.36	1054.28
Change in inventories of finished goods & work in progress	26	30.35	(105.67)
Employee Benefit Expense	27	861.68	779.27
Finance Costs	28	19.42	27.95
Depreciation and amortisation expense		231.43	216.21
Other Expenses	29	992.29	899.06
Total Expenses (IV)		<u>6641.15</u>	<u>5719.71</u>
V Profit before exceptional items and tax	(III-IV)	1972.76	1275.73
VI Exceptional Items	30	28.64	24.65
VII Profit before tax		<u>1944.12</u>	<u>1251.08</u>
VIII Tax Expenses			
1. Current Tax		(465.20)	(291.50)
2. Tax in respect of earlier years		21.78	
3. Deferred Tax charges		3.91	(46.41)
4. Mat Credit Entitlement		262.39	181.35
IX Profit for the year		<u>1767.00</u>	<u>1094.52</u>
X Minority Interest		612.86	433.05
XI Profit after Tax and Minority Interest		<u>1154.14</u>	<u>661.47</u>
XII Earning Per equity share of Rs. 10/- each			
1. Basic		14.32	8.21
2. Diluted		14.32	8.21

Significant Accounting Policies 1
The Note form an integral part of these financial statements 1 to 48

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**

Chartered Accountants
ICAI's FRN 304153E

(B.R.GOYAL)
Partner

(S.C. SINGHAL)
Company Secretary

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Chairman & Managing Director

Membership No. 12172
11K, Gopala Tower , 25, Rajendra Place, New Delhi
The 21st Day of May 2014

For and on Behalf of the Board of Directors

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 March 2014

NOTE:-1 – SIGNIFICANT ACCOUNTING POLICIES

GENERAL INFORMATION

Indian Toners & Developers Limited (hereinafter referred to as 'the Company') is a manufacturer of Toners only. The Company's manufacturing facilities are located at Rampur (Uttar Pradesh) & Sitarganj (Uttarakhand).

1.1 BASIS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS.

The accompanying consolidated financial statements include the accounts of ITDL Imagetec Limited. The financial year end of the subsidiary is 31st March.

The consolidated financial statements have been prepared to comply in all material respect with the all mandatory Accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention and on accrual basis. The accounting policies have been consistently applied by the group and are consistent with those used during the previous year. The consolidation of accounts has been done on line to line basis.

The presentation of financial statements is in conformity with generally accepted accounting principles. All significant intercompany balances and transactions between the company and its subsidiaries have been eliminated in consolidation.

ITDL Imagetec Ltd. is subsidiary of the Company and it is incorporated in India and the plant at Sitarganj, Uttarakhand has started commercial production from 10.04.2009. The Company has 51% shareholding interest in the Company. The plant manufactures the product 'Toners'.

The Company follows mercantile system of Accounting and recognizes all significant items of income and expenditure on accrual basis and these accounts have been prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountant of India as applicable to it.

All the Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent the Company has ascertained its operating cycle to be less than 12 months.

1.2 TANGIBLE AND INTANGIBLE FIXED ASSETS :

- a) Fixed Assets are stated at cost less Depreciation provided for.
- b)
 - i) Depreciation is provided on straight line method treating the Plant as continuous process Plant (except R & D Plant), at rates and in the manner as per Schedule XIV to the Companies Act, 1956 as amended vide notification dated 16th December, 1993. Depreciation on assets added/ deducted during the year is charged proportionate with reference to the date of additions / deductions.
 - ii) Depreciation on R & D plant is charged, treating the same as non – continuous, in the same manner as mentioned above.
- c) Intangible assets, represented by product development are amortized over a period of five years from the quarter in which the same is put to its commercial use.
- d) Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100%
- e) Software are amortised on straight line method over a period of three years.

1.3 IMPAIRMENT OF ASSETS

The carrying amount of fixed assets are revised at each Balance Sheet date if there is any indication of impairment based upon internal / external factors. Any impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of asset but selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

1.4 RESEARCH & DEVELOPMENT

Capital expenditure on Research & Developments is treated in the same manner as Fixed Assets. The Revenue expenditure on R & D (other than on product development) is charged off in the year in which the same are incurred. However, expenditure on development of new product is recognized as intangible asset to the extent it is expected that such asset will generate future economic benefits.

1.5 EMPLOYEE BENEFITS

INDIAN TONERS & DEVELOPERS LIMITED

- Contributions payable for provident fund and employee state insurance, which are defined contribution plans, are charged to statement of profit & loss.
- Gratuity and leave encashment which are defined benefits are accrued, recognized and calculated on unit credit method, based on actuarial valuation, as at balance sheet date provided by L.I.C. and by an independent actuarial valuer respectively.
- The Company has opted for a group gratuity – cum Life Assurance Scheme of the Life Insurance Corporation of India for employees and the annual contribution for it is charged to the statement of profit & loss on the accrual basis.

1.6 INVESTMENTS

Investments that are readily and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. Current investments are carried at lower of cost and fair value. Non-current investments are carried at cost. However, provision of diminution is made to recognize as decline, other than temporary, in the value of investment, such reduction being determined and made for each investment individually

1.7 INVENTORY VALUATION :

Inventories are valued at lower of cost or net realizable value except scrap, which is valued at net estimated realizable value.

