

**25<sup>TH</sup> ANNUAL  
REPORT  
2014-2015**



**INDIAN TONERS & DEVELOPERS LIMITED**



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## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	Shri Sushil Jain Shri Vikram Parkash Shri Sanjeev Goel Shri Arun Kumar Garg Shri Kewal Krishan Dhiman Smt. Neena Jain	Chairman & Managing Director Director Director Director Director Additional Director
<b>COMPANY SECRETARY</b>	Shri. S. C. Singhal	
<b>BANKERS</b>	State Bank of India	
<b>AUDITORS</b>	K. N. Gutgutia & Co. Chartered Accountants 11-K, Gopala Towers, 25, Rajendra Place, New Delhi –110 008.	
<b>REGISTERED OFFICE &amp; WORKS</b>	10.5 KM, Rampur - Bareilly Road, Rampur - 224 901 (U.P) Tel.: 09219410588	
<b>CORPORATE OFFICE</b>	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	

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# NOTICE

INDIAN TONERS & DEVELOPERS LIMITED

Notice is hereby given that the 25th Annual General Meeting of the Shareholders of **INDIAN TONERS & DEVELOPERS LIMITED** will be held on **Monday, the 31st August, 2015 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 businesses :

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt :
  - (a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2015, the Directors' Report and the Auditors' Report thereon and
  - (b) The Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2015
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 ratify the appointment of the Statutory Auditors of the Company M/s. K. N. Gutgutia & Co., Chartered Accountants, (Firm Registration No. 304153E) who were appointed in the last Annual General Meeting until the conclusion of 26th Annual General Meeting, for the financial year 2015-2016 at such remuneration as may be determined by the Board of Directors of the Company.

## **SPECIAL BUSINESS:**

4. 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, 152 and any other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mrs. Neena Jain (DIN: 01062103), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1st October, 2014, in terms of Section 161(1) of the Act and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years w.e.f. 1.10.2014, not liable to retire by rotation.”
5. 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 Section 188 of the Companies Act, 2013, the rules made thereunder and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of members be and is hereby accorded for entering into contracts with related parties as per details mentioned in the Statement annexed to the notice.

**RESOLVED FURTHER THAT** pursuant to the provisions of section 189 of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. S.C. Singhal, Company Secretary, be and is hereby authorized to do the necessary entries in the Register of contracts or arrangements and authenticate them.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 94 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, the Registers and Returns required to be maintained by the Company under Section 88 and 92 of the Companies Act, 2013, may be maintained and kept at the Company’s Corporate Office at 1223, DLF Towers ‘B’, Jasola, New Delhi – 110 025 or at such places within Delhi where the Corporate Office may shift from time to time, instead of the Registered Office of the Company, with effect from 1st September 2015.

**RESOLVED FURTHER THAT** the Registers, Indexes, Returns, documents etc. as aforesaid be kept open for inspection between the hours of 11.00 a.m. and 2.00 p.m. on any working day of the Company except when the Registers and Books are closed.

**RESOLVED FURTHER THAT** the Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary, to give effect to the foregoing resolution.”

By Order of the Board

for INDIAN TONERS & DEVELOPERS LTD.

PLACE : New Delhi

(S.C. SINGHAL)

DATED : 23rd May, 2015

COMPANY SECRETARY

**IMPORTANT NOTES:**

1. The Register of Members and the Share Transfer Books of the Company will remain closed from 29<sup>th</sup> August, 2015 to 31<sup>st</sup> August, 2015 (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 ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF. 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 2014-15 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 2014-15 is being sent in the permitted mode.
8. Electronic Copy of the Notice of the 25th Annual General Meeting of the Company *inter alia* indicating the process and manner of remote e-voting and 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 25th Annual General Meeting of the Company *inter alia* indicating the process and manner of remote e – voting and evoting alongwith Attendance Slip and Proxy Form is being sent in the permitted mode.
9. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website [www.indiantoners.com](http://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](mailto:investors@indiantoners.com)

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10. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means. The cut-off date for determining the eligibility to vote by electronic means or by ballot in the general meeting shall be 24th August, 2015. The members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting in terms of notification issued by the Ministry of Corporate Affairs dated 19.03.2015.

**11. Voting through electronic means (remote e-voting)**

- I A. 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 password. 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/JPG 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](mailto:csvhari@gmail.com) or [investors@indiantoners.com](mailto:investors@indiantoners.com) with a copy marked to [evoting@nsdl.co.in](mailto: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]:
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- (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 SI No. (ii) to SI. No. (xii) above, to cast vote.
- II In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and remote e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://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 remote e-voting period commences on 28.8.2015 (9.00) (IST) and ends on 30.8.2015 (17.00) (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24.8.2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for remote e-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 of 24.8.2015.
- VII Mr. Varanasi Hari (CP No. 8244), a practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting and 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 remote 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](http://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.
12. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 24th August, 2015, may obtain the User ID and password in the manner as mentioned below:
- If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.nsdl.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password. Member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
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If the member is already registered with NSDL e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.

13. 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, up to and including the date of the Annual General Meeting of the Company
14. 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.
15. 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.
16. 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**

**Mrs. Neena Jain**, was appointed as an Additional Director of the Company w.e.f. 01.10.2014 at the Board Meeting held on 08.08.2014 and who will hold office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member alongwith a deposit of Rs. 1,00,000/- proposing the candidature of Mrs. Neena Jain for the office of a Director under the provisions of Section 160 of the Companies Act, 2013.

The Company has received from Mrs. Neena Jain (i) consent in writing to act as Woman/ Independent Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR- 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

**Mrs. Neena Jain** is the Member of Independent Directors Committee of the Board of Directors of the Company.

**Mrs. Neena Jain** is a Chartered Accountant of 50 years and is in practice. **Mrs. Neena Jain** is a partner of M/s Anil Ram Kumar & Co., Chartered Accountants, Delhi. She has 25 years' experience to her credit with exposure in project financing, banking, audit, secretarial, taxation, credit and

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cash flow management, financial due diligence, valuation and buy-back of shares. She is also a Director in M/s Best Bargain Finance Pvt. Limited.

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, **Mrs. Neena Jain** being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for the term of five years w.e.f. 1.10.2014. A notice has been received from a member proposing **Mrs. Neena Jain** as a candidate for the office of Director of the Company.

In the opinion of the Board, **Mrs. Neena Jain** fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of **Mrs. Neena Jain** 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.

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

Except **Mrs. Neena Jain**, 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**

Pursuant to Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, approval of the members is required by way of Special Resolution for entering into any contract or arrangement with related party if such transactions are not entered in ordinary course of business and/or are not at Arm's length. Clause 49(VII) of the Listing Agreement amended vide SEBI Circular no. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014 provides the Company requires shareholders' approval through special resolution for all material related party transactions. Transaction with a related party shall be considered material if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the Company. The materiality nature of related party transactions being entered by the Company mandates it to seek member's approval for such transactions.

Accordingly, your approval is solicited on the transactions provided as per details below:-

Sl. No.	Name of the related party	Relationship with the Company	Particulars of Contract or Arrangements	Brief terms of Contracts or Arrangements	Name of the Director or KMP, related
1	ITDL Imagetec Limited	Subsidiary Company	(a) sale, purchase or supply of any goods or materials; (b) selling or otherwise disposing of, or buying, property of any kind; (c) leasing of property of any kind; (d) availing or rendering of any services; (e) appointment of any agent for purchase or sale of goods, materials, services or property; (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and (g) Purchase/Sale of licenses (h) Purchase/Sale of fixed assets (i) Rent paid/received	At Market Related Prices	Mr. Sushil Jain Mr. Akshat Jain
			(j) Inter-corporate deposits given/taken (k) Interest received/paid	At Market Determined Prices	Mr. Sushil Jain Mr. Akshat Jain
			(l) Payment towards sharing of corporate services (m) Reimbursement/sharing of expenses (paid/received)	At Cost	Mr. Sushil Jain Mr. Akshat Jain

None of the Directors or Key Managerial Personnel including their relatives is concerned or interested financially or otherwise in the said resolution.

The Board recommends the Special Resolution as set out in Item no. 5 for approval of the Members.

#### **Item No. 6**

Pursuant to the provisions of Section 94 of the Companies Act, 2013 ("the Act"), the company is required to keep its Register of Members, Index of Members, Register and Index of Debenture Holders and Register of other Security holders at its Registered Office. However, the Act provides that a company can by passing a special resolution keep the aforesaid registers at any other place in India in which more than one tenth of the members entered in the Register of Members reside. This resolution is being proposed to take the approval of the members to keep these records at the office of the Company's Corporate Office at 1223, DLF Tower 'B', Jasola, New Delhi – 110 025. An advance copy of this resolution will be forwarded to the Registrar of Companies, U.P. & Uttarakhand, for information.

None of the Directors or Key Managerial Personnel including their relatives is concerned or interested financially or otherwise in the said resolution.

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The Board recommends the Special Resolution as set out in Item no. 6 for approval of the Members.

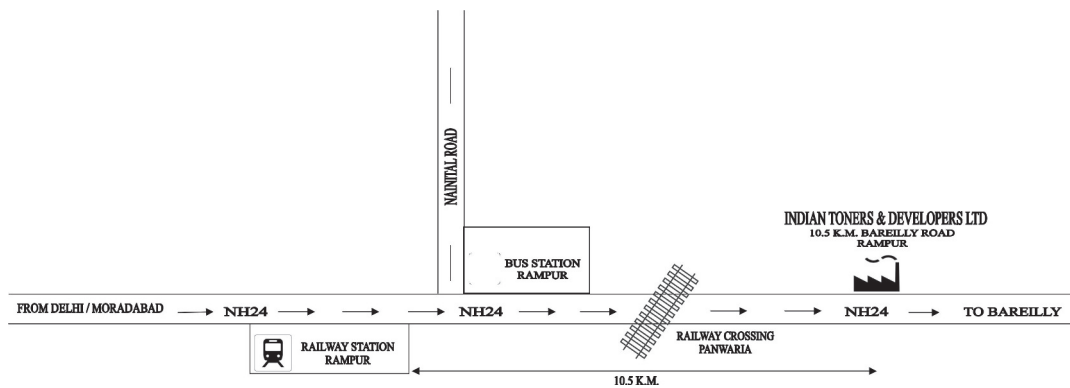
All the material documents referred to in the accompanying Notice shall be open for inspection by the Members at the Registered Office of the Company on all working days between 11.00 a.m. to 05.00 p.m. excluding public holidays.

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

PLACE : New Delhi  
DATED : 23rd May 2015

### **ROUTE MAP OF THE VENUE FOR ANNUAL GENERAL MEETING**



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**INDIAN TONERS & DEVELOPERS LTD.**  
1223, DLF Tower - 'B', Jasola, New Delhi-110025.

23<sup>rd</sup> May, 2015

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](mailto: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's be available for ready access on our website [www.indiantoners.com](http://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 **INDIAN TONERS & DEVELOPERS LTD.**  
Secretarial Deptt.

# DIRECTORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

To  
The Members,

Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report alongwith the Accounts for the year ended March 31, 2015.

## Working Results

	Rs. in Lacs	
	For the year ended 31st March 2015	For the year ended 31st March 2014
Turnover (including Excise Duty)	3426	3374
Operating Gross Profit	560	851
Less : Financial Charges	7	8
Depreciation & Other Amortisations	<u>136</u>	<u>109</u>
Profit/(Loss) before Tax & exceptional items	417	734
Add : Exceptional & Extraordinary Items	203	(29)
Profit before tax	620	705
Less : Provision for tax - Current year & Previous Year Tax Adjustment	162	200
	4	(16)
Net Profit before Deferred Tax	454	521
Add : Deferred Tax Liability	(13)	20
Surplus Available for appropriation	<u>467</u>	<u>541</u>
Transfer to General Reserve	467	541

## OPERATIONS

During the year, there was only marginal increase of Rs.13 Lacs in the turnover of your Company. More than 91.4% of sales amounting to Rs.3014 Lacs were from exports. However, exports were lower by 5.22% against the previous year exports of Rs.3180 Lacs, due to unexpected fluctuation in foreign currency rates and tough competition in the international market particularly from Chinese products. As a result net profit after deferred tax during the year was Rs.467 Lacs as against Rs.541 Lacs in the preceding year.

The consolidated financial results during the year including that of its Subsidiary Company were better i.e. sales Rs.9485 Lacs, profit before tax Rs.2125 Lacs and profit after tax Rs.1608 Lacs as compared to Rs.8464 Lacs, Rs.1944 Lacs and Rs. 1767 Lacs respectively for the previous year.

## DIVIDEND

Your Directors do not recommend any dividend for the year under review considering the fund requirements for future business expansion.

## FUTURE OUTLOOK AND PLANS

Your Company foresees a good scope for the exports of its products. Inroads in some untapped markets have been made and we should see results coming soon. However, frequent and wide fluctuations in foreign currency and tough competition in the international market continues to be a challenge for your Company.

Efforts are going on to develop more products of 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.

The management of your Company is actively exploring opportunities to invest in some new projects.

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. During the year, this subsidiary Co. has completed its expansion to

## **INDIAN TONERS & DEVELOPERS LIMITED**

increase its manufacturing capacity from 1200 MT to 1800 MT and already started giving more production. With this expansion, the performance of your subsidiary Company will be better in the coming years.

### **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 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.

During the year the Company has incurred R & D expenses of Rs. 57.68 Lacs in various heads in addition to Rs.6.00 Lacs for purchase of capital items. Your Company has exhaustive programme of R & D activities in the coming years.

### **SUBSIDIARY COMPANIES:**

The Company has one subsidiary viz. M/s ITDL Imagetec Limited.

### **CODE OF CONDUCT:**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/behaviours of any form and the Board has laid down the directives to counter such acts. The Code has been posted on the Company's website [www.indiantoners.com](http://www.indiantoners.com).

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

### **EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed as Annexure "1".

### **NUMBER OF BOARD MEETINGS HELD**

The Board of Directors duly met 4 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are as follows:

**21st May, 2014, 8th August, 2014, 6th November, 2014 and 9th February, 2015.**

### **Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) 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 of the company for that period;



- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis;
- e) the directors have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

#### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report and also available on the Company website [www.indiantoners.com](http://www.indiantoners.com).

#### **PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

Requirements of Regulation 8 (Code of Fair Disclosure) & Regulation 9 (Code of Conduct) of SEBI (Prohibition of Insider Trading) Regulations, 2015 have been noted and complied with by the Company.

#### **STATUTORY AUDITORS & AUDITORS' REPORT**

M/s. K. N. Gutgutia & Co. Chartered Accountants, (Firm Registration No. 304153E) were appointed as Statutory Auditors of the Company at the last Annual General Meeting held on **30.08.2014** for a period of three years subject to ratification by members at every Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

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

The consolidated accounts along with the Statement pursuant to Section 129 of the Companies Act, 2013 are annexed.