The methods of determining cost of various categories of inventories are as follows:

Cost includes all direct costs, cost of conversion and appropriate portion of variable and fixed production overheads and such other costs incurred as to bring the inventory to its present location and condition inclusive of excise duty wherever applicable. Cost formula used is based upon weighted average cost.

Raw materials, Stores & Spares, Power & Fuel and packing Materials	Weighted average method
Work-in -process and finished goods	Variable Cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

1.8. FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currency are recorded at the exchange rate prevailing on / or closely approximating to the date of transaction. Current Assets and Liabilities are restated at the rate prevailing at the period end or at the forward rate where forward cover for specific asset / liability has been taken. The difference between the period end rate and the exchange rate at the date of the transaction is recognized as income or expense in the Statement of profit & loss. In respect of forward exchange contracts, the difference between the contract rate and the rate on the date of transaction is recognized as income or expense in the Statement of profit & loss over the life of the contract.

1.9 TAXATION :

- (a) Current tax is provided at the rates in force, on the taxable profits arrived at with reference to the provisions of Income Tax Act, 1961.
- (b) Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and is written – down or written-up to reflect the amount that is reasonably /

virtually certain (as the case may be) to be realized.

- (c) Minimum Alternate Tax (Mat) credit is recognized as an assets only when and to he extent there is a convincing evidence that the company will pay normal income tax during the specified period. In the year in which MAT credit become eligible to be recognized as an asset in accordance with Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is credited by way of a Credit to Statement Profit & Loss and shown as MAT Credit Entitlement .

1.10. BORROWING COST:

Borrowing Costs are charged to Statement of profit & loss, except when funds are specially borrowed to acquirequalifying fixed assets, in which case, the same is capitalized till the date the subject assets are ready for the intended use.

- 1.11. The Company has the practice of providing for the liability on account of import duty on Raw material / Stores / Spares in transit or in Bonded Warehouse at the year end and providing for liability on account of Excise duty on stock of finished goods lying in the factory premises.

1.12. PROVISIONS AND CONTINGENT LIABILITY

The Company recognizes a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligations. A disclosure of the contingent liability, if determinable, is made when there is a possible obligation or a present obligation that may, but probably will not, require and outflow of resources. But where there is a possible obligation but the likelihood of outflow of resources is remote, no provision / disclosure is made.

1.13. REVENUE RECOGNITION

- (a) Revenue from sale of goods is recognized when the goods are dispatched to the customers and is stated gross of excise duty and net of sales returns and sales tax.
- (b) Gain / Loss on investments in Growth / Dividend plans of Mutual Funds are accounted for on sale / redemption of units.
- (c) Dividend from the Units of Mutual Funds is accounted for when the Company becomes legally entitled to it.
- (d) Income from interest on deposits and loans is recognized on time proportionate method.

1.14. USE OF ESTIMATES

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period the same is determined.

1.15. EARNINGS PER SHARE

Basics earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.16. Government Grant

Grant in the nature of capital subsidy received against specific received against specific fixed assets are adjusted to the cost of the assets are the same is towards meeting cost of asset created.

Notes to the financial statements as at 31st March 2014**Note No. '2' Share Capital****(Rs. in lacs)**

Particulars	As at 31st March 2014	As at 31st March 2013
<u>AUTHORISED CAPITAL</u>		
17000000 Equity Shares of Rs. 10/- each	1700.00	1700.00
(P.Y. 17000000 equity shares of Rs. 10/- each)	1700.00	1700.00
<u>ISSUED CAPITAL</u>		
8058900 Equity Shares of Rs. 10/- each	805.89	805.89
(P.Y. 8058900 equity shares of Rs. 10/- each)		
<u>PAID UP</u>		
8058900 Equity Shares of Rs. 10/- each, fully paid	805.89	805.89
(P.Y. 8058900 equity shares of Rs. 10/- each fully paid)		
TOTAL	805.89	805.89

2.1. During the current year and in the previous year, there have been no movements in the number of the equity shares outstanding.

2.2. The Company has only one class of equity shares, having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of the shareholdings.

2.3. The Details of shareholders holding more than 5% of the aggregate shares in the company :

Name of the shareholders	As at 31st March 2014	As at 31st March 2013
	% of Holding	% of Holding
ABC Commercial Co. Ltd. 474000 shares (p.y. 474000 shares) @ Rs. 10 each	5.9	5.9
Mahavir Phototech Pvt. Ltd. 915561 shares (p.y. 915561 shares) @ Rs. 10 each	11.4	11.4
Alankar Securities Pvt. Ltd. 807854 shares (p.y. 807854 shares) @ Rs. 10 each	10.0	10.0
Triveni Securities Pvt. Ltd. 631509 shares (p.y. 631509 shares) @ Rs. 10 each	7.8	7.8
Sushil Jain 666462 shares (p.y. 391362 shares) @ Rs. 10 each	8.27	4.85

Note No. '3' Reserve & Surplus**(Rs. in lacs)**

Particulars	As at 31st March 2014	As at 31st March 2013
1. Surplus		
Opening Balance	4628.13	4002.81
Add : Adjustment on account of closure of subsidiary	-	12.15
Add : Net profit for the year	1154.14	661.47
Less : Proposed Dividend	(15.24)	(39.80)
Less : Dividend Distribution Tax	(8.50)	(8.50)
TOTAL	5758.53	4637.39

INDIAN TONERS & DEVELOPERS LIMITED**Note No. '4' Long Term Borrowings (Rs. in lacs)**