#### **SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Mukesh Agarwal & Co. (CP No.:3851, FCS: 5991), Company Secretaries to undertake the Secretarial Audit of the company. The Secretarial Audit Report is annexed as Annexure "2".

#### **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 2015-16.

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## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **RELATED PARTY TRANSACTIONS**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There was no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel or other designated persons or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is annexed as Annexure "3".

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the Rules framed thereunder and the Listing Agreement. This Policy as considered and approved by the Board has been uploaded on the website of the Company at [www.indiantoners.com](http://www.indiantoners.com). The gist of the policy is appended below:-

### **PROCEDURE**

1. All Related Party Transactions (RPTs) of the company as prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement will be approved by the Audit Committee of the Board from time to time.
2. Each Director who is a Related Party with respect to a particular Related Party Transaction shall disclose all material information to the Committee concerning such Related Party Transaction and his or her interest in such transaction.
3. Management shall present to the Audit Committee the following information, to the extent relevant, with respect to actual or potential Related Party Transactions:
  - a. A general description of the transaction(s), including the name of the related party and nature of relationship, duration of the contract and particulars of the contract or arrangement, the material terms and conditions.
  - b. The Related Party's interest in the transaction(s), including the Related Party's position or relationship with, or ownership of, any entity that is a party to or has an interest in the transaction(s).
  - c. The manner of determining the pricing and other commercial terms.
  - d. any advance paid or received for the contract or arrangement, if any and the approximate value of the transaction(s) and the approximate value of the Related Party's interest in the transaction(s).
  - e. In the case of a lease or other transaction providing for periodic payments or installments, the aggregate amount of all periodic payments or installments expected to be made in the financial year.
  - f. In the case of indebtedness, the aggregate amount of principal to be outstanding and the rate or amount of interest to be payable on such indebtedness.
  - g. Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors and any other material information regarding the transaction(s) or the Related Party's interest in the transaction(s).
4. Consent of the Board and the Shareholders would also be taken in respect of all RPTs, provided that such consent would not be required in the following cases:

- 
- a. The transactions are entered into by the company in its ordinary course of business and are on an arms' length basis; and
  - b. The transaction / transactions to be entered into individually or taken together with previous transactions during a financial year does not exceed 5% of the annual turnover or 20% of the net worth of the company (i.e. Indian Toners & Developers Limited), as per the last audited financial statements of the company, whichever is higher.
5. Where Board consent / shareholders' approval is required as per para 4 above, a) the agenda of the Board meeting at which the resolution is proposed to be moved and b) explanatory statement to be annexed to the notice of such general meeting, shall disclose all such details / information about the contract as are prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014.
  6. Where RPTs require approval of the Board and the shareholders through special resolution as per para 4 above, (a) any director who is interested in any contract or arrangement with a related party, shall not be present at the meeting during discussions on the subject-matter of the resolution relating to such contract or arrangement and b) such Related Party(ies) shall abstain from voting on such resolutions of the shareholders.
  7. If a Related Party Transaction will be ongoing, the Committee may establish guidelines for the Company's management to follow in its ongoing dealings with the Related Party. Thereafter, the Committee shall periodically review and assess ongoing relationships with the Related Party. Any material amendment, renewal or extension of a transaction, arrangement or relationship previously reviewed under this Policy shall also be subject to subsequent review under this Policy.
  8. The Audit Committee periodically shall review this Policy and may recommend amendments to this Policy from time to time as it deems appropriate. In addition to guidelines for ongoing Related Party Transactions, the Audit Committee may, as it deems appropriate and reasonable, establish from time to time guidelines regarding the review of other Related Party Transactions.
  9. This Policy on Related Party Transactions shall be governed by the Companies Act, 2013 read with Rules made thereunder, as may be in force for the time being as well as Clause 49 of the Listing Agreement or such other Rules / Regulations, as may be notified by SEBI from time to time.

#### **DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Boards report.

At present the Company has not identified any element of risk which may threaten the existence of the Company. The policy of the Company on Risk Management is provided on the Company's website at [www.indiantoners.com](http://www.indiantoners.com).

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

Your Directors have already 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.

As part of its initiatives under "Corporate Social Responsibility" (CSR), the company has contributed entire funds to the Prime Minister's National Relief Fund.

The Annual Report on CSR Activities is annexed as Annexure "4".

#### **BOARD EVALUATION**

Pursuant to the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the

evaluation of the Chairman and the working of its Audit, Nomination & Remuneration, Corporate Social Responsibility and Stakeholders Relationship Committees. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour the company has adopted a Vigil Mechanism Policy. This policy is posted on the website of company.

#### **DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 REMUNERATION RATIO OF THE DIRECTORS/KEY MANAGERIAL PERSONNEL (KMP)/EMPLOYEES:**

- (i) The percentage increase in remuneration of each Director, Chief Executive Officer, Company Secretary and Chief Financial Officer during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

SL. No.	Name	Designation	Remuneration Paid in FY 2014-15 (Rs. in Lacs)	Remuneration Paid in FY 2013-14 (Rs. in Lacs)	% Increase in Remuneration from Previous Year	Ration/Time Per Media of Employee Remuneration	Comparison of the Remuneration of KMP against the Performance of the Company
1.	Sh. Sushil Jain	Chairman & Managing Director CEO (KMP)	109.56	99.35	10.27	109.56 : 1.61	Profit before tax decreased by 12.17% and Profit after tax decreased by 13.74% in FY 2014-15
2.	Sh.S.C.Singhal	Company Secretary (KMP)	17.46	14.98	16.55	N.A.	
3.	Sh.N.K.Maheshwari	Chief Financial Officer (KMP)	5.29	*	N.A.	N.A.	

\*Details not given as Mr. N.K. Maheshwari was appointed as CFO w.e.f. 8.8.2014.

- ii) The median remuneration of employees of the Company during the financial year was Rs.1.61 Lacs.
- iii) In the financial year, there was an increase of 5.23% in the median remuneration of employees;
- iv) There were 98 permanent employees on the rolls of the Company as on March 31, 2015;
- v) Relationship between average increase in remuneration and company performance:- The Profit before Tax for the financial year ended March 31, 2015 decreased by 12.17% whereas the increase in median remuneration was 5.23%. The average increase in median remuneration was in line with the performance of the Company.
- vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:  
The total remuneration of Key Managerial Personnel increased by 11.10% from Rs.114.33 Lacs in 2013-14 to Rs.127.02 Lacs in 2014-15 whereas the Profit before Tax decreased by 12.17% to Rs.619.49 Lacs in 2014-15 (Rs.705.33 in 2013-14).

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- vii) a) Variations in the market capitalization of the Company : The market capitalization as on March 31, 2015 was Rs.72.41 Crores (Rs.23.11 Crores as on March 31, 2014)
- b) Price Earnings ratio of the Company was 5.79 as at March 31, 2015 and was 6.71 as at March 31, 2014
- c) Percent increase over decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The Company had come out with initial public offer (IPO) in 1992. An amount of Rs. 1,000 invested in the said IPO would be worth Rs.10,150 as on March 31, 2015 indicating a Compounded Annual Growth Rate of 11.11%.
- viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 7.56% whereas the increase in the managerial remuneration for the same financial year was 11.10%.
- ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

#### **DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)**

Pursuant to the provisions of the Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, Mrs. Neena Jain was appointed as an Additional Director and she will hold office only up to the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing the candidature of Mrs. Neena Jain for the office of a Director under the provisions of Section 160 of the Companies Act, 2013. Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mrs. Neena Jain as Independent Director for five consecutive years. Details of the proposal for appointment of Mrs. Neena Jain are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 25th Annual General Meeting.

During the year 2014-15, **Sh. M.R. Jain and Sh. P.K. Kanoria**, Directors of the Company have ceased to be Directors w.e.f. **21.5.2014** and **6.11.2014** respectively. The Board took on record the services rendered by them during their tenure as Director.

During the year 2014-15, Sh. Sushil Jain and Sh. Naresh Kumar Maheshwari have been appointed as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company respectively.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, **Mr. Kewal Krishan Dhiman**, Director, will retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The Company has received declaration from all the Independent Directors 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.

#### **PERSONNEL**

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

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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 the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report. However, the information is not being sent alongwith the Annual Report as per proviso of the above rule. 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 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, 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.

#### **DISCLOSURES UNDER LISTING AGREEMENT**

Your Company is now listed only with **BSE 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 dematerialization 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 dematerialization 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.

PLACE : New Delhi  
DATE : 23rd May, 2015

For & on behalf of the Board  
(SUSHIL JAIN)  
CHAIRMAN & MANAGING DIRECTOR

## ANNEXURE "A " TO DIRECTORS' REPORT

### ANNEXURE "A " TO DIRECTORS' REPORT

Information pursuant to Rule 8 of Companies (Accounts) Rules, 2014

#### (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.<br>:: Re-sourcing of raw materials from other economical sources.<br>:: Import substitution of plant/machinery items by developing indigenous ones for economy in working.<br>:: Development of Colour Toner formulations as well as their packaging. |
| 4. | Expenditure on R&D                                      | :: Charged under the respective head of accounts Rs. 57.68 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**

Exports were lower by 5.22% during the year ending 31st March, 2015 as compared to 31st March, 2014.

2. **Total Foreign Exchange used and earned**

	Rs. in Lacs	
	2014-2015	2013-2014
a) <b>Total Foreign Exchange used</b>		
i) Import of Raw Materials	1428.82	1313.00
ii) Import of Stores & Spares and Packing material	5.18	3.48
iii) Foreign Travel	31.46	36.11
iv) Consultancy Charges	28.34	6.98
v) Others	24.32	18.04
<b>TOTAL</b>	<b>1518.12</b>	1377.61
b) Total Foreign Exchange earned (on FOB basis)	<b>2990.40</b>	3185.86



## 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 (Uttarakhand) for the manufacturer of Toners & Developers is showing good results. This subsidiary of the Company has completed its expansion to increase its manufacturing capacity from 1200 MT to 1800 MT and already started giving more production since the close of the year.

### RISKS & CONCERNS

More than 90% 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 more than 95% 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 is maintaining its status of an Export House awarded by the Directorate General of Foreign Trade which has made the Company eligible for various benefits as are available to an 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 many countries and has been successful in increasing its exports.

### FINANCIAL PERFORMANCE

The sales (net of Excise Duty) for the year were Rs. 3396 Lacs. The Company earned a profit before tax of Rs. 620 Lacs. This does not include the sales and profit of the subsidiary Company. However, the consolidated sales and profit before tax for the year are Rs. 9485 lacs and Rs. 2125 lacs respectively. The nearly debt free status of both the holding and subsidiary Companies and improved liquidity resulted in significantly lowering the finance cost.

### 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 and compliance with all rules, regulations and guidelines of the various Authorities.

### HUMAN RESOURCES

Industrial relations remained cordial during the year. The total number of employees as on 31.03.2015 were 89 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, transparency 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, 2015**

- a). The Board of Directors has a mix of Executive and Non-Executive Directors. The Board comprises of 1 Executive Director, 1 Non-Executive Director, 3 Non-Executive Independent Directors and a woman director who was appointed as an additional director in the category of Independent Director. Accordingly, the composition of the Board meets the stipulated requirements.

Name of the Director	Category	No. of Equity Shares held as on 31.03.2015	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#	689106	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
Shri Sanjeev Goel	NED-I	2500	4	Present	2	----	----
Shri Arun Kumar Garg	NED-I	NIL	4	Not Present	6	----	----
Smt. Neena Jain***	NED-I	NIL	2	N.A.	1	----	----
Sh. Kewal Krishan Dhiman	NED	20	1	Present	---	----	----

\* Directorship in Private Limited Companies is included in the above table

\*\* Shri P.K. Kanoria has resigned w.e.f. 6.11.2014

\*\*\* Smt. Neena Jain was appointed w.e.f. 1.10.2014

# Chairman & Managing Director

NED Non Executive Director

NED-I Non Executive Director - Independent,

During the Year 2015 - 2015 the Board of Directors met 4 times on 21st May, 2014, 8th August, 2014, 6th November, 2014 and 9th February, 2015.

**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 Shri Arun Kumar Garg.

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

1. Regular review of accounts, accounting policies, disclosures, etc. and to ensure that the Financial Statement are correct, sufficient and credible.
2. Appointment and remuneration of Statutory and Internal Auditors.
3. Review of the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
4. Qualifications in the draft audit report.
5. 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.
6. Conducting post audit discussions with the independent auditors to ascertain any area of concern.
7. Establishing the scope of and frequency of internal audit, reviewing the findings of the internal auditors and ensuring the adequacy of internal control systems.
8. To look into the matters pertaining to the Directors' Responsibility Statement with respect to compliance with Accounting Standards and accounting policies.
9. Compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
10. 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.
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 **21.05.2014, 08.08.2014, 06.11.2014 and 09.02.2015** 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. Arun Kumar Garg	4	4

Sh. S.C. Singhal, Company Secretary acts as the Secretary to the Audit Committee.

**4. Nomination & Remuneration Committee (Non- Mandatory)**

**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 Senior Management Personnel 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 Shri Arun Kumar Garg. Shri Sanjeev Goel is the Chairman of the Nomination and Remuneration Committee.

Sh. S.C. Singhal, Company Secretary acts as the Secretary to the Nomination and Remuneration Committee. The Committee met two times during the year on 21.05.2014 & 07.08.2014 where all the members were present. The Remuneration paid to Executive Directors and relatives of Directors, if any is reviewed / recommended by the Nomination and Remuneration Committee, approved by the Board and is within the limits set by the shareholders at Annual General Meetings and/or as approved by the Central Government under the provisions of the Companies Act, 2013. 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.

**PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a separate exercise was carried out to evaluate the performance of the Board by every director. The performance evaluation of all the Directors individually was carried out by the entire Board. The performance evaluation of the Chairman was carried out by the Independent and Non-independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration, Corporate Social Responsibility and Stakeholders Relationship Committees. The Directors expressed their satisfaction with the evaluation process.

**Details of remuneration to Directors paid / payable during the period from 01.04.2014 to 31.03.2015 to Directors:**

**Amount in Rs.**

Name of Director	Salary including Personal Pay	HRA	Arrear	Commis-sion	Perquisites + PF	Sitting Fee (Meeting)		Total
						Board	Commit-tee	
Sh. Sushil Jain*	7564868	2367290	----	----	1024024	----	----	10956182
Sh. P.K. Kanoria	----	----	----	----	----	10000	----	10000
Sh. Vikram Prakash	----	----	----	----	----	45000	42000	87000
Sh. Sanjeev Goel	----	----	----	----	----	45000	52000	97000
Sh. Arun Kumar Garg	----	----	----	----	----	45000	43500	88500
Smt. Neena Jain	----	----	----	----	----	30000	----	30000
Sh. Kewal K. Dhiman	----	----	----	----	----	10000	----	10000

\* Chairman & Managing Director

**5. Shareholder's / Investors' Grievances 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 dematerialization 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 2014-2015, only one meeting of the committee was held on 31.3.2015.

During the Year 2014-2015, two complaints were received from Shareholders/Investors which were replied suitably to their satisfaction. There was no complaint pending as at 31.03.2015.

All valid share transfers received during the year 2014-2015 have been acted upon by the Company. There were no transfers pending as on 31<sup>st</sup> March, 2015.

**Constitution, Meeting & Attendance thereof :-**

The Shareholders' / Investors Grievance Committee Comprise of following Members with Shri Sanjeev Goel as Chairman of the Committee :

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

\* Non Executive Independent Director, \*\* Executive Director (Chairman & Managing Director)

Sh. S. C. Singhal, Company Secretary acts as the Secretary to the Stakeholder's Relationship Director)

**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	24	24
Shri S. C. Singhal	Co. Secretary	24	24

Sh. S. C. Singhal, Company Secretary also acts as the Secretary to the Share Transfer Committee.

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

**7. Corporate Social Responsibility (CSR) Committee**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, 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.

Name of Members	Category	Committee Meetings	
		Held	Attended
Shri Sushil Jain	ED (CMD)*	1	1
Shri Sanjeev Goel	N E D I**	1	1
Shri Arun Kumar Garg	N E D I**	1	1

During the year 2014-2015, only one meeting of the committee was held on 23.1.2015.

\* Executive Director (Chairman & Managing Director), \*\* Non Executive Independent Director

Sh. S.C. Singhal, Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee.

**8. Independent Directors Meeting:**

During the year under review, the Independent Directors met on January 12, 2015, inter alia, to discuss:

1. Review the performance of non-independent directors and the Board as a whole.
2. Review the performance of the Chairman of the company, taking into account the views of executive directors and non-executive directors.
3. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

**9. Risk Management Committee:**

The company has formed a risk management committee consisting of the following members.

Name of Members	Designation	Meeting Held	Meeting Attended
Shri Sushil Jain	Chairman	1	1
Chairman & Managing Director			
Shri Sanjeev Goel	Member	1	1
Independent Director			
Shri N. K. Maheshwari	Member	1	1
Chief Financial Officer			

During the year 2014-2015, only one meeting of the committee was held on 31.3.2015.

The responsibilities of the Committee are:

- Recommend to the Board and then formally announce, implement and maintain a sound system of risk oversight, management and internal control which:
- identifies, assesses, manages and monitors risk; and
- allows investors and other stakeholders to be informed of material changes to the Company's risk profile.
- Recommend to the Board and then formally announce clear standards of ethical behaviour required of directors, employees and contractors and encourage observance of those standards.

In discharging its responsibilities, the Committee is to develop and seek Board approval for a range of specific duties that it is to carry out. Such duties will vary depending on the Company's circumstances, the Committee's responsibilities and, in particular, the roles of the Board and other committees, if any.

**10. General Body Meetings**

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

Financial Year	Date	Time
2013 – 2014	30.08.2014	2.30 P.M.
2012 – 2013	05.08.2013	2.30 P.M.
2011 – 2012	16.08.2012	1.30 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.).

Special Resolutions were passed in the previous 3 Annual General Meetings.

**Postal Ballot**

During the year ended 31<sup>st</sup> March, 2015, there have been no ordinary or special resolutions passed by the Company's shareholders through postal ballot.

Following business proposed to be transacted in the ensuing Annual General Meeting require passing of Special Resolutions through Postal Ballot.

1. Amendment(s) to the Memorandum of Association of the Company
2. Adoption of new set of Articles of Association of the Company
3. Providing mortgage of properties of the Company u/s 180 (1) (a) of the Companies Act, 2013
4. To make loan(s) to any person or other body corporate and/or give any guarantee(s)/provide any security(ies) in connection with loan(s).

**11. Information as to Directors who are to be appointed/re-appointed :**

(i) **Mr. Kewal Krishan Dhiman** aged 53 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 33 Years of extensive working experience in diverse industries such as 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 Senior General Manager Plant of the "ITDL Imagetec Ltd.", a subsidiary of the Company.

He holds 20 shares of the Company in his name.

(ii) **Mrs. Neena Jain**, was appointed as woman and an Additional Director of the Company w.e.f. 1.10.2014 at the Board Meeting held on 8.8.2014 and who will hold office upto the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing the candidature of Mrs. Neena Jain for the office of a Director under the provisions of Section 160 of the Companies Act, 2013.

**Mrs. Neena Jain** is the Member of Independent Directors Committee of the Board of Directors of the Company.

**Mrs. Neena Jain** is a Chartered Accountant of 50 years and is in practice. **Mrs. Neena Jain** is a partner of M/s Anil Ram Kumar & Co., Chartered Accountants, Delhi. She has 25 years' experience to her credit with exposure in project financing, banking, audit, secretarial, taxation, credit and cash flow management, financial due diligence, valuation and buy-back of shares. She is also a Director in M/s Best Bargain Finance Pvt. Limited.

She does not hold any shares of the Company in her name as on March 31, 2015.

**12. 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.

**13. Disclosures of Non-compliances, Related Party Transactions, if any**

The company has not entered into any transaction of a material nature with the Promoters, the Directors or the Management, their relatives etc. that may have any potential conflict with the interests of the company.

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**INDIAN TONERS & DEVELOPERS LIMITED**

The company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. There were no penalties imposed nor any structures issued on the Company by the Stock Exchanges, SEBI or any other statutory authority relating to the above.

Details of Related party transactions are disclosed in Note No. 41 of notes to the Financial Statements.

**14. 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 newspapers namely Financial Express & Jansatta within forty - eight hours of approval thereof.
- The results being sent to the BSE 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

**15. CEO / CFO Certificate**

Certificate from CEO / CFO for the Financial Year ended March 31, 2015 has been provided elsewhere in the Annual Report.

**16. The Name and designation of the Compliance Officer is Sh. S. C. Singhal, Company Secretary ; e-mail ID : investors@indiantoners.com****17. 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 **31st August, 2015**. The time and venue of the meeting is as indicated in the notice.
- b). Financial Year : April 1<sup>st</sup>, 2014 to March 31<sup>st</sup>, 2015.
- c). Date of Book Closure : 29.08.2015 to 31.08.2015.
- d). Dividend payment : NIL
- e). Listing on Stock Exchanges :  
BSE 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

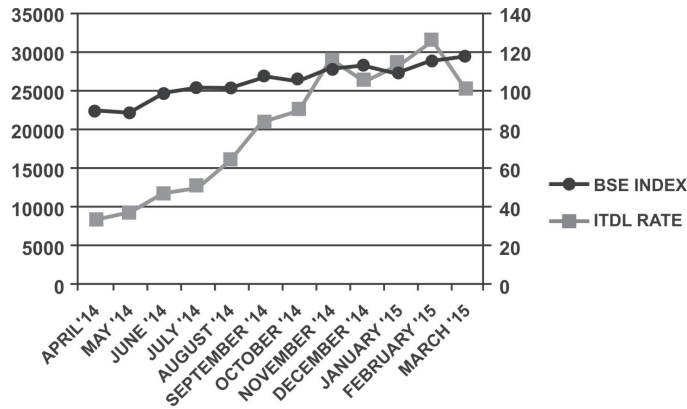
Month	BSE	
	High (Rs.)	Low (Rs.)
April, 2014	33.85	23.50
May, 2014	37.50	26.00
June, 2014	47.50	32.00
July, 2014	51.05	40.10
August, 2014	64.35	51.30
September, 2014	84.70	56.30
October, 2014	90.85	66.10
November, 2014	116.45	85.00
December, 2014	106.90	75.10
January, 2015	114.40	84.00
February, 2015	126.50	89.10
March, 2015	101.50	78.20

[Source: www.bseindia.com]



**INDIAN TONERS & DEVELOPERS LIMITED**

**Performance in comparison to broad-based indices such as BSE Sensex**



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, 1E/13, Alankit Heights, 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, 2015 was as follows:

No. of Equity Shares held			Shareholders No. (%)		No. of Shares	% of Total Shares
1	to	250	12135	86.772	1275112	15.822
251	to	500	1019	7.286	417695	5.183
501	to	1000	444	3.175	374361	4.645
1001	to	2000	187	1.337	286189	3.551
2001	to	3000	65	0.465	163734	2.032
3001	to	4000	33	0.236	118809	1.474
4001	to	5000	32	0.229	151526	1.881
5001	to	10000	35	0.250	272878	3.386
10001	&	Above	35	0.250	4998596	62.026
			<b>13985</b>	<b>100.000</b>	<b>8058900</b>	<b>100.000</b>

Shareholding Pattern as on 31st March, 2015

Category Code	Category of Shareholder	Number of Shares Holders	Total No. of Shares	No. of Shares held in dematerialized form	Total shareholding as percentage of total no. of shares		No. of Shares	Share Pledged or otherwise encumbered
					As a Percentage of (A+B)	As a Percentage of (A+B+C)		
(A)	<b>Shareholding of Promoter &amp; Promoter Group<sup>2</sup></b>							
	<b>(1) Indian</b>							
	(a) Individuals/Hindu Undivided Family	8	1178406	1178406	14.62	14.62	-	-
	(b) Central Govt. / State Government(s)	-	-	-	-	-	-	-
	(c) Bodies Corporate	4	2828924	2828924	35.10	35.10	-	-



**INDIAN TONERS & DEVELOPERS LIMITED**

(d) Financial Institutions / Banks	-	-	-	-	-	-	-
(e) Any other (specify)	-	-	-	-	-	-	-
<b>Sub – Total (A)(1)</b>	<b>124007330</b>	<b>4007330</b>	<b>4007330</b>	<b>49.72</b>	<b>49.72</b>	-	-
<b>(2) Foreign</b>							
(a) Individuals (Non-Resident Individuals /Foreign individuals)	-	-	-	-	-	-	-
(b) Bodies Corporate	-	-	-	-	-	-	-
(c) Institutions	-	-	-	-	-	-	-
(d) Any Other (Specify)	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total Shareholding of Promoter and Promoter Group							
<b>A) = (A)(1)+(A)(2)</b>	<b>124007330</b>	<b>4007330</b>	<b>4007330</b>	<b>49.72</b>	<b>49.72</b>	-	-
<b>(B) Public Shareholding<sup>3</sup></b>							
<b>(1) Institutions</b>							
(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	-	-
<b>(2) Non-Institutions</b>							
(a) Bodies Corporate	176	575544	562744	7.14	7.14	-	-
(b) Individuals							
i) Individual Shareholders holding nominal Share Capital up to Rs. 1 lakh	13610	2769529	1669848	34.36	34.36	-	-
ii) Individual shareholders holding nominal shares capital in excess of Rs. 1 lakh	18	548905	548905	6.81	6.81	-	-
(c) Qualified Foreign Investor							
(d) Others							
(1) Directors	2	2520	2520	0.03	0.03	-	-
(2) N. R. I.	29	26733	26733	0.33	0.33	-	-
(3) Clearing Members	22	12256	12256	0.15	0.15	-	-
(4) H U F	114	112883	112883	1.40	1.40	-	-
Sub-Total (B) (2)	13971	4048370	2935889	50.23	50.23	-	-
Total Public Shareholding							
(B) = (B) (1) + (B) (2)	13973	4051570	2935889	50.27	50.27		
TOTAL (A) (B)	13985	8058900	6943219	100.00	100.00		
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>							
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	-	-
(2) Public	0	0	0	0.00	0.00	-	-
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>13985</b>	<b>8058900</b>	<b>6943219</b>	<b>100.00</b>	<b>100.00</b>	-	-
j). Dematerialization of Shares : Approximately <b>86.15%</b> of the total paid up share capital of the Company has been dematerialized upto March 31, 2015							
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-244 901. UP							

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## INDIAN TONERS & DEVELOPERS LIMITED

- 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 – 110 025. Ph. No. (011) 45017000

### **18. Disclosure of web links for Company's Policies pursuant to Listing Agreement**

- i) The Company has familiarized the independent directors with the company, their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the company, etc., through various programmes. The details of such familiarisation programmes have been disclosed on the Company website at [www.indiantoners.com](http://www.indiantoners.com) under the heading "Familiarisation Programmes for Independent Directors" on the page "**Investor Relations**"
- ii) The Company has formulated a policy for determining 'material subsidiaries and such policy has been disclosed on the Company website at [www.indiantoners.com](http://www.indiantoners.com) under the heading "Company Codes & Policies" on the page "**Investor Relations**"
- iii) The Company has disclosed the policy on materiality of Related Party Transactions on its website at [www.indiantoners.com](http://www.indiantoners.com) under the heading "Company Codes & Policies" on the page "**Investor Relations**".

### **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 Management Personnel of the Company is obtained.

## CERTIFICATE

The Annual Compliance Confirmation for compliance of the Code of Conduct for the year ending 31.03.2015 has been received from all the Directors and Senior management Personnel of the Company.

New Delhi  
23.05.2013

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 INDIAN TONERS & DEVELOPERS LTD**

We have examined the compliance of conditions of Corporate Governance by INDIAN TONERS & DEVELOPERS LTD. for the year ended on 31st March, 2015, as stipulated in clause 49 of the listing agreement of the said company with stock exchanges in India.

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.

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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.

DATE: 23rd, May 2015  
PLACE: New Delhi

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

#### 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 for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal control, 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

(N. K. Maheshwari)  
Chief Financial Officer

DATE: 23.05.2015  
PLACE : New Delhi

**ANNEXURE “1”**  
**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31.03.2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I REGISTRATION AND OTHER DETAILS:**

i)	CIN	L74993UP1990PLC015721
ii)	Registration Date	09.01.1990
iii)	Name of the Company	Indian Toners & Developers Ltd.
iv)	Category / Sub-Category of the Company	Limited by Shares
v)	Address of the Registered office and Contact Details	10.5 km, Milestone, Rampur- Bareilly Road, Rampur – 244901 (U.P), India. Phone - 09219410588
vi)	Whether Listed Company Yes/ No.	Yes BSE Ltd.
vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any	Alankit Assignments Limited, 1E/13, Alankit Heights, Jhandewalan Extension, New Delhi - 110 055. Phone : 011-43541234, 42541234

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

S. No.	Name and Description of main products / services	NIC Code of the Products / service	% to total turnover of the Company
1.	Toner for Photocopier and Imaging	3090	100%
2.			
3.			

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No.	Name & Address	CIN/GLN	Holding/ Subsidiary/	% of Shares Held	Applicable Section
1.	ITDL Imagetec Limited 1224, DLF Tower-B, Jasola, New Delhi-110025	U93090DL2007PLC158393	Subsidiary	51%	2(87) of the Companies Act, 2013
2.					