Particulars	As at 31st March 2014	As at 31st March 2013
Other Loans & Advances		
Long Term Maturity of Finance Lease obligation (secured)	-	5.64
TOTAL	-	5.64

Aggregating to Rs. NIL (p.y. 5.64 lac) are secured against specific vehicle.
Repayment in 60 monthly instalments commencing from Nov. 2009

Note No. '5' Deferred Tax Liabilities (net) (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Deferred Tax Liability on account of :		
Accelerated Depreciation/amortisation	489.97	493.56
Deferred Tax Asset on account of :		
Provision for leave Encashment	15.28	(14.96)
NET DEFERRED TAX LIABILITY	474.69	478.60

Note No. '6' Other Long Term - Liabilities (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Trade Deposits from Dealers & Distributors (Unsecured, Considered good)	62.52	66.48
TOTAL	62.52	66.48

Note No. '7' Long Term Provisions (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Employee Benefits		
Leave Encashment (Refer Note No. 40)	29.11	23.05
TOTAL	29.11	23.05

Note No. '8' Short Term Borrowings (Rs. in lacs)

Particulars	As at 31st March 2014	As at 31st March 2013
Cash credit balance with SBI Moradabad (Secured against Plant & Machineries)	-	2.25
CLOSING BALANCE	-	2.25

Note No. '9' Trade Payable		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
Trade Payable	900.63	608.76
(For micro and small enterprises Refer Note No. 36)		
TOTAL	900.63	608.76

Note No. '10' Other Current Liabilities		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1. Current Maturities for finance lease obligations (refer note no. 4)	6.72	12.28
2. Book Overdraft	16.24	
3. Deposits From Dealers		
4. Trade Advances	27.01	50.62
5. Statutory Dues Payable	12.62	22.89
Others Payable		
Expenses Payable	152.14	104.37
Accrued Salaries & Benefits Payable	83.65	82.19
Others	59.43	18.89
TOTAL	357.81	291.21

Note No. '11' Short Term Provisions		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
Employee Benefit		
Leave Encashment (Refer Note No. 40)	17.02	20.96
Others		
Provision for Dividend on Equity Shares		50.00
Provision for Dividend Distribution Tax	-	8.50
Provision for Income Tax & Wealth Tax	648.70	601.60
TOTAL	665.72	681.06

Note No. '12'
Fixed Assets as at 31st March, 2014

(Rs. in lacs)

S.No.	Particulars	Gross Block				Depreciation			Net Block	
		Balances as at 01.04.2013	Additions during the Year	Disposals during the Year	Balances as at 31.03.2014	Upto 01.04.2013	Additions during the Year	Disposals during the Year	Upto 31-3-2014	Balances as at 31.03.2014
I	Tangible Assets									
1.	Land	330.79	-	-	330.79	-	-	-	-	330.79
2.	Building	777.17	26.84	-	804.01	172.71	26.18	-	198.89	604.66
3.	Plant and Equipments	4535.02	53.46	24.62	4563.86	2468.89	135.74	11.41	2593.22	2066.14
4.	Electrical Installations	398.27	-	-	398.27	58.44	19.34	-	77.77	339.82
5.	Furniture & Fixtures	63.74	26.44	32.38	57.79	31.59	3.88	22.95	12.52	32.15
6.	Vehicles	176.77	16.05	9.49	183.33	52.97	16.82	6.74	63.06	123.71
7.	Office Equipment Computer	65.87	9.15	44.34	30.68	47.20	1.81	40.64	8.38	22.30
8.	Wip in Improvement of Leasehold Property/Jasola	-	69.16	-	69.16	-	7.68	-	7.68	61.47
	SUB TOTAL (A)	6402.39	214.00	152.04	6464.36	2872.76	216.98	116.67	2973.07	3491.26
II	Intangible Assets									
	Intangible R&D	34.84	-	-	34.84	19.16	6.97	-	26.13	8.71
	Software	34.28	0.21	-	34.50	26.18	7.48	-	34.30	0.20
	SUB TOTAL (B)	69.12	0.21	-	69.34	45.97	14.45	-	60.43	8.91
III	Capital Work in progress									
	Building	-	-	-	-	-	-	-	-	-
	Plant & Machinery	-	-	-	-	-	-	-	-	-
	Office Equipments	-	-	-	-	-	-	-	-	-
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-
	Total [A+B+C]	6471.50	214.21	152.04	6533.69	2918.73	231.43	116.67	3033.50	3500.17
	(Current Year)	6101.73	434.25	63.96	6472.03	2723.69	216.21	20.67	2919.23	3552.80
	(Previous Year)	6101.73	434.25	63.96	6472.03	2723.69	216.21	20.67	2919.23	3552.80

Note : Building, Plant & Machineries, Electrical Installations, Office Equipments and Computers includes Rs. 28.18, Rs. 365.51, Rs. 10.09, Rs. 4.27 and Rs. 2.15 lacs respectively which includes Plant & Machinery, Office Equipment & Computers of Rs 3.51, 1.62 & 1.44 lacs purchased during the year towards, assets for R & D purposes.