**1) Share holding Pattern (Equity Share Capital Breakup as percentage of total equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares Held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1177606	0	1177606	14.612	1178406	0	1178406	14.622	0.009
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	2828924	0	2828924	35.103	2828924	0	2828924	35.103	0
e) Bank / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-Total(A)(1) :</b>	<b>4006530</b>	<b>0</b>	<b>4006530</b>	<b>49.716</b>	<b>4007330</b>	<b>0</b>	<b>4007330</b>	<b>49.725</b>	<b>0.009</b>
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Bank / FI	0	0	0	0	0	0	0	0	0

e) Any Other...	0	0	0	0	0	0	0	0	0
<b>Sub-Total(A)(2) :</b>	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	4006530	0	4006530	49.716	4007330	0	4007330	49.725	0.009
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	3200	3200	0.040	0	3200	3200	0.040	0
b) Banks/ FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1) :-</b>	0	3200	3200	0.040	0	3200	3200	0.040	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	386739	12800	399539	4.958	562744	12800	575544	7.142	2.183
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal Share Capital upto Rs. 1 lakh	1632836	1137581	2770417	34.377	1669848	1099681	2769529	34.366	0.011
ii) Individual Shareholders holding nominal Share Capital in excess of Rs. 1 lakh	771445	0	771445	9.573	548905	0	548905	6.811	(-)2.761
c) Other (Specify)									
1. Directors	2500	0	2500	0.031	2520	0	2520	0.031	0.0002
2. Non Resident Indian	32122	0	32122	0.398	26733	0	26733	0.332	(-)0.066
3. Clearing Members	2119	0	2119	0.026	12256	0	12256	0.152	0.125
4. Hindu Undivided Families	71028	0	71028	0.881	112883	0	112883	1.401	0.519
<b>Sub-total(B)(2)</b>	2898789	1150381	4049170	50.244	2935889	1112481	4048370	50.235	(-)0.009
Total Public Shareholding	2898789	1153581	4052370	50.284	2935889	1115681	4051570	50.275	(-)0.009
(B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Grand Total (A+B+C)	6905319	1153581	8058900	100.00	6943219	1115681	8058900	100.00	
<b>(ii) Shareholding of Promoters</b>									
S.No. Shareholder's Name	Shareholding at the begining of the year 01.04.2014				Shareholding at the end of the year 31.03.15				
	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total Shares		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to holding during the year	% change in share	
1. Sushil Jain/ Nandita Jain	6300	0.078	NIL		6300	0.078	NIL	0	
2. Devanshi Jain	-	-	-		100	0.001	NIL	0.001	
3. Sushil Jain	682106	8.464	NIL		682806	8.473	NIL	0.008	
4. Akshat Jain / Sushil Jain	100	0.001	NIL		100	0.001	NIL	0	
5. Sushil Jain (HUF)	182600	2.266	NIL		182600	2.266	NIL	0	
6. Aashima Jain	40000	0.496	NIL		40000	0.496	NIL	0	
7. Nandita Jain	134000	1.663	NIL		134000	1.663	NIL	0	
8. Akshat Jain	132500	1.644	NIL		132500	1.644	NIL	0	
9. Mahavir Phototech Pvt. Ltd.	915561	11.361	NIL		915561	11.361	NIL	0	
10. Triveni Securities Pvt. Ltd.	631509	7.836	NIL		631509	7.836	NIL	0	
11. Alankar Securities Pvt. Ltd.	807854	10.025	NIL		807854	10.024	NIL	0	
12. ABC Commercial Co. Ltd.	474000	5.882	NIL		474000	5.882	NIL	0	
<b>Total</b>	<b>4006530</b>	<b>49.716</b>	<b>NIL</b>		<b>4007330</b>	<b>49.725</b>	<b>NIL</b>	<b>0.009</b>	

**(iii) Change in Promoter's Shareholding (Please specify, if there is no change)**

S.No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014		Shareholding at the end of the year 31.03.15	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Shri Sushil Jain				
	At the beginning of the year.	6300	0.078	6300	0.078
	At the beginning of the year.	682106	8.464	682106	8.466
	Increase during the year	(+700)	0.008	(+700)	0.008
	Date : 14.11.2014 by Transfer				
	Decrease during the year	Nil	Nil	Nil	Nil
	At the end of the year	689106	8.550	689106	8.550
2.	Ms. Devanshi Jain				
	At the beginning of the year.	100	0.001	100	0.001
	At the end of the year	100	0.001	100	0.001
3.	Shri Akshat Jain				
	At the beginning of the year.	100	0.001	100	0.001
	At the end of the year	100	0.001	100	0.001
4.	Shri Akshat Jain				
	At the beginning of the year	132500	1.664	132500	1.664
	At the end of the year	132500	1.664	132500	1.664
5.	Sushil Jain HUF				
	At the beginning of the year.	182600	2.265	182600	2.265
	At the end of the year	182600	2.265	182600	2.265
6.	Ms. Aashima Jain				
	At the beginning of the year.	40000	0.496	40000	0.496
	At the end of the year	40000	0.496	40000	0.496
7.	Smt. Nandita Jain				
	At the beginning of the year.	134000	1.662	134000	1.662
	At the end of the year	134000	1.662	134000	1.662
8.	Mahavir Phototech Pvt. Ltd.				
	At the beginning of the year.	915561	11.360	915561	11.360
	At the end of the year	915561	11.360	915561	11.360
9.	Triveni Securities Pvt. Ltd.				
	At the beginning of the year.	631509	7.836	631509	7.836
	At the end of the year	631509	7.836	631509	7.836
10.	Alankar Securities Pvt. Ltd.				
	At the beginning of the year.	807854	10.024	807854	10.024
	At the end of the year	807854	10.024	807854	10.024
11.	ABC Commercial Co. Ltd.				
	At the beginning of the year.	474000	5.881	474000	5.881
	At the end of the year	474000	5.881	474000	5.881

**(iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S.No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year 01.04.2014		Shareholding at the end of the year 31.03.15	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Sangeetha S IN301313 – 20493057	164590	2.042	152890	1.897
2.	Vijay Kumar Agarwal IN300020 – 30101337	78515	0.974	---	---
3.	S Sathya IN302269 – 11708186	48670	0.603	---	---
4.	Anand Subramaniyam IN300441 – 10448238	40431	0.501	---	---

5.	Savitha S IN301313 – 20493065	32290	0.400	45790	0.568
6.	Girish Ishwardas Manglani IN301983 – 10548987	32000	0.397	---	---
7.	Sangeeta Mundhra 33500-1203350001891091	30511	0.378	---	---
8.	Satya Prakash Mittal 13200-1201320000272601	28909	0.358	7260	0.090
9.	Kapurchand Maheshwari IN300749 – 10159933	26368	0.327	---	---
10.	Charu Aditya Mody 10900-1201090000406428	23260	0.288	10550	0.130
11.	Sathya S IN301313 – 20493049	---	---	70000	0.868
12.	Smita John Dmello IN301604 – 10056376	---	---	42000	0.521
13.	Siddhartha Bhaiya 47500 - 1204750000009836	---	---	32688	0.405
14.	Deo Hirawat (HUF) 11800 - 1201180000011710	---	---	32500	0.403
15.	Amit Bhaiya IN303028-51011236	---	---	26000	0.322
16.	Brijratan G Damani IN300095 – 11115917	---	---	25000	0.310

**(v) Shareholding of Directors and Key managerial Personnel:**

S.No.	For each of the Director & KMP	Shareholding at the beginning of the year 01.04.2014		Shareholding at the end of the year 31.03.15	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<u>Shareholding of Key Managerial Personnel</u>					
1.	Shri Sushil Jain				
	At the beginning of the year.	688406	8.542	688406	8.542
	Increase during the year	(+700)	0.008	(+700)	0.008
	Date : 12.11.2014 by Transfer				
	Decrease during the year	Nil	Nil	Nil	Nil
	At the end of the year	689106	8.550	689106	8.550
<u>Shareholding of Directors</u>					
2.	Shri Sanjeev Goel				
	At the beginning of the year.	2500	0.031	2500	0.031
	At the end of the year	2500	0.031	2500	0.031
3.	Shri Kewal Krishan Dhiman				
	At the beginning of the year.	20	0.0002	20	0.0002
	Increase during the year		0.0002	20	0.0002
	Decrease during the year				
	At the end of the year	20			

**V. INDEBTENDNESS**

**Indebtedness of the Company including interest outstanding / accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	---	---	---	---
ii) Interest due but not paid	---	---	---	---

iii) Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	---	---	---	---
Change in Indebtedness during the financial year				
• Addition	---	---	---	---
• Reduction	---	---	---	---
Net Change	---	---	---	---
Indebtedness at the end of the financial year				
i) Principal Amount	---	---	---	---
ii) Interest due but not paid	---	---	---	---
iii) Interest accrued but not due	---	---	---	---
Total (i+ii+iii)	---	---	---	---

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / Manager

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross Salary	Sh. Sushil Jain	
(a)	Salary as per provisions contained in section 17(1) of the Income – Tax Act, 1961	96,05,283	96,05,283
(b)	Value of perquisites u/s 17(2) Income – Tax Act, 1961	5,50,566	5,50,566
(c)	Profits in lieu of salary under section 17(3) Income – Tax Act, 1961	0	0
2.	Stock Option	---	---
3.	Sweat Equity	---	---
4.	Commission	---	---
	- As % of profit	---	---
	- Others, specify...	---	---
5.	Others, please specify (Employer's P.F. Contribution, LTA & Medical Reimbursement)	800333	800333
	Total (A)	10956182	10956182
	Ceiling as per the Act		*

\*The payments are as per schedule and as per Section 197 of Companies Act, 2013 and as approved by the Ministry of Corporate Affairs.

### B. Remuneration to other Directors:

No.	Particulars of Remuneration	Name of Directors					Total Amount
1.	Independent Directors	Sh. Pawan Kr. Kanoria	Sh. Vikram Prakash	Sh. Sanjeev Goel	Sh. Arun Kr. Garg	Smt. Neena Jain	
	Fee for attending Board/ Committee meetings	10000	87000	97000	88500	30000	312500
	Commission	---	--	--	---	--	---
	Other, Please specify	---	--	--	---	--	---
	Total (1)	10000	87000	97000	88500	30000	312500
	Other Non- Executive Directors					Sh. Kewal Kishan Dhiman	
	Fee for attending Board/ Committee meetings	---	---	---	---	10000	10000
	Commission	---	--	--	---	---	---
	Other, Please specify	---	---	---	---	---	---
	Total (2)	---	---	---	---	10000	10000
	Total (B)=(1+2)	10000	87000	97000	88500	40000	322500
	<b>Total Managerial Remuneration</b>						<b>10956182</b>
	<b>Overall Ceiling as per the Act</b>						*

\*The payments are as per schedule and as per Section 197 of Companies Act 2013 and as approved by the Ministry of Corporate Affairs.



**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO*	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	96,05,283	15,65,520	5,28,709	1,16,99,512
	(b) Value of perquisites u/s 17(2) Income	5,50,566	---	---	5,50,566
	(c) Profits in lieu of salary under section 17(3) Income – Tax Act, 1961	0	---	---	---
2.	Stock Option	---	---	---	---
3.	Sweat Equity	---	---	---	---
4.	Commission	---	---	---	---
	- as % of profit	---	---	---	---
	- others, specify...	---	---	---	---
5.	Others, please specify (Employer's P.F. Contribution, LTA & Medical Reimbursement)	800333	180924		
<b>Total</b>		<b>10956182</b>	<b>1746444</b>	<b>528709</b>	<b>13231335</b>

\*w.e.f 8.8.2014

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
<b>Company/Director/Other Officers in Default</b>					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

**Annexure – “2”****Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March, 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

**To,**  
**The Members,**  
**Indian Toners & Developers Limited**  
**10.5 km Milestone, Rampur-Bareilly Road,**  
**Rampur, U.P.**  
**CIN: L74993UP1990PLC015721**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indian Toners & Developers Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company Indian Toners & Developers Limited and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner read with the reporting made hereinafter:

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We have examined the books, papers, minute books, forms and returns filed and other records maintained by Indian Toners & Developers Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

We have also examined compliance with the applicable clauses of the following:

- (i) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (where the shares of the Company is listed)  
During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with following observations:

**Observations**

- (1) The Company has its subsidiary Company named ITDL IMAGETEC LIMITED, and the Company has properly prepared the Consolidated Final Accounts of the Company to be laid down to the shareholders
- (2) The Company has properly complied with the Prohibition Insider Trading Regulations issued by the SEBI and properly closed the Trading Window before the board meetings.
- (3) The Company has properly reported the change in the directorship of the Company to the concerned departments in time.
- (4) The Company has duly complied the requirement of appointment of Women Director on the Board within specified time.
- (5) The Company has duly obtained the approval of Central Government for paying the Managerial Remuneration to Mr. Sushil Jain (Managing Director) exceeding the prescribed limit.
- (6) The Company has duly accepted request for transfer/transmission of shares and transferred it within the prescribed time period.
- (7) No Showcause Notice has been received by the Company under the Act and all the applicable Laws to the Company.
- (8) The Company has regularly complied with the Listing Agreements and filed all the disclosures to the stock Exchanges on time.
- (9) No loan exists as per the Balance Sheet of the Company as on 31.03.2015 and all the previous loans have been repaid by the Company. Some charges existing on the MCA portal as on date are yet to be satisfied.
- (10) The Company is duly complying with the Retirement Benefits Laws and Company is duly contributing towards the Provident fund for the benefit of the employees.
- (11) The Company is properly maintaining the Statutory Registers and Minutes Book and any changes regarding these are entered in time.
- (12) Related Party Transactions duly approved by the Audit Committee and Board of Directors were entered by the Company Secretary of the Company in the respective Statutory Book.
- (13) There were no any transactions that is covered under the Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder.
- (14) The Company has duly complied with the provisions of Foreign Exchange Management Act, 1999 and rules & regulations made thereunder while entering into related transaction/transactions.
- (15) There were no transactions that is covered under Depositories Act, 1996 and the Regulations and bye laws framed thereunder.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took

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place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has

- (i) Not done any Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Not done Redemption / buy-back of securities
- (iii) Passed the Special Resolution under section 180(1)(c) of the Companies Act, 2013 for availing the Borrowing Limit of Rs. 50 Crores (Rupees Fifty Crores) over and above the aggregate of paid up share capital and free reserves of the company.
- (iv) The Company has not taken or of the any view regarding Merger/Amalgamations etc.
- (v) The Company has not taken any major decision that is required to be reported in this report.