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '13' Non Current Investment (at Cost)		(Rs. in lacs)	
Particulars	No. of Shares	As at 31st March 2014	As at 31st March 2013
Non Trade Investment in Associates (Unquoted, trade)			
Triveni Securities Private Limited (Equity Shares of Rs. 10 each)	0	0.00	100000 30.00
Mahavir Phototech Pvt. Ltd. (Equity Shares of Rs. 10 each)	0	0.00	97000 29.10
TOTAL		0.00	59.10
Note No. '14' Long Term Loans & Advances		(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013	
1) Capital Advances			
Unsecured, considered goods		0.00	33.91
2) Security Deposit			
Security Deposit-Others (Unsecured considered goods)	70.72		67.69
3) Loan & Advance to Employee (Unsecured considered goods)	0.00		-
4) Others :			
Margin money held with bank*		0.00	0.74
Fixed Deposit with banks with maturity period more than 12 months		57.32	93.31
TOTAL		128.04	195.65
Note No. '15' Other Non Current Assets		(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013	
Mat Credit Entitlement		761.64	499.25
TOTAL		761.64	499.25
Note No. '16' Current Investment (at the lower cost and fair value)		(Rs. in lacs)	
Particulars	No.	As at 31st March, 2014	As at 31st March, 2013
1 Investment in Mutual Funds (unquoted) Units of Rs. 10 each, unless otherwise specified)			
a) UTI Treasury Advantage Fund - Periodic Dividend Plan Payout		0.00	191.37
b) UTI Floating Rate Fund - STP - Regular Plan - Growth (NAV Rs-1457.1405 Units- 11400.354) (P.Y.NAV Rs- 2069.95 P.Y.Units-9791.727)		331.10	189.25
c) UTI Treasury Advantage Fund - Growth Plan (NAV Rs. 3228.6324, Units 8035.346)		222.91	402.97
d) UTI Treasury Advantage Fund - Institutional Plan Growth (NAV Rs. 1736.3014, Units 23256.642)		355.37	579.81
e) UTI Floating Rate Fund - Short Term Plan - Institutional Growth Plan (NAV Rs. 2069.8542, Units 56722.606)		1081.24	138.17
f) UTI Fixed Income Fund Series XV-IX (366Days)-Direct Growth Plan (NAV Rs. 10.6248, Units 4500000.00)		450.00	-
g) UTI Fixed Term Income Interval Fund VI Quaterly Interval Plan- Retail Option Direct Plant Growth (NAV Rs. 15.8173, Units 334813.208)		50.00	-
h) UTI Treasury Advantage Fund-Institutional Plan Direct Plan Growth (NAV Rs. 1739.6371, Units 20096.542) (P.Y. NAV Rs. Nil P.Y. Units Nil)		340.00	-
i) UTI Fixed Term Income Fund Series XVII (NAV Rs. 10.3103, Units 200000.000)		20.00	-
TOTAL		2850.62	1501.57
Note No. '17' Inventories		(Rs. in lacs)	
Particulars	As at 31st March 2014	As at 31st March 2013	
1 Raw Material (including in transit Rs. 213.58 lacs, (previous year 84.52 lacs)		536.09	452.53
2 Work in Progress (Toners)		131.64	180.66
3 Finished Goods (Toners)		142.97	124.30
4 Oil & Lubricants		32.52	60.10
5 Stores & Spares		73.02	54.53
6 Packing Material		71.50	42.87
TOTAL		987.74	914.99

(For valuation, refer Note No. 1.7)

INDIAN TONERS & DEVELOPERS LIMITED

Details of Raw Materials Inventory	As at 31st March 2014	As at 31st March 2013
1 Resin	191.91	205.64
2 Magnetite	94.46	36.13
3 Others	249.72	210.76
TOTAL	536.09	452.53
Note No. '18' Trade receivables		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1 Outstanding for a period exceeding six months from the date they are		
a) Secured, Considered Goods :		
b) Unsecured, Considered Goods :	2.15	14.39
c) Doubtful not provided for	-	7.79
2 Others Receivable		
a) Secured, Considered Goods :	68.52	72.48
b) Unsecured, Considered Goods :	1106.54	1011.76
c) Doubtful		
TOTAL	1177.21	1106.42
Note No. '19' Cash & Bank Balances		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1. Cash & Cash Equivalents		
Cash Balance	3.84	3.80
Cheque in Hand	-	1.25
Sub Total A	3.84	5.05
2. Balance with Bank		
Current Account	54.87	88.48
EEFC Account	356.25	107.52
Bank Deposits	150.69	-
Sub Total B	561.81	196.00
3. With SBI, East Patel Nagar (Emp. Trust A/c) (C)	0.86	0.07
4. Other Bank Balance	-	63.53
Balance with banks to the extend held as Margin Money*	106.70	-
Sub Total D	107.56	63.60
Total [A+B+C+D]	673.21	264.65
Pledged with banks against LC & Bank guarantee on behalf of the company		
*Fixed deposits with banks with maturity period more than 3 months but upto 12 months.		
Note No. '20' Short Terms Loans and Advances		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
(1) Advances to Employees (Unsecured, considered goods)	0.94	2.26
(2) Balance with Govt. Authorities		
Customer Claim Receivables	-	-
Vat Credit	1.14	2.58
Balance with Excise / Sales Tax	26.50	42.45
Service tax Recoverable	12.96	2.48
Balance with Govt. Authorities	-	10.95
(3) Others		
Advance to Suppliers	22.40	8.72
Advance Income Tax (includin TDS)	645.85	583.03
Prepaid Expenses	15.39	22.52
Others	7.25	1.17
Income Tax Refunds	4.55	
TOTAL	736.98	676.16
Note No. '21' Other Current Assets		(Rs. in lacs)
Particulars	As at 31st March 2014	As at 31st March 2013
1 Interest Accured (but not due) on Fixed Deposits	14.51	6.78
2 Insurance Claim Receivables	6.65	0.40
3 Interest Accured on Electricity Deposits	0.86	1.06
4 Focus License in hand	9.50	0.35
TOTAL	31.52	8.59

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '22' Revenue from Operations		(Rs. in lacs)	
Particulars		For the Year ended 31st March 2014	For the Year ended 31st March 2013
1	Sale of Products		
	Manufacturing Goods (Comparises of Toners)	8655.74	7002.03
	Less : Sale Return		
	Less : Discounts & Allowances	(293.80)	(239.46)
	Less : Excise Duty	(0.13)	(0.99)
2	Other Operating Reveue		
	Export Incentives	91.19	73.05
	Scrap Sales	1.61	1.83
	Gain on Sale of Focus License	9.32	20.02
	TOTAL	8463.93	6856.48

Note No. '23' Other Income		(Rs. in lacs)	
Particulars		For the Year ended 31st March 2014	For the Year ended 31st March 2013
1	Interest Income	22.47	30.51
2	Dividend Income on current investments	27.76	13.91
3	Capital Gain on Mutual Fund	32.94	-
4	Insurance Claim Received	6.65	-
5	Provision no longer required written back	5.20	8.02
6	Other Non Operating Income	14.58	29.18
7	Sundry Balance written back	1.21	5.05
8	Cash Discount	7.66	5.24
9	Exchange Fluctuation Gain (Net)	-	47.05
10	Reversal of Service Tax Adjustments	31.51	
	TOTAL	149.98	138.96

Note No. '24' Cost of Raw Material Consumed		(Rs. in lacs)	
Raw Materials		For the Year ended 31st March 2014	For the Year ended 31st March 2013
	Opening Stock	368.01	381.18
	Add : Purchase	3402.12	2835.44
	Less : Closing Stock	322.51	368.01
	Consumed	3447.62	2848.61

Imported & Indigenous Raw Material Consumed		(Rs. in lacs)	
	For the year ended 31st March 2014		For the year ended 31st March 2013
1	Imported	3361.8	98.09%
2	Indigenous	85.82	1.91%
	TOTAL	3447.62	100%

Details of Raw Material Consumed		(Rs. in lacs)	
1	Resin	2171.85	1754.32
2	Magnetitie	706.66	601.93
3	Others	569.11	492.36
	TOTAL	3447.62	2848.61

Note No. '25' Other Manufacturing Expenses		(Rs. in lacs)	
Particulars		For the Year ended 31st March 2014	For the Year ended 31st March 2013
1	Packing Material Consumed	361.70	304.86
2	Stores and Spares Consumed	66.09	47.95
3	Power & Fuel	558.87	609.72
4	Repair & Maintenance of Plant & Machinery	41.11	47.26
5	Repair & Maintenance of Building	12.03	28.46
6	Security Expenses	18.56	16.03
	TOTAL	1058.36	1054.28

Imported & Indigenous Stores, Spares & packing Material Consumed		(Rs. in lacs)	
	For the year ended 31st March 2014		For the yearended 31st March 2013
1	Imported	4.97	(0.6%)
2	Indigenous	422.82	(99.4%)
	TOTAL	427.79	100%

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '26' Change in Inventories		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1 Inventories at the end of the year			
Finished goods (Toners)	142.97	124.30	
Work-in-Process (Toners)	131.64	180.66	
	274.61	304.96	
2 Inventories at the beginning of the year			
Finished Goods (Toners)	124.30	79.98	
Work-in-Process (Toner)	180.66	119.31	
	304.96	199.29	
	30.35	105.67	
			DECREASE / (INCREASE) DURING THE YEAR
Note No. '27' Employee Benefit Expenses		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1 Salaries, Wages, Bonus etc.	809.97	732.63	
2 Contribution to Provident Fund & Other Fund	37.19	34.96	
3 Staff Welfare Expenses	14.52	11.68	
TOTAL	861.68	779.27	
Note No. '28' Finance Cost		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1 Interest Expenses	19.42	27.95	
TOTAL	19.42	27.95	
Note No. '29' Other Expenses		(Rs. in lacs)	
Particulars	For the Year ended 31st March 2014	For the Year ended 31st March 2013	
1 Rent Account	64.14	41.62	
2 Rates & Taxes	11.72	21.99	
3 Insurance Expenses	16.85	15.75	
4 Repair & Maintenance to Computers	4.85	3.49	
5 Repair & Maintenance Office	25.02	17.56	
6 Director Sitting Fees	1.73	1.81	
7 Frieght Outward	198.92	203.74	
8 Advertisement & Sales Promotion	74.33	44.09	
9 Discount & Incentive	171.07	147.24	
10 Staff Recruitment & Seminar Expenses	2.21	5.51	
11 Printing & Stationery	20.68	10.63	
12 Electricity & Water Expenses	9.92	9.50	
13 Communication Expenses	25.79	26.96	
14 Travelling Expenses (including Foreign Travelling & Conveyance)	173.53	157.12	
15 Vehicle Running & Maintenance	29.13	33.12	
16 Bank Charges	32.32	26.19	
<u>Auditors Remuneration</u>			
As Audit Fees	3.19	2.90	
As Tax Audit Fees	0.53	0.53	
For Out of Pocket Expenses	0.25	1.17	
17 Legal & Professional Expenses	26.54	21.93	
18 Commission on Sale	7.87	1.96	
19 Bed Debts	-	0.03	
20 Assets W/off	9.43		
21 Loss on Sale of Fixed Assets & Shares	17.37	31.19	
22 General Expenses	35.63	41.52	
23 Service Tax Adjustments	-	31.51	
24 Donation	0.21		
24 Foreign Exchange Fluctuations	29.06	-	
TOTAL	992.29	899.06	
Details of Research & Development Expenses		(Rs. in lacs)	
Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013	
1. Raw Material Consumed	3.41	1.99	
2. Employees Benefit Expenses	15.32	18.91	
3. Other Manufacturing Expenses	9.01	16.33	
4. Other Expenses (including Dep.)	20.84	23.24	
TOTAL	48.58	60.47	