Place : New Delhi

Date : 23.05.2015

for Mukesh Agarwal & Company

Mukesh Kumar Agarwal

MNo-F5991

C P No.3851

### **Annexure – “A”**

To,

The Members,

Indian Toners & Developers Limited

The Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtain the management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : New Delhi

Date : 23.05.2015

for Mukesh Agarwal & Company

Mukesh Kumar Agarwal

MNo-F5991

C P No.3851

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## Annexure – “3”

### Form No. AOC-2

#### (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis NIL
  - (a) Name(s) of the related party and nature of relationship :
  - (b) Nature of contracts/arrangements/transactions :
  - (c) Duration of the contracts / arrangements/transactions :
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any :
  - (e) Justification for entering into such contracts or arrangements or transactions :
  - (f) Date(s) of approval by the Board :
  - (g) Amount paid as advances, if any :
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 :
2. Details of material contracts or arrangement or transactions at arm's length basis :
  - (a) Name(s) of the related party and nature of relationship : ITDL Imagetec Limited (Subsidiary)
  - (b) Nature of contracts/arrangements/transactions : Purchase & Sale of Raw Material and Sharing of Expenses
  - (c) Duration of the contracts / arrangements/transactions : 12 months (1.4.2014 to 31.3.2015)
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: : Expenses Recovered = Rs. 61.54 Lacs  
: Expenses Reimbursed = Rs. 5.29 :Lacs  
: Purchase of Raw Material = Rs. 29.41 Lacs  
: Sale of Raw Material = Rs. 43.45 Lacs
  - (e) Date(s) of approval by the Board, if any: : 08.08.2014, 6.11.2014,  
9.2.2015 and 23.5.2015\*
  - (f) Amount paid as advances, if any : NIL

\*on the recommendation of Audit Committee.

For Indian Toners & Developers Ltd.

(SUSHIL JAIN)  
Chairman & Managing Director

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## Annexure – “4”

### Annexure to Boards Report

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 1. A brief outline of the company’s CSR policy, including purpose or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and details of CSR spending.**

CSR policy of the Company was approved by the Board of Directors on 21.05.2014.

Corporate Social Responsibility (CSR) is a concept which integrates the company’s business objectives with social and environmental concerns while interacting with their stakeholders.

To pursue these objectives we will continue:

- To lay down guiding principles to ensure strong corporate culture which emphasizes on integrating CSR values with Business Objectives.
- To do business by adding value to the community and society on a sustainable basis through dedicated policies, institutional setup and engagement process to promote inclusive growth.
- To practice the Company’s corporate values through its commitment to grow in a socially and environmentally responsible manner.

The Company shall give preference to the local area and areas around it where it operates.

**Web Link:**

<http://indiantoners.com/investorrelations/companycode&policies/corporatesocialresponsibilitypolicy.pdf>

- 2. Composition of CSR committee**

Name of the Member	Designation
Sh. Sanjeev Goel	Chairman
Sh. Sushil Jain	Member
Sh. Arun Kumar Garg	Member

- 3. Average net profit of the company for last three financial years:**

Average net profit: Rs.464.59 Lakhs

- 4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)**

The company is required to spend Rs.9.29 Lakhs during this year.

- 5. Details of CSR spent for the financial year :**

- a) Total amount spent for the financial year : Rs.9.29 Lakhs/-
- b) Amount unspent if any : Nil
- c) Manner in which the amount spent during the financial year: Contribution to Prime Minister National Relief Fund.

# AUDITORS' REPORT

TO THE MEMBERS OF INDIAN TONERS AND DEVELOPERS LIMITED

## Report on the Financial Statements

1. We have audited the accompanying financial statements of INDIAN TONER & DEVELOPERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, 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 Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act 2013 ("the Act") with respect to the preparation and presentation 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

## INDIAN TONERS & DEVELOPERS LIMITED

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 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:
  - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
  - (ii) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
  - (iii) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2015 ('Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
8. As required by Section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013;
  - e. on the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2015 from being appointed as director in terms of section 164(2) of the Companies Act, 2013 and
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company did not have any pending litigations as at 31st March, 2015 which has impact on its financial position.
    - ii. The Company did not have any foreseeable losses on long term contracts and had no derivative contracts outstanding as at 31 March 2015; and
    - iii. The Company did not have any dues on account of Investor Education and Protection Fund.

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

(B.R.GOYAL)  
PARTNER

Membership No. 12172

Place : New Delhi  
Date : 23rd May, 2015

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 7 of our report of even date to the members of Indian Toners & Developers Limited (the Company) on the Financial Statements for the year ended 31st March, 2015.)

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
- ii) (a) The inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the 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.
- iii) (a) According to the information and explanations given to us, the Company has, during the year, not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v) The Company has not accepted public deposits during the year.
- vi) The Central Government has not prescribed maintenance of cost accounts for the type of activities of the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records under clause (d) of Sub Section (1) of Section 148 of the Companies Act, 2013 .
- vii) (a) According to the records examined by us , the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax , sales tax , wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there were no dues in respect of sale tax, income tax, duties of customs, wealth tax, service tax, duty of excise, cess and value added tax which have not been deposited on account of disputes.
- (c) The Company did not have any dues on account of Investor Education and Protection Fund.
- viii) There are no accumulated losses of the Company as at 31st March 2015. The Company has not incurred cash losses during the financial year covered by our audit, as well as in the immediately preceding financial year.
- ix) 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 any financial institution or bank.
- x) According to the information and explanations given to us, Company has not given any guarantee during the year for loans taken by others from banks or financial institution.
- xi) In our opinion and according to the information and explanations given to us. During the year, the Company has not taken any term loan.
- xii) Based upon the audit procedures performed and to the best of our knowledge and according to 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  
 ICAI'S FRN 304153E

(B.R.GOYAL)  
 PARTNER

Place : New Delhi  
 Date: 23rd May, 2015

Membership No. 12172

**Balance Sheet As At 31st March 2015**

(Rs. in Lacs)

Particulars	Note No.	As at 31st March 2015	As at 31st March 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Fund</b>			
a. Share Capital	2	805.89	805.89
b. Reserves & Surplus	3	4541.34	4121.24
<b>(2) Non Current Liabilities</b>			
a. Deferred Tax Liabilities (Net)	4	179.56	214.94
b. Long Term Provisions	5	21.89	15.73
<b>(3) Current Liabilities</b>			
a. Trade Payables	6	338.93	377.78
b. Other Current Liabilities	7	135.12	151.68
c. Short-Term Provisions	8	174.23	210.21
<b>TOTAL</b>		<b>6196.96</b>	<b>5897.47</b>
<b>II. ASSETS :</b>			
<b>(1) Non Current Assets</b>			
<b>a. Fixed Assets</b>			
	9		
i) Tangible Assets		1148.35	1286.60
ii) Intangible Assets			8.71
iii) Capital Work in progress		7.32	8.78
b. Non current investments	10	71.30	51.00
c. Long terms loans and advances	11	35.53	35.45
<b>(2) Current Assets</b>			
a. Current Investments	12	3090.18	2649.52
b. Inventories	13	517.92	468.06
c. Trade receivables	14	587.52	606.88
d. Cash and Bank Balances	15	487.75	494.81
e. Short-term loans and advances	16	211.64	279.76
f. Other current assets	17	39.45	7.90
<b>TOTAL</b>		<b>6196.96</b>	<b>5897.47</b>
<b>Significant Accounting Policies</b>	1		
The Notes form an integral part of these Financial statements	01-45		

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 23rd Day of May 2015

**(S.C. SINGHAL)**  
Company Secretary

**(N.K.MAHESHWARI)**  
C.F.O.

**(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 31st March, 2015

(Rs. in Lacs)

S.No.	Particulars	Note No.	For the year ended 31st March 2015	For the year ended 31st March, 2014
I	Revenue from operations (Gross)	18	3455.87	3395.61
	Less : Excise Duty		<u>30.34</u>	<u>0.13</u>
	Revenue from Operation (Net)		3395.61	0.13
II.	Other Income	19	<u>52.00</u>	<u>177.16</u>
<b>III.</b>	<b>Total Revenue (I+II)</b>		<b><u>3477.53</u></b>	<b><u>3572.64</u></b>
<b>IV</b>	<b>Expenses :</b>			
	Cost of materials consumed	20	1479.10	1444.55
	Other Manufacturing Expenses	21	537.83	475.09
	Changes in inventories of finished goods & work-in-progress	22	21.24	13.53
	Employee Benefit Expenses	23	483.92	427.28
	Finance Costs	24	6.59	8.28
	Depreciation & Amortisation Expenses (Refer Note 44)	9	135.98	108.56
	Other Expenses	25	<u>396.19</u>	<u>361.38</u>
	<b>Total Expenses (IV)</b>		<b><u>3060.85</u></b>	<b><u>2838.67</u></b>
V	Profit before exceptional items and tax	(III-IV)	416.68	733.97
VI	Exceptional Items	26	<u>167.67</u>	<u>(28.64)</u>
VII	Profit before exceptional items and tax	(V+VI)	584.35	705.33
VIII	Extraordinary Items	27	<u>35.14</u>	-
IX	Profit before tax	(VII-VIII)	<b><u>619.49</u></b>	<b><u>705.33</u></b>
<b>X</b>	<b>Tax expenses :</b>			
	(1) Current tax		(162.00)	(200.33)
	(2) Taxes in respect of earlier years		(3.66)	20.63
	(3) Deferred tax		<u>12.96</u>	<u>15.50</u>
IX	Profit for the year	(V-VI)	<b><u>466.79</u></b>	<b><u>541.13</u></b>
X	Earning per share @ Rs. 10 per share			
	(1) Basic	40	5.79	6.71
	(2) Diluted	40	5.79	6.71
	<b>Significant Accounting Policies</b>	1		
	The Notes form an integral part of these Financial statements	01-45		

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 23rd Day of May 2015

**(S.C. SINGHAL)**  
Company Secretary

**(N.K.MAHESHWARI)**  
C.F.O.

**(SANJEEV GOEL)**  
Director

**(SUSHIL JAIN)**  
Chairman &  
Managing Director

For and on Behalf of the Board of Directors

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**  
**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 with all material aspect, with the applicable accounting principles in India. The applicable accounting standards notified under Section 133 and the other relevant provisions of the Companies Act 2013.

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 III of the Companies Act, 2013. 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) Tangible Assets are stated at cost net of recoverable taxes, trade discounts less accumulated Depreciation provided for. The cost of tangible assets comprises its purchase price, borrowing cost and any cost attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from foreign exchange rate variations attributable to the assets.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

- b) Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization. The cost comprises of purchase price, borrowing costs, any cost directly attributable to bringing the assets to its working condition for the intended use.

**1.3 DEPRICIATION AND AMORTIZATION OF FIXED ASSETS**

**TANGIBLE ASSETS**

- a) Depreciation is provided on tangible assets on straight line method on all assets based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- b) Plant & Machinery is depreciated treating it as continuous process Plant (except R & D Plant), at rates and in the manner as per Part-C of Schedule II to the Companies Act, 2013 as amended vide notification no. GSR 237(E), dated 31.03.2014, w.e.f. 01.04.2014. Depreciation on assets added / deducted during the year is charged proportionate with reference to the date of additions / deductions.
- c) Depreciation on R&D Plant & Machinery is charged, treating the same as non-continuous, in the same manner as mentioned above.
- d) Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100 percent.

**INTANGIBLE ASSETS**

- a) 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.
- b) Software's are amortized on straight line method over a period of three years.

**1.4 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.

**1.5 LEASES**

**Operating Leases:** There is only one operating lease i.e. the Company's corporate office at Jasola, New Delhi and rentals of the same are expensed on mercantile basis.

**1.6 RESEARCH & DEVELOPMENT**

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

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.

**1.7 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.
- 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.

**1.8 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.

**1.9 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 over heads 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 over heads 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.

**1.10.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

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(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.

#### **1.11. 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.

#### **1.12. 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.

- 1.13.** 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.

#### **1.14. 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.

#### **1.15. 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.

#### **1.16. 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

#### **1.17. 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 2015****Note No. '2'****(Rs. in lacs)****Share Capital****As at 31st March 2015** As at 31st March 2014**AUTHORISED CAPITAL**

17000000 Equity Shares of Rs. 10/- each	<b>1700.00</b>	1700.00
(P.Y. 17000000 equity shares of Rs. 10/- each)	<b>1700.00</b>	1700.00

**ISSUED & SUBSCRIBED & PAID UP**

8058900 Equity Shares of Rs. 10/- each, fully paid	805.89	805.89
(P.Y. 8058900 equity shares of Rs. 10/- each)		
<b>TOTAL</b>	<b>805.89</b>	<b>805.89</b>

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 shareholders holding more than 5% shares as at March 31, 2014 & March 31, 2015 is set out below:

<b>Particulars</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>Name of the shareholders</b>	<b>% of Holding</b>	<b>% of Holding</b>
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) @ Rs. 10 each	10.0	10.0
Triveni Securities Pvt. Ltd. 631509 shares (p.y. 631509 shares)	7.8	7.8
Sushil Jain 689106 shares (p.y. 688406 shares)	8.6	8.5

**Note No. '3'****(Rs. in lacs)****Reserve & Surplus****As at 31st March 2015** As at 31st March 2014**Surplus**

Opening Balance	4121.24	3580.11
Less: Adjustment on account of depreciation (net of DTA)* (Refer Note No. 44)	(46.69)	-
Add: Net profit for the year	466.79	541.13
<b>Closing Balance</b>	<b>4541.34</b>	<b>4121.24</b>

\* Based on transitional provision provided in note 7(b) of Schedule II of the Companies Act, 2013, where useful life of fixed assets has become nil in terms of said schedule, carrying amount of such fixed assets have been debited to the opening balance of surplus/(deficit).

**INDIAN TONERS & DEVELOPERS LIMITED**

<b>Note No. '4'</b>	<b>(Rs. in lacs)</b>	
<b>Deferred Tax Liabilities (net)</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Deferred Tax Liability on account of :		
Accelerated Depreciation/Amortisation	190.63	223.35
Deferred Tax Asset on account of :		
Provision for leave Encashment	(11.07)	(8.41)
<b>Net Deferred tax liability</b>	<b><u>179.56</u></b>	<b><u>214.94</u></b>
<b>Note No. '5'</b>	<b>(Rs. in lacs)</b>	
<b>Long Term Provisions</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>Employee Benefits</b>		
Provision for Leave Encashment (Refer Note No. 36)	21.89	15.73
<b>TOTAL</b>	<b><u>21.89</u></b>	<b><u>15.73</u></b>
<b>Note No. '6'</b>	<b>(Rs. in lacs)</b>	
<b>Trade Payables</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Trade Payables	338.93	377.78
(For micro and small enterprises Refer Note No. 31)		
<b>TOTAL</b>	<b><u>338.93</u></b>	<b><u>377.78</u></b>
<b>Note No. '7'</b>	<b>(Rs. in lacs)</b>	
<b>Other Current Liabilities</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Current Maturities of long term debt (secured)	-	6.72
Bank Overdraft	-	16.24
Trade Advances	0.68	-
Statutory Dues Payable	10.64	5.49
Accured Salaries & Benefits Payable	43.21	35.04
Others Payable	80.59	88.19
<b>TOTAL</b>	<b><u>135.12</u></b>	<b><u>151.68</u></b>
<b>Note No. '8'</b>	<b>(Rs. in lacs)</b>	
<b>Short Term Provisions</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>Employee Benefits</b>		
Provision for Leave Encashment (Refer Note No. 36)	12.23	10.21
Income Tax	162.00	200.00
<b>TOTAL</b>	<b><u>174.23</u></b>	<b><u>210.21</u></b>

**Note No. '9'**  
**Fixed Assets**  
**Notes to the financial statements for the year ended 31st March 2015**

(Rs. in lacs)

S.No. Particulars	Gross Block		Depreciation		Net Block		
	Balance as at 01.04.2014	Additions during the Year	Deduction during the Year	Upto 01.04.2014	Upto 31-3-2015	Balance as at 31.03.2015	Balance as at 31.03.2014
<b>I Tangible Assets</b>							
1. Land	3.50	-	0.88	-	-	2.62	3.50
2. Building	206.08	52.24	-	103.41	7.77	147.14	102.67
3. Plant and Machineries	2939.39	-	-	2181.49	103.53	654.37	757.90
4. Electric Installation	319.45	-	-	59.18	47.65	212.62	260.27
5. Furniture & Fixtures	11.94	0.93	-	4.56	0.91	7.40	7.38
6. Vehicles	134.48	-	8.02	52.21	23.40	58.47	82.27
7. Office Equipment	8.40	4.54	-	12.94	1.44	6.66	3.56
8. Computer	13.84	1.69	-	6.27	3.99	5.27	7.57
9. Improvement in Leasehold property	69.16	-	-	7.68	7.68	53.80	61.48
<b>SUB TOTAL (A)</b>	<b>3706.24</b>	<b>59.40</b>	<b>8.90</b>	<b>2419.64</b>	<b>196.37</b>	<b>1148.35</b>	<b>1286.60</b>
<b>II Intangible Assets</b>							
Intangible R & D (Product Development)	34.85	-	-	26.14	8.71	34.85	8.71
Computer Software	23.04	-	-	23.04	23.04	-	-
<b>SUB TOTAL (B)</b>	<b>57.89</b>	<b>-</b>	<b>-</b>	<b>49.18</b>	<b>8.71</b>	<b>-</b>	<b>8.71</b>
<b>Capital work in progress (C)</b>	<b>8.78</b>	<b>7.32</b>	<b>8.78</b>	<b>-</b>	<b>-</b>	<b>7.32</b>	<b>8.78</b>
<b>Total [A+B]</b>	<b>3764.13</b>	<b>59.40</b>	<b>8.90</b>	<b>2468.82</b>	<b>205.08</b>	<b>1148.35</b>	<b>1295.31</b>
<b>Amount Adjusted from Surplus</b>							
<b>Total Current Year Dep (Previous Year)</b>	<b>3749.02</b>	<b>151.62</b>	<b>136.51</b>	<b>2473.63</b>	<b>108.56</b>	<b>1295.31</b>	<b>1275.40</b>

Note : Building, Plant & Machineries, Electrical Installations, Office Equipments, Computers and Furniture includes Rs. 29.66, Rs. 365.51 , Rs. 10.09, Rs. 7.21, Rs. 3.73 and Rs. 1.15 lacs respectively which includes Office Equipments, Building & Computers of Rs 2.94, 1.48 & 1.58 lacs purchased respectively during the year towards, assets for R & D purposes.  
**\*Refer Note - 44**

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<b>Note No. '10' Non Current Investment (at Cost)</b>		<b>(Rs. in lacs)</b>	
	<b>No.</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>1 Investment in Subsidiaries (Unquoted, Trade)</b>			
ITDL Imagetec Limited - Subsidiary Company (Equity Shares of Rs. 10 each)	510000	51.00	51.00
<b>2 Others</b>			
NHAI Taxable Bond (Series XV) with Benefit U/S 54EC		<u>20.30</u>	-
<b>TOTAL</b>		<u><b>71.30</b></u>	<u><b>51.00</b></u>

<b>Note No. '11' Long Term Loans &amp; Advances</b>		<b>(Rs. in lacs)</b>	
	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>	
Security Deposit			
Security Deposit-Others (Unsecured considered good)	35.53	35.53	35.45
<b>TOTAL</b>	<u><b>35.53</b></u>	<u><b>35.53</b></u>	<u><b>35.45</b></u>

<b>Note No. '12' Current Investment (at the lower of cost and fair value)</b>		<b>(Rs. in lacs)</b>	
	<b>No.</b>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
1 Investment in Mutual Funds (unquoted) Units of Rs. 10 each, unless otherwise specified)			
a) UTI Floating Rate Fund - STP - RP-DDR (NAV Rs. 1076.8777, Units: 52126.009)		561.33	-
b) UTI Floating Rate Fund-STP-Institutional Growth Option (NAV Rs. 1583.5534, Units- 4929.886) (P.Y. NAV Rs. 166.12 Lacs, Units- 10462.808)		56.22	130.00
c) UTI Treasury Advantage Fund-Growth Plan (P.Y. NAV Rs. 259.43 Lacs, Units: 8035.346)		-	222.91
d) UTI Treasury Advantage Fund - Institutional Plan Growth (NAV Rs. 1895.1441, Units:2919.642)(P.Y. NAV Rs. 403.81 Lacs, Units: 23256.642)		45.50	355.37
e) UTI Floating rate Fund -Short Term Plan -Regular plan Growth (NAV Rs. 2251.1399, Units: 101684.623)(P.Y. NAV Rs. 1174.08 Lacs, Units: 56722.606)		2037.13	1081.24
f) UTI Fixed Term Income Fund Series XV-IX (366 Days) -Direct Growth Plan (NAV Rs. NIL, Units: NIL) (P.Y. NAV Rs. 478.12 Lacs, Units: 4500000)		-	450.00
g) UTI-Fixed Income Interval Fund-VI Quarterly Interval Plan-Retail Option-Direct Plan-Growth (NAV Rs. 17.2219, Units: 334813.208) (P.Y. NAV Rs. 52.96 Lacs, Units: 334813.208)		50.00	50.00
h) UTI-Treasury Advantage Fund - Institutional Plan Direct Plan-Growth (NAV Rs. 1901.3133, Units:20096.542)(P.Y. NAV Rs. 349.61 Lacs, Units: 20096.542)		340.00	340.00
i) UTI Fixed Term Income Fund Series XVII - I (NAV: Nil, Units: Nil) (P.Y. NAV Rs. 20.62 Lacs, Units: 200000)		-	20.00
<b>TOTAL</b>		<u><b>3090.18</b></u>	<u><b>2649.52</b></u>

<b>Note No. '13' Inventories</b>		<b>(Rs. in lacs)</b>	
	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>	
1 Raw Material (including in transit Rs. 25.15 lacs) (previous year 32.53 lacs)	305.28	305.28	239.19
2 Work in Process (Toners)	82.38	82.38	100.96
3 Finished Goods (Toners)	54.61	54.61	57.27
4 Oil & Lubricants	12.54	12.54	12.47
5 Stores & Spares	38.36	38.36	37.59
6 Packing Material	24.75	24.75	20.58
<b>TOTAL</b>	<u><b>517.92</b></u>	<u><b>517.92</b></u>	<u><b>468.06</b></u>

(For valuation, refer Note No. 1.9)



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**Note No. '14' Trade receivables** **(Rs. in lacs)**

	As at 31st March 2015	As at 31st March 2014
1 <u>Outstanding for a period exceeding six months from the date they are due for payment :</u>		
Unsecured, Considered Goods :	-	-
2 <u>Others receivables :</u>		
Unsecured, Considered Goods :	587.52	606.88
(including Related Party refer Note 42)	-	-
<b>TOTAL</b>	<b>587.52</b>	<b>606.88</b>

**Note No. '15' Cash & Bank Balances** **(Rs. in lacs)**

	As at 31st March 2015	As at 31st March 2014
1 <u>Cash &amp; Cash equivalent</u>		
Cash Balance	5.47	1.66
Sub Total (A)	5.47	1.66
2 <u>Bank Balance</u>		
Current Account	51.54	15.94
EEFC Account	153.30	356.25
Bank Deposits#	180.00	4.29
Sub Total (B)	384.84	376.48
3 <u>Other Bank Balance</u>		
Balance with Banks to the extent held as Margin Money*	97.44	106.70
Fixed Deposits with banks with maturity period more than 12 months*	-	9.97
Sub Total (C)	97.44	116.67
Total [A+B+C]	<b>487.75</b>	<b>494.81</b>

\*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. '16' Short Terms Loans and Advances** **(Rs. in lacs)**

	As at 31st March 2015	As at 31st March 2014
1. Advances to Employees (Unsecured, considered goods)	1.69	0.70
2 <b>Balance with Govt. Authorities</b>		
Balance with Excise / Sales Tax	33.66	26.50
Service tax Recoverable	6.45	12.96
3 <b>Others</b>		
Advance to Suppliers (unsecured considered good)	-	20.93
Advance Income Tax (including TDS)	154.84	203.48
Prepaid Expenses	9.10	8.26
Others	5.90	6.93
<b>TOTAL</b>	<b>211.64</b>	<b>279.76</b>

**Note No. '17' Other Current Assets** **(Rs. in lacs)**

	As at 31st March 2015	As at 31st March 2014
1 Interest Accrued on Fixed Deposits & Others	12.53	7.01
2 Focus Licence	26.92	0.89
<b>TOTAL</b>	<b>39.45</b>	<b>7.90</b>

**Note No. '18' Revenue from Operations** **(Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
1 <b>Sale of Products</b>		
Manufactured Goods (Comparises of Toners)	3326.11	3282.45
Less : Excise Duty	30.34	0.13
	<b>3295.77</b>	<b>3282.32</b>

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<b>2 Other Operating Revenue</b>		
Export Incentives	129.15	111.46
Scrap Sale	<u>0.61</u>	<u>1.70</u>
	<u>129.76</u>	<u>113.16</u>
<b>TOTAL</b>	<b><u>3425.53</u></b>	<b><u>3395.48</u></b>

**Note No. '19' Other Income (Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
1 Interest Income :		
from Subsidiary	-	31.45
from others	17.33	10.66
2 Dividend Income : on current investments	-	2.16
: from Subsidiary/Mutual Fund	21.33	51.00
3 Capital Gain on Sale of Mutual Fund Units	-	32.94
4 Provision no longer required written back	-	5.16
5 Other Income (including insurance Claim recd Rs. 8370, P.Y. Rs. 14403)	7.03	12.28
6 Foreign Exchange Flutuations Gain (Net)	5.46	-
7 Reversal of Service Tax Adjustments	-	31.51
8 Profit on Sale of Fixed Assets	<u>0.85</u>	<u>-</u>
<b>TOTAL</b>	<b><u>52.00</u></b>	<b><u>177.16</u></b>

**Note No. '20' Cost of Material Consumed (Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
<b>Raw Materials</b>		
Opening Stock	188.17	246.65
Add : Purchase	1571.06	1386.07
Less : Closing Stock	<u>280.13</u>	<u>188.17</u>
Consumed	<u>1479.10</u>	<u>1444.55</u>

**Imported & Indigenous Raw Material Consumed (Rs. in lacs)**

	For the year ended 31st March 2015 (Rs.)	% of total consumption	For the yearended 31st March 2014 (Rs.)	% of total consumption
1. Imported	1436.17	97.10	1368.53	94.74
2. Indigenous	<u>42.93</u>	<u>2.90</u>	<u>76.02</u>	<u>5.26</u>
<b>TOTAL</b>	<b><u>1479.10</u></b>	<b><u>100.00</u></b>	<b><u>1444.55</u></b>	<b><u>100.00</u></b>

**Details of Raw Material Consumed (Rs. in lacs)**

1. Resin	970.92	983.23
2. Magnetitie	296.25	186.95
3. Others	<u>211.93</u>	<u>274.37</u>
<b>TOTAL</b>	<b><u>1479.10</u></b>	<b><u>1444.55</u></b>

**Note No. '21' Change in Inventories of Finished goods & work in progress (Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
Inventories at the end of the year :		
Finished goods (Toners)	54.60	57.27
: Work-in-Process (Toners)	<u>82.38</u>	<u>100.95</u>
	<u>136.98</u>	<u>158.22</u>
Inventories at the beginning of the year :		
Finished Goods (Toners)	57.27	32.76
: Work-in-Process (Toner)	<u>100.95</u>	<u>138.99</u>
	<u>158.22</u>	<u>171.75</u>
	<u>21.24</u>	<u>13.53</u>

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

	For the year ended 31st March 2015	For the year ended 31st March 2014
1 Packing Material Consumed	140.00	113.49
2 Stores and Spares Consumed	23.82	23.98
3 Power & Fuel	<u>323.74</u>	<u>289.64</u>

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4	Repair & Maintenance of Plant & Machinery	39.01	33.18
5	Repair & Maintenance of Building	1.49	6.93
6	Security Expenses	9.77	7.87
	Total	<u>537.83</u>	<u>475.09</u>

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

	For the year ended 31st March 2015	% of total consumption	For the yearended 31st March 2014	% of total consumption
Imported	4.59	2.80	3.36	2.44
Indigenous	159.23	97.20	134.11	97.56
<b>TOTAL</b>	<u>163.82</u>	<u>100.00</u>	<u>137.41</u>	<u>100.00</u>

**Note No. '23' Employee Benefit Expenses (Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
1 Salaries, Wages, Bonus etc.	457.05	403.38
2 Contribution to Provident & Other Fund	21.24	18.36
3 Staff Welfare Expenses	5.63	5.54
<b>TOTAL</b>	<u>483.92</u>	<u>427.28</u>

**Note No. '24' Finance Cost (Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
1 Interest Expenses	6.59	8.28
<b>TOTAL</b>	<u>6.59</u>	<u>8.28</u>

**Note No. '25' Other Expenses (Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
1 Rent	15.86	15.89
2 Rates & Taxes	3.47	7.60
3 Insurance Expenses	7.92	6.40
4 Repair & Maintenance to Computers	2.68	3.72
5 Repair & Maintenance Office	0.99	1.45
6 Advertisement & Sales Promotion	37.51	43.20
7 Communication Expenses	23.05	16.80
8 Travelling Expenses (including Foreign Travelling) & Conveyance	42.63	44.19
9 Vehicle Running & Maintenance Account	17.21	16.53
10 Staff Recruitment Expenses	0.99	0.52
11 Printing & Stationery Account	8.61	7.82
12 Electricity & Water Expenses	3.24	4.78
<u>Auditors Remuneration</u>		
As Audit Fees	1.50	1.50
As Tax Audit Fees	0.50	0.25
For Other Services	0.25	0.11
14. Legal & Professional Consultancy Charges	58.00	19.87
15 Directors Sitting Fees	3.23	1.51
16 Freight & Forwarding	96.78	95.17
17 Discount & Commission	10.72	1.50
18 Bank Charges	23.03	22.80
19 Office Maintenance	14.44	13.46
20 Loss on Sale of Fixed Assets	-	7.06
21 Corporate Social Responsibility (Refer Note 43)	9.29	-
22 Assets Written Off	-	9.43
23 General Expenses	14.28	18.11
24 Foreign Exchange Fluctuations Loss (Net)	-	1.71
<b>TOTAL</b>	<u>396.19</u>	<u>361.38</u>