Note No. '30' Exceptional Items

(Rs. in lacs)

	Year ended 31st March 2014	Year ended 31st March 2013
Rent Accrued (on account of disputed rent)		7.25
Loss on account of closure of subsidiary company in USA		17.40
Loss on sale of long term investment	<u>28.64</u>	<u>20.91</u>
TOTAL	<u>28.64</u>	<u>45.56</u>

Notes to the Financial Statements for the year ended 31st March, 2014 (in lacs)

31. Capital Commitments : Estimated amounts of contracts remaining to be executed on capital accounts [net of advance As at 31st March, 2014 : NIL, As at 31.03.2013 : Rs. 108.82 Lac]

32. Contingent liabilities not provided for in respect of: For the year ended 31st March 2014 For the year ended 31st March 2013

a)	Letters of credit established in favour of the suppliers	1222.40	803.41
b)	Guarantee issued by SBI on behalf of Company	0.65	0.25
c)	Sales Tax / Trade Taxes demands against which appeals have been preferred	1.14	0.82
d)	Export obligation against advance licenses	49.323	250.25

33. a) Accounting Standard as to Segment Reporting AS -17 is not applicable to the Company as it is engaged in the business of Toners and Developers which is the single reportable segment. However, disclosure as to secondary segment is as under : (Rs. in lacs)

For the year ended 31st March 2014 For the year ended 31st March 2013

Geographical Segment :

i)	Domestic Sale (including Excise Duty)	5161.70	4118.48
ii)	Export Sales (including Export benefits)	3291.45	2738.99
		<u>8453.15</u>	6857.47
b)	<u>Details of sales</u> : (including Export Benefit on Export Sales) :		
	Sales	8453.15	6857.47
	Excise Duty	(-) 0.13	(-) 0.99
	NET SALES	<u>8453.02</u>	6856.48

34. MAT Credit Entitlement (including the previous year) amounting to Rs. 761.64 lacs has been recognised in the view of the company's current and future profitability projections.

35. a) Estimated benefits aggregating to Rs.91.19 lacs/- (Previous Year Rs.73.05lacs) against exports effected during the year has been taken into account for the year as incentive accounting in respect of duty free imports of Raw Material & Packing Materials under Advance Licence Scheme and corresponding amount has been added to the cost of Materials.

b) Service Tax amounting to Rs.12.95lacs/-(Previous Year Rs.2.48lacs) have been treated as recoverable is subject to claim yet to be filed with Department. The same has been grouped in Advance Recoverable.

36. a) Trade payable includes (i) Rs. Nil (Previous Year Nil due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME).

b) No interest is paid/payable during the year no any enterprises registered under MSME.

c) The above information's have been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplied under MSME.

37. Amount of Exchange difference credited to consolidated Statement of profit & loss amounted to Rs.29.42 lacs/-during the year (previous year Rs.47.05 lacs).

38. R & D expenses included in various heads Rs. 48.58 lacs[Including Raw Material Consumption Rs.3.41 /- lacs & Depreciation Rs.19.13 lacs] (Previous year Rs.60.47lacs Raw Material Consumption Rs. 1.99 & Depreciation Rs.18.98lacs) respectively.

39. **Minority Interest:** Minority interest represents that part of the net results of the operation and the net assets of ITDL Imagetec Limited, where 49% is owned by other than parent Company.

INDIAN TONERS & DEVELOPERS LIMITED

40. The Company has calculated the various benefits provided to employees as under:

- A) Defined Contribution Plans
Provident Fund

During the year the Company has recognized the following amounts in the Profit and Loss Account :

	For the year ended 31st March 2014	For the year ended 31st March 2013
	(Rs. In. Lacs)	
Employers Contribution to Provident Fund	32.06	27.79

- B) State Plans
a) Employee State Insurance

During the year the Company has recognized the following amounts in the Profit and Loss Account:

	For the year ended 31st March 2014	For the year ended 31st March 2013
	(Rs. In Lacs)	
Employers Contribution to Employee State Insurance	5.13	5.15

- C) Defined Benefit Plans

- a) Gratuity

- b) Leave Encashment

(Rs. in lacs)

The discount rate assumed is 9% which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market, Reconciliation of opening and closing balances of the present value of the defined benefit obligation is as under:

Particulars	Gratuity (Funded)*		Leave Encashment (Unfunded)*	
	Current Year	Previous Year	Current Year	Previous Year
The principal assumptions used in actuarial valuation as per below:				
· Discount rate	8.75%	9%	9%	8%
· Expected rate of return on assets	—	—	—	—
· Expected rate of future salary increase	6%	6%	5%	5%
Change in present value of obligations				
· Present value of obligations as at 01.04.2013	53.43	54.65	44.01	33.31
· Interest cost	5.12	0.85	3.52	2.66
· Current service cost	25.57	14.42	8.82	10.10
· Benefits paid	(4.89)	(14.43)	—	—
· Actuarial loss on Obligations	—	(2.07)	(10.23)	(2.06)
· Present value of obligation as at 31.03.2014	79.23	53.42	46.13	44.01
Changes in fair value of plan assets	Not Available	Not Available	Not Available	Not Available
Liability recognized in the Balance Sheet				
· Present value of obligations as at 31.03.2014	—	—	46.13	44.01
· Fair value of plan assets as at the end of the year	—	—	—	—
· Unfunded Status	—	—	—	—
· Unrecognised Actuarial (Gain) / Loss	—	—	—	—
· Net (Assets) / Liability recognized in Balance Sheet	—	—	46.13	44.01
Expenses recognized in Profit and Loss Account				
· Current service cost	25.57	14.73	8.82	10.10
· Interest cost	—	—	3.52	2.66
· Expected return on plan assets	—	—	—	—
· Net Actuarial (Gain) / Loss recognized during the year	—	—	(10.23)	(2.06)
· Total Expense recognized in Profit and Loss Account	25.57	14.73	2.11	10.70

41. **Disclosure pursuant to AS-29 (Movement of provisions)**

(Rs. in lacs)

	Discount & Incentive	
	As at 31.3.2014	As at 31.03.2013
Opening Balance	12.05	10.13
Add Creations	2.54	2.9
Less : (a) Utilizations	4.85	0.98
(b) Written Back	-	-
Closing Balance	9.74	12.05

INDIAN TONERS & DEVELOPERS LIMITED

42. Value of Import calculated on C.I.F Basis	For the year ended 31st March 2014	For the year ended 31st March 2013
i) Raw Material	3222.05	2661.59
ii) Stores, Spares & Packing Material	6.38	14.16
43. Expenditure in Foreign Currency	For the year ended 31st March 2014	For the year ended 31st March 2013
i) Foreign Travel	57.91	42.57
ii) Consultancy Charge	6.98	Nil
iii) Others (Exhibition, Advertisement etc.)	18.04	19.71
44. Earning in Foreign Exchange	For the year ended 31st March 2014	For the year ended 31st March 2013
FOB Value of Export	3185.86	2670.83
45. Calculating of Earning Per Share	For the year ended 31st March 2014	For the year ended 31st March 2012
1. No. of Shares at the beginning of the year	8059000	8059000
2. No of Shares at the close of the year	8059000	8059000
3. Net Profit after Tax (in lacs)	1767.02	1094.84
4. E. P. S. Rs.	14.32	8.21
46. Related Party Disclosure (Pursuant to Accounting Standard - 18)		
(i) Relationship :		
(a) Key Management Personnel	- Shri Sushil Jain (Chairman & Managing Director)	
(b) Relative of Key Management Personnel	- Shri Akshat Jain, (son of Sh. Sushil Jain) President of Indian Toners & Developers Ltd. & Shareholder of ITDL Imagetec Limited - Smt. Nandita Jain (Wife of Sh. Sushil Jain) Project Manager & Shareholder of ITDL Imagetec Ltd. - Ms. Aashima Jain (Daughter of Sh. Sushil Jain) Holder of ITDL Imagetec Limited	
(c) Enterprises over which Key Management Personnel and/or relative are able to exercise significant influence	- Shrlon India Ltd. - Alankar Securities Private Limited - Mahavir Phototech Private Limited - Triveni Securities Private Limited - Jain Tube Company Limited	

(ii) Detail of transactions with Related Parties during the year :

Particulars	Key Management Personnel	Relative of Key Management Personnel	Enterprises referred in (1) (d) above
Remuneration Paid	100.07 (97.54)	51.26 (46.01)	—
Dividend Proposed / Paid	3.34 (3.34)	6.46 (6.46)	—

Figures in the bracket are for the previous year.

47. Balances in accounts of Sundry Debtors, creditors, Advances and Security deposits of dealers are subject to confirmations from the respective parties

48.1 Previous year's figures have been regrouped / re arranged wherever necessary to make them comparable with those of the current year.

48.2 The financial statements for the year ended 31st March 2014 are prepared under Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification.

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**

Chartered Accountants
ICAI's FRN 304153E

(B.R.GOYAL)

Partner

Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 21st Day of May 2014

(S.C. SINGHAL)
Company Secretary

(SANJEEV GOEL)
Director

For and on Behalf of the Board of Directors

(SUSHIL JAIN)
Chairman & Managing Director

INDIAN TONERS & DEVELOPERS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014 (Rs. in lacs)