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

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**Details Of Research & Development Expenses**

	For the year ended 31st March 2015	For the year ended 31st March 2014
1. Raw Material Consumed	3.91	3.41
2. Employees Benefit Expenses	17.87	15.32
3. Other Manufacturing Expenses	11.56	9.01
4. Other Expenses (Including Dep.)	24.34	20.84
<b>TOTAL</b>	<b><u>57.68</u></b>	<b><u>48.58</u></b>

**Note No. '26' Exceptional Items**

**(Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
Profit / Loss on Sale of Long Term Investment	167.67	(28.64)
<b>TOTAL</b>	<b><u>167.67</u></b>	<b><u>(28.64)</u></b>

**Note No. '27' Extraordinary Items**

**(Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
Profit on compulsory acquisition of Land by NHA1	35.41	-
<b>TOTAL</b>	<b><u>35.41</u></b>	<b><u>-</u></b>

**Notes to the Financial Statements for the year ended 31st March 2015**

**(Rs. in lacs)**

28. Contingent liabilities not provided for in respect of:	As at 31st March 2015	As at 31st March 2014
a) Letters of credit established in favour of the suppliers	509.64	581.58
b) Guarantee issued by SBI on behalf of Company	0.65	0.65
c) Export obligation against advance licenses	380.22	49.23
29. <b>Commitments :</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Estimated amount of contract remaining to be executed on capital amount and provided for (Net of Advances)	Nil	Nil
30. <b>Particulars of unhedge foreign currency expenses as at 31.03.2015 :</b>	For the year ended 31st March 2015	For the year ended 31st March 2014
Creditors for Import of Goods in USD	459270.00	515728.00
Creditors for Import of Goods in JPY	4680000.00	8736000.00
Debtors for Import of Goods in USD	749480.00	1004084.00
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 to 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 suppliers 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.		

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However, disclosure as to secondary segment is as under : (Rs. in lacs)

	For the year ended 31st March 2015	For the year ended 31st March 2014
Geographical Segment :		
i) Domestic Sale (including Excise Duty) :	312.67	82.18
ii) Export Sales (including Export benefits) :	3143.20	3291.45
	<u>3455.87</u>	<u>3373.63</u>
b) Details of sales : (including Export Benefit on Export Sales) :		
Sales	3455.87	3373.64
Excise Duty	(-) 30.34	(-) 0.13
<b>NET SALES</b>	<u><b>3425.53</b></u>	<u><b>3373.51</b></u>

33. a) Estimated benefits aggregating to Rs. 94.74 lacs (Previous Year Rs. 91.19 lacs) 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 under Advance Licence Scheme and corresponding amount has been added to the cost of Materials.
- b) Service Tax amounting to Rs. 6.45 lacs (Previous Year Rs. 12.95 lacs) have been treated as recoverable and are subject to claim yet to be filed with Department.
34. Amount of Exchange difference debited to the statement of Profit & Loss Account amounted to Rs. 22.49 lacs (previous year Rs. 319 lacs) and credited to the statement of P & L a/c amounted to Rs. 27.95 lacs (Previous Year Rs. 317.29 lacs)
35. R & D expenses included under various heads Rs.57.68 lacs [Including Raw Material Consumption Rs. 3.92 lacs & Depreciation Rs. 20.34 lacs] (Previous year Rs.48.58 lacs Raw Material Consumption Rs.3.41 lacs & Depreciation Rs. 19.41 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 2015	For the year ended 31st March 2014
	<b>(Rs. In. Lacs)</b>	
Employers Contribution to Provident Fund	<b>21.06</b>	18.22

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 2015	For the year ended 31st March 2014
	<b>(Rs. In. Lacs)</b>	
Employers Contribution to Employee State Insurance	<b>0.17</b>	0.14

C) Defined Benefit Plans  
a) Gratuity  
b) Leave Encashment

The discount rate assumed is 8% (Previous Year 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

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obligation is as under:

Particulars	(Rs. in lacs)					
	Gratuity (Funded)*			Leave Encashment (Unfunded)*		
	Current Year (Policy No. 103000250)	Previous Year (Policy No. 304782)	Current Year (Policy No. 103000250)	Previous Year (Policy No. 304782)	Current Year	Previous Year
<b>The principal assumptions used in actuarial valuation as per below:</b>						
· Discount rate	8.75%	9%	8.7%	8.75%	8%	9%
· Expected rate of return on assets	—	—	—	—	5%	5%
· Expected rate of future salary increase	6%	6%	6%	6%	5%	5%
<b>Change in present value of obligations</b>						
· Present value of obligations as at beginning of the year	0.11	56.13	0.00	31.13	25.95	25.63
· Interest cost / Contribution	0.01	5.29	0.00	3.12	2.33	2.05
· Current service cost	0.50	15.81	0.11	23.79	4.79	4.42
· Benefits paid/transferred	(0.01)	(2.05)	0.00	(1.91)		
· Actuarial Gain on Obligations	—	—	—	—	1.06	(6.16)
· Present value of obligation as at end of the year	0.61	75.18	0.11	56.13	34.13	25.95
<b>Changes in fair value of plan assets</b>	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
<b>Liability recognized in the Balance Sheet</b>						
· Present value of obligations as at 31.03.2015					34.13	25.95
· Fair value of plan assets as at the end of the year					—	—
· Unfunded Status					—	—
· Unrecognized Actuarial (Gain) / Loss					—	—
· Net (Assets) / Liability recognized in Balance Sheet					34.13	25.95
<b>Expenses recognized in Statement of Profit and Loss</b>						
· Current service cost	0.50	15.81	0.11	23.79	4.79	4.42
· Interest cost	—	—	—	—	2.33	2.05
· Expected return on plan assets	—	—	—	—	—	—
· Net Actuarial (Gain) / Loss recognized during the year	—	—	—	—	1.06	(6.16)
· Total Expense recognized in Statement of Profit and Loss	0.50	15.81	0.11	23.79	8.18	0.31
*Funded with L.I.C.						
<b>37. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS:</b>						<b>(Rs. in lacs)</b>
	For the year ended	31st	March	2015	For the year ended 31st March 2014	
i) Raw Materials				1428.82	1313	
ii) Stores & Spares and packing materials				5.18	3.48	
<b>38. Expenditure in foreign currency :</b>						<b>(Rs. in lacs)</b>
	For the year ended	31st	March	2015	For the year ended 31st March 2014	
(i) Foreign Travels				14.06	36.11	
(ii) Consultancy Charges				28.34	6.98	
(iii) Others (Exhibition, Advertisement etc.)				24.32	18.04	
<b>39. Earning in Foreign Exchange :</b>						<b>(Rs. in lacs)</b>
	For the year ended	31st	March	2015	For the year ended 31st March 2014	
FOB Value of Exports (Rs. in lacs)				2990.40	3185.86	
<b>40. Calculating of Earning Per Share</b>						
	For the year ended	31st	March	2015	For the year ended 31st March 2014	
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. in lacs)				466.78	541.11	
4. E. P. S. Rs.				5.79	6.71	

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

(a) Wholly and Subsidiary Companies	-	ITDL Imagetec Limited
(b) Key Management Personnel	-	Shri Sushil Jain (CMD)
(c) Relative of Key Management Personnel	-	Shri Akshat Jain, (son of Sh. Sushil Jain) President
(d) Enterprises over which Key Management Personnel and/or relative who 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 Paid	—	120.30	53.95	—
Advance to Subsidiary Co.	—	(101.78)	(43.51)	—
Rent Received	42.18	—	—	—
Expenses Recovered & Interest charged	(42.18)	—	—	—
Expenses Recharged	61.54	—	—	—
	(48.02)	—	—	—
	5.29	—	—	—
	(Nil)	—	—	—
Divident Receivable from Subsidiary co.	—	—	—	—
Loans received back	(51.00)	—	—	—
	(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.NIL (Previous Year Rs.80.54 Lacs ). Local Sale & Purchase Rs. 43.45 Lacs (Previous year Rs. 14.28 Lacs) & Rs. 29.41 Lacs (Previous Year Rs. 17.96 Lacs) respectively from subsidiary company. Also the company has sold Licenses under Focus scheme from the holding company of Rs. Nil (Previous Year Rs. 20.67 Lacs)
42. Loans to subsidiary company, namely, ITDL Imagetec Ltd. Include accrued interest Rs. Nil (P.Y. 31.45 Lacs). Maximum amount of loan/interest during the year Rs.NIL (P.Y. Rs. 700.00 Lacs)
43. Corporate Social Responsibility  
As per the requirements of Section 135 of Companies Act, 2013 company is liable to spend 2% of its average net profits of three preceeding years as an Expense on Corporate Social Responsibility. Average Net profits (calculated as per the provisions of Sec. 198 of Companies Act 2013) of Last three years is Rs. 464.59 Lacs and 2% of which is Rs. 9.29 Lacs and this whole amount was donated to Prime minister national relief fund as a CSR initiative.
44. Pursuant to Companies Act, 2013 ("the act"), being effective from 1st April, 2014, the Company has revised depreciation rates on fixed assets as per the useful life specified in part "C" of Schedule II of the Act. As a result of the change, the depreciation charges is higher by Rs. 30.05 lacs for the year ended 31st March, 2015. Further based on transitional provision provided in note 7 (b) of the said Schedule, an amount of Rs. 46.68 lacs (net of deferred tax assets) where useful life has become nil in terms of the said schedule, has been debited to the opening balance of the surplus/(deficit).
45. The Financial Statements for the year ending 31st March, 2015 are prepared as per the requirement of Schedule III of Company Act, 2013 - Previous Year figure have been regrouped & rearranged wherever necessary to make them comparable with those of the current year.

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 23rd Day of May 2015

**(S.C. SINGHAL)**  
Company Secretary

**(N.K.MAHESHWARI)**  
C.F.O.

**(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, 2015**

<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>For the Year ended 31st March 2015</b>	<b>For the year ended 31st March 2014</b>
Net Profit/Loss before tax	<b>619.50</b>	705.31
<b>Adjustment for</b>		
Depreciation & Amortisation	<b>135.98</b>	108.58
Loss / (Profit) on sale of Fixed Assets	<b>(35.99)</b>	7.06
Assets w/o		9.43
Loss / (Profit) on sale of Investments	<b>(167.67)</b>	28.64
Interest Expenses	<b>6.59</b>	8.28
Interest Income	<b>(17.33)</b>	(42.11)
Provision for Leave Encashment	<b>8.18</b>	0.32
Liabilities / provisions no longer required written back		(5.16)
Service Tax Adjustment		(31.51)
Unrealised Foreign Exchange (Gain)/Loss	<b>(5.46)</b>	1.71
Income from Current Investments (Non Trade) Dividend	<b>(21.33)</b>	(53.16)
<b>Operating Profit Before Working Capitals Changes</b>	<b>522.47</b>	737.39
<b>Adjustments For</b>		
(Increase) / Decrease in Inventories	<b>(49.87)</b>	61.85
(Increase) / Decrease in Trade receivables & other receivables	<b>26.44</b>	(60.58)
(Increase) / Decrease in Trade payables & other payables	<b>(49.94)</b>	148.05
Cash Generated from Operations	<b>449.10</b>	886.71
Tax Provision	<b>(155.03)</b>	(179.70)
<b>Net Cash Inflow / (outflow) from Operating Activities (A)</b>	<b>294.07</b>	707.01
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets / Capital Advances & CWIP	<b>(57.96)</b>	(160.39)
(Purchase) / Sale of investments	<b>(293.30)</b>	(1117.48)
Loans recieved from subsidiaries		700.00
Proceeds from sales of fixed assets	<b>37.28</b>	06.65
Movement in other Bank Balances	<b>4.29</b>	(27.66)
Interest Received	<b>17.33</b>	42.11
Dividend Received	<b>21.33</b>	53.16
<b>Net Cash Inflow / (outflow) from Investing Activities (B)</b>	<b>(271.03)</b>	(503.61)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from / (Payments of) long Terms Borrowing		(5.64)
Interest paid	<b>(6.59)</b>	(8.28)
<b>Net Cash Inflow / (outflow) from Financing Activities (C)</b>	<b>(6.59)</b>	(13.92)
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>(16.45)</b>	189.48
<b>Cash And Cash Equivalents at the beginning of the year</b>	<b>373.86</b>	184.38
<b>Cash &amp; Cash Equivalent At the closing of the year</b>	<b>390.31</b>	373.86

Notes : (1) The Cash Flow Statements has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 Cash Flow Statement as mentioned by the Central Government of India.

(2) Previous Period's figures have been regrouped / rearranged wherever considered necessary to confirm to make them comparable.

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 23rd Day of May 2015

**(S.C. SINGHAL)**  
Company Secretary

**(N.K.MAHESHWARI)**  
C.F.O.

**(SANJEEV GOEL)**  
Director

**(SUSHIL JAIN)**  
Chairman &  
Managing Director

For and on Behalf of the Board of Directors



# AUDITORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDIAN TONERS & DEVELOPERS LIMITED

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of INDIAN TONER & DEVELOPERS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the consolidated financial statements. The procedures selected depend 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group, as at 31st March, 2015, and their consolidated profit/loss and their consolidated 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, 2015 ("the Order" or "CARO 2015"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. Our reporting on the CARO 2015 includes one subsidiary company incorporated in India to which CARO 2015 is applicable.