A. CASH FLOW ARISING FROM OPERATING ACTIVITIES	For the Year ended 31st March 2014	For the year ended 31st March 2013
Net Profit/(Loss) before tax	1944.12	1251.08
Adjustment for		
Depreciation & Amortisation	231.43	216.21
Loss / (Profit) on sale/disposal/discard of fixed assets/intangibles	26.80	10.28
Loss / (Profit) on sale of investments	28.64	20.91
Finance Cost	19.42	27.95
Interest Income	(22.47)	(30.51)
Provision for Employee Benefit	2.12	10.70
Service Tax Adjustments	(31.51)	31.51
Bad Debts	-	0.03
Liabilities no longer required written back & sundry balance written back	(6.41)	(13.07)
Loss/(profit) on closure of subsidiary	-	17.40
Unrealised Foreign Exchange (Gain)/Loss	(12.73)	(13.07)
Loss of Finished Goods in transit	(6.65)	
Income from Current Investments (Non Trade) Dividend	(27.76)	(13.91)
Operating Profit Before Working Capitals Changes	2145.00	1515.51
Adjustments For		
(Increase) / Decrease in Inventories	(72.72)	(144.30)
(Increase) / Decrease in Trade & other receivables	(69.37)	(82.37)
(Increase) / Decrease in Trade & other payables	375.50	(129.22)
Cash Generated from Operations	2378.41	1159.62
Direct Taxes including Wealth Taxes	(435.94)	(302.69)
Net Cash Inflow / (outflow) in course of Operating Activities (A)	1942.47	(856.93)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital Advances & CWIP	(222.97)	(464.52)
Purchase of investments (Net of sales)	(1318.58)	(575.26)
Proceeds from Sales of Fixed Assets	8.57	29.35
Movement in bank & other deposits	(126.22)	24.51
Interest Received	22.47	30.91
Dividend Received	27.76	13.91
Net Cash Inflow / (outflow) in course of Investing Activities (B)	(1608.97)	(941.52)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from / (Payments of) long Terms Borrowing	(5.64)	(10.30)
Dividend paid	(91.49)	(23.24)
Interest paid	(19.42)	(27.95)
Increase/(Decrease) in Short Term Borrowings	(2.25)	2.25
Net Cash Inflow / (outflow) from Financing Activities (C)	(118.80)	(59.24)
Net Increase / (Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	214.70	(143.83)
Cash And Cash Equivalents at the beginning of the year	201.12	344.95
Cash & Cash Equivalent At closing of the year	415.82	201.12

Notes : (1) The Cash Flow Statements has been prepared under the 'In direct Method' set out in Accounting Standard - 3. Cash Flow Statement specified in the Companies (Accounting Standard) Rules, 2006.

(2) Previous period's figures have been regrouped / rearranged wherever considered necessary to confirm to make them comparable. Significant Accounting Policies. The notes form an integral part of these financial statements

As per our Report of Even Date
For **K.N. GUTGUTIA & COMPANY**

Chartered Accountants
ICAI's FRN 304153E

(B.R.GOYAL)

Partner

Membership No. 12172

11K, Gopala Tower,

25, Rajendra Place, New Delhi

The 21st Day of May 2014

For and on Behalf of the Board of Directors

(S.C. SINGHAL)
Company Secretary

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Chairman & Managing Director

INDIAN TONERS & DEVELOPERS LIMITED

Regd. Office : 10.5 Km Milestone, Rampur Bareilly Road, Rampur – 244 901 (U.P.)
(CIN NO. L74993UP1990PLC015721)

E-Mail ID – info@indiantoners.com, Website : www.indiantoners.com
Phone No. 0595-2356271 Fax No. 0595-2356273

ATTENDANCE SLIP

Folio/.DP-Client ID No.	No. of Shares held
-------------------------	--------------------------

I hereby record my presence at the 24th Annual General Meeting of the Company at **10.5 Km Milestone, Rampur Bareilly Road, Rampur–244901 (U.P.)** on Saturday, 30th August, 2014 at 2.30 P.M.

Signature of the Shareholder / Proxy present :.....

INDIAN TONERS & DEVELOPERS LIMITED

Regd. Office : 10.5 Km Milestone, Rampur Bareilly Road, Rampur – 244 901 (U.P.)
(CIN NO. L74993UP1990PLC015721)

E-Mail ID – info@indiantoners.com, Website : www.indiantoners.com
Phone No. 0595-2356271 Fax No. 0595-2356273

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Folio/.DP-Client ID No. Name of the member(s) & Registered Address: E-Mail ID:
--

I/We, being the member(s) of _____ Shares of Indian Toners & Developers Ltd., hereby appoint:

1. Name:Address.....
E-mail ID:Signature.....or failing him;
2. Name:Address.....
E-mail ID:Signature.....or failing him;
3. Name:Address.....
E-mail ID:Signature.....or failing him;

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 24th Annual General Meeting of the Company , be held on Saturday, August 30th, 2014 at 2.30 p.m. at **10.5 Km Milestone, Rampur Bareilly Road, Rampur–244901 (U.P.)**

.....
And at any adjournment thereof in respect of such resolutions as are indicated below:

		For	Against
1.	Adoption of Annual Accounts and Reports thereon for the financial year ended March 31, 2014.		
2.	Re-appointment of Mr. Kewal Krishan Dhiman who retires by rotation.		
3.	Appointment of Auditors and fixing their remuneration.		
4.	Appointment of Mr. Sanjeev Goel as an Independent Director.		
5.	Appointment of Mr. Vikram Prakash as an Independent Director.		
6.	Appointment of Mr. Arun Kumar Garg as an Independent Director.		
7.	Payment of Remuneration to Managing Director.		
8.	Borrowing money over and above the aggregate of the paid up share capital and free reserves.		

Signed thisday of.....2014

Signature of Shareholder.....

Signature of Proxy holder(s).....

Affix Revenue Stamp

Notes :1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.**

A proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member.