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

(B.R.GOYAL)  
PARTNER

Membership No. 12172

Place : New Delhi  
Date: 23rd May, 2015

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 7 of our report of even date to the members of Indian Toner & Developers Limited on the consolidated financial statements for the year ended 31st March, 2015)**

- i) In respect of fixed assets of the Holding company and the Subsidiary company incorporated in India:
  - (a) The respective entities have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) As explained to us, physical verification of fixed assets has been carried out by the management of respective entities in accordance with a phased programme of verification of its fixed assets adopted by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable, having regard to the size of the Company and nature of its business.
- ii)
  - (a) The inventories have been physically verified during the year by the management of the respective entities at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management of the respective entities are reasonable and adequate in relation to the size of the respective entities and the nature of their business.
  - (c) The respective entities are 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 respective entities.
- iii) According to the information and explanations given to us, neither the Holding Company nor the subsidiary company has granted any loans secured or unsecured during the year to any entity covered in the register maintained under section 189 of the Companies Act, 2013.
- iv) In our opinion and according to the information and explanations given to us, there are internal control systems commensurate with the size of the respective entities and the nature of their business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v) None of the entities of the Group has accepted public deposits during the year.
- vi) The Central Government has not prescribed maintenance of cost accounts for the type of activities of the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records under clause (d) of Sub Section (1) of Section 148 of the Companies Act, 2013.
- vii)
  - (a) According to the records examined by us, the respective entities are generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
  - (b) According to the records of the respective entities of the Group, there were no dues in respect of sale tax, income tax, duties of customs, wealth tax, service tax, duty of excise, cess and value added tax which have not been deposited on account of disputes.
  - (c) The respective entities of the Group did not have any dues on account of Investor Education and Protection Fund.
- viii) There are no accumulated losses of the Holding company and its subsidiary company as at 31st March, 2015, and the subsidiary company have not incurred cash losses during the financial year covered by our audit, as well as in the immediately preceding financial year.
- ix) Based on our audit procedures and the information given by the management of the respective entity, we are of the opinion that none of the entities has defaulted in repayment of dues to any financial institution or bank.
- x)
  - (a) According to the information and explanations given to us, neither the Holding company nor the subsidiary company has given any guarantee for loans taken by others from banks or financial institution.
- xi) In our opinion and according to the information and explanations given to us, no term loan were taken by the entities of the Group during the year.
- xii) Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanations given to us by the management of respective entity, we report that no fraud on or by the management of the entities of the Group has been noticed or reported during the course of our audit.

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

(B.R.GOYAL)  
 PARTNER

Place : New Delhi  
 Date : 23rd May, 2015

Membership No. 12172

**Consolidated Balance Sheet As At 31st March 2015** (Rs. in lacs)

S.No.	Particulars	Note No.	As at 31st March 2015	As at 31st March 2014
<b>I EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' Fund</b>				
a.	Share Capital	2	805.89	805.89
b.	Reserve & Surplus	3	6636.47	5758.53
<b>(2) Minority Interest</b>				
			2360.10	1800.99
<b>(3) Non Current Liabilities</b>				
(a)	Deferred Tax Liabilities (Net)	4	442.11	474.69
(b)	Other Long Term Liabilities	5	71.87	62.52
(c)	Long Term Provisions	6	40.23	29.11
<b>(4) Current Liabilities</b>				
(a)	Trade Payables	7	1051.30	900.63
(b)	Other Current Liabilities	8	313.03	357.81
(c)	Short-Term Provisions	9	615.36	665.72
<b>TOTAL</b>			<b>12336.37</b>	<b>10855.89</b>
<b>II ASSETS</b>				
<b>(1) Non-Current Assets</b>				
<b>(a) Fixed Assets</b>				
		10		
i)	Tangible Assets		3321.63	3491.26
ii)	Intangible Assets		-	8.91
iii)	Capital Work in progress		865.40	8.76
(b)	Non current investments	11	20.30	-
(c)	Long terms loans and advances	12	156.55	70.72
(d)	Other non-current Assets	13	720.04	761.64
<b>(2) Current Assets</b>				
(a)	Current Investments	14	3536.28	2850.62
(b)	Inventories	15	1071.16	987.74
(c)	Trade receivables	16	1126.18	1177.21
(d)	Cash and Bank Balances	17	902.27	730.54
(e)	Short-term loans and advances	18	569.20	736.98
(f)	Other current assets	19	47.36	31.52
<b>TOTAL</b>			<b>12336.37</b>	<b>10855.89</b>

**Significant Accounting Policies** 1

The Notes form an integral part of these Financial statements 1-50

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 23rd Day of May 2015

**(S.C. SINGHAL)**  
Company Secretary

**(N.K.MAHESHWARI)**  
C.F.O.

For and on Behalf of the Board

**(SANJEEV GOEL)** Director

**(SUSHIL JAIN)**  
Chairman &  
Managing Director

**INDIAN TONERS & DEVELOPERS LIMITED**

**Consolidated Statement of Profit & Loss Account** for the period ended on 31st March, 2015  
(Rs. in lacs)

Particulars	Note No.	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>Income</b>			
Revenue from operations (Gross)	20	9515.62	8772.18
Less : Excise Duty		<u>30.35</u>	<u>8.25</u>
Revenue from Operation (Net)			8463.93
Other Income	21	94.66	149.98
<b>Total Revenue (I + II)</b>		<b><u>9579.93</u></b>	<b><u>8613.91</u></b>
<b>Expenses :</b>			
Cost of material consumed	22	3818.45	3447.62
Other Manufacutring Expenses	23	1241.40	1058.36
Change in inventories of finished goods & work in progress	24	108.61	30.35
Employee Benefit Expense	25	969.55	861.68
Finance Costs	26	17.87	19.42
Depreciation and amortization expense (Refer Note. 48)	10	269.50	231.43
Other Expenses	27	1232.23	992.29
<b>Total Expenses</b>		<b><u>7657.60</u></b>	<b><u>6641.15</u></b>
Profit before exceptional and Extra Ordinary items and tax		1922.32	1972.76
Exceptional Items	28	<u>167.67</u>	<u>(28.64)</u>
Profit before extraordinary and tax		2089.99	1944.12
Extraordinary Items	29	35.14	-
Profit before tax		<u>2125.13</u>	<u>1944.12</u>
<b>Tax Expenses</b>			
1. Current Tax		(519.19)	(465.20)
2. Tax in respect of earlier years		(6.40)	21.78
3. Deferred Tax		8.30	3.91
4. Mat Credit Entitlement		-	262.39
Profit for the year		<u>1607.84</u>	<u>1767.00</u>
Minority Interest		559.11	612.86
Profit after Tax and Minority Interest		<u>1048.73</u>	<u>1154.14</u>
Earning Per equity share of Rs. 10/- each			
1. Basic (in Rs.)	44	13.01	14.32
2. Diluted (in Rs.)	44	13.01	14.32

**Significant Accounting Policies** 1

The Accompanying Notes form an integral part of these financial statements 01-50

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 23rd Day of May 2015

**(S.C. SINGHAL)**  
Company Secretary

**(N.K.MAHESHWARI)**  
C.F.O.

**For and on Behalf of the Board**

**(SANJEEV GOEL)**  
Director

**(SUSHIL JAIN)**  
Chairman &  
Managing Director

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 March 2015**

**NOTE:-1**

**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, 2013. 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 subject to the necessary amendments and modification in compliance of Companies Act, 2013. 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 company and its subsidiaries have been eliminated in consolidation.

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 applicable accounting standards notified under Section 133 and the other relevant provisions of the Companies Act 2013.

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 III of the Companies Act, 2013. 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.

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'.

**1.2 TANGIBLE AND INTANGIBLE FIXED ASSETS :**

- a) Tangible Assets are stated at cost net of recoverable taxes, trade discounts less accumulated Depreciation provided for. The cost of tangible assets comprises its purchase price, borrowing cost and any cost attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from foreign exchange rate variations attributable to the assets. Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.
- b) Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization. The cost comprises of purchase price, borrowing costs, any cost directly attributable to bringing the assets to its working condition for the intended use.

**1.3 DEPRICIATION AND AMORTIZATION OF FIXED ASSETS**

**TANGIBLE ASSETS**

- a) Depreciation is provided on tangible assets on straight line method on all assets based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

- b) Plant & Machinery is depreciated treating it as continuous process Plant (except R & D Plant), at rates and in the manner as per Part-C of Schedule II to the Companies Act, 2013 as amended vide notification no. GSR 237(E), dated 31.03.2014, w.e.f. 01.04.2014. Depreciation on assets added / deducted during the year is charged proportionate with reference to the date of additions / deductions.
- c) Depreciation on R&D Plant & Machinery is charged, treating the same as non-continuous, in the same manner as mentioned above.

**INTANGIBLE ASSETS**

- a) 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.
- b) Software's are amortized on straight line method over a period of three years.

**1.4 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.

**1.5 LEASES**

Operating Leases: There is only one operating lease i.e. the Company's corporate office at Jasola, New Delhi and rentals of the same are expensed on mercantile basis.

**1.6 RESEARCH & DEVELOPMENT**

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

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.

**1.7 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.
- 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.

**1.8 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

**1.9 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 over heads. Fixed production over heads 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.

**1.10. 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.

**1.11 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 asset only when and to the extent there is 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



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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. Mat is utilized during the F.Y.2014-15 as per the provisions of the Income Tax Act, 1961.

#### **1.12 BORROWING COST:**

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

- 1.13 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.

#### **1.14. 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.

#### **1.15. 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.

#### **1.16. 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.

#### **1.17. EARNINGS PER SHARE**

Basic 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 as at 31st March 2015**

<b>Note No. '2'</b>	<b>(Rs. in lacs)</b>	
<b>Share Capital</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b><u>AUTHORISED CAPITAL</u></b>		
17000000 Equity Shares of Rs. 10/- each	<u>1700.00</u>	<u>1700.00</u>
(P.Y. 17000000 equity shares of Rs. 10/- each)	<u>1700.00</u>	<u>1700.00</u>
<b><u>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</u></b>		
8058900 Equity Shares of Rs. 10/- each	805.89	805.89
(P.Y. 8058900 equity shares of Rs. 10/- each)	<u>805.89</u>	<u>805.89</u>
<b>TOTAL</b>	<b><u>805.89</u></b>	<b><u>805.89</u></b>

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

<b><u>Name of the shareholders</u></b>	<b><u>% of Holding</u></b>	<b><u>% of Holding</u></b>
	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
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 689106 shares (p.y. 688406 shares) @ Rs. 10 each	8.6	8.5

<b>Note No. '3'</b>	<b>(Rs. in lacs)</b>	
<b>Reserve &amp; Surplus</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>1. Surplus</b>		
Opening Balance	5758.53	4628.13
Add : Net profit for the year	1048.73	1154.14
Less : Adjustment on account of depreciation (Net of DTA*) (Refer Note 48)	50.30	
Less : Proposes Dividend	100.00	(15.24)
: Dividend Distribution Tax	20.47	(8.50)
<b>Total</b>	<b><u>6636.47</u></b>	<b><u>5758.53</u></b>

\* Based on transitional provision provided in note 7(b) of Schedule II of the Companies Act, 2013, where useful life of fixed assets has become nil in terms of said schedule, carrying amount of such fixed assets have been debited to the opening balance of surplus/(deficit).

**INDIAN TONERS & DEVELOPERS LIMITED**

<b>Note No. '4'</b>	<b>(Rs. in lacs)</b>	
<b>Deferred Tax Liabilities (net)</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
1. Deferred Tax Liability on account of :		
Accelerated Depreciation	461.13	489.97
2. Deferred Tax Asset on account of :		
Provision for leave Encashment	<u>(19.02)</u>	<u>(15.28)</u>
<b>NET DEFERRED TAX LIABILITY</b>	<b><u>442.11</u></b>	<b><u>474.69</u></b>

<b>Note No. "5"</b>	<b>(Rs. in lacs)</b>	
<b>Other Long Term - Liabilities</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Trade Deposits from Dealers & Distributors	71.87	62.52
<b>TOTAL</b>	<b><u>71.87</u></b>	<b><u>62.52</u></b>

<b>Note No. '6'</b>	<b>(Rs. in lacs)</b>	
<b>Long Term Provisions</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>Employee Benefits</b>		
Leave Encashment (Refer Note No. 39)	<u>40.23</u>	<u>29.11</u>
<b>TOTAL</b>	<b><u>40.23</u></b>	<b><u>29.11</u></b>

<b>Note No. '7'</b>	<b>(Rs. in lacs)</b>	
<b>Trade Payables</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Trade Payable	1051.30	900.63
(For micro and small enterprises Refer Note No. 35)		
<b>TOTAL</b>	<b><u>1051.30</u></b>	<b><u>900.63</u></b>

<b>Note No. '8'</b>	<b>(Rs. in lacs)</b>	
<b>Other Current Liabilities</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
1. Current Maturities for Finance Lease Obligations	0.00	6.72
2. Bank Overdraft	22.13	16.24
3. Trade Advances	32.70	27.01
4. Statutory Dues Payable	25.54	12.62
5. Accrued Salaries & Benefits Payable	71.69	83.65
6. Others Payable	<u>160.97</u>	<u>211.57</u>
<b>TOTAL</b>	<b><u>313.03</u></b>	<b><u>357.81</u></b>

<b>Note No. '9'</b>	<b>(Rs. in lacs)</b>	
<b>Short Term Provisions</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>Employee Benefit</b>		
1. Leave Encashment (Refer Note No. 39)	17.30	17.02
<b>Others</b>		
1. Dividend on Equity Shares	100.00	-
2. Dividend Distribution Tax	20.47	-
3. Income Tax	<u>477.59</u>	<u>648.70</u>
<b>TOTAL</b>	<b><u>615.36</u></b>	<b><u>665.72</u></b>

**Notes to the financial statements for the year ended 31st March, 2015**

**Note No. '10'**  
**Fixed Assets**

(Rs. in lacs)

S.No. Particulars	Gross Block		Depreciation		Net Block			
	As at 01.04.2014	Additions 31.03.2015	Deduction 01.04.2014	Total upto 31.03.2015	As at 31-3-2015	Deduction 31.03.2015	As At 31.03.2015	As At 31.03.2014
<b>I Tangible Assets</b>								
1. Land	330.79	0.89	0.89	329.90	-	-	329.90	330.79
2. Building	804.01	52.24	198.88	856.25	26.53	255.41	630.84	605.12
3. Plant and Machinery*	4563.86	5.53	0.39	4569.00	178.83	0.12	1797.07	1970.64
4. Electric Installation	398.27		77.77	398.27	58.51	136.28	261.99	320.50
5. Furniture & Fixtures	57.79	2.51	60.30	60.30	6.31	18.83	41.47	45.27
6. Vehicles	183.33	130.68	51.69	262.32	33.33	19.31	185.24	120.27
7. Office Equipments	30.68	4.83	8.38	35.51	13.66	22.04	13.47	22.30
Computer	26.46	3.28	11.55	29.74	10.33	21.88	7.86	14.91
8. Improvement of leasehold property	69.16		7.68	69.16	7.68	15.36	53.80	61.47
<b>SUB TOTAL (A)</b>	<b>6464.34</b>	<b>199.07</b>	<b>52.97</b>	<b>6610.44</b>	<b>335.18</b>	<b>19.43</b>	<b>3288.81</b>	<b>3491.27</b>
<b>II Intangible Assets</b>								
Intangible R&D	34.84	-	26.13	34.84	8.71	34.84	-	8.71
Software	34.50	-	34.30	34.50	0.20	34.50	-	0.20
<b>SUB TOTAL (B)</b>	<b>69.34</b>	<b>-</b>	<b>60.43</b>	<b>69.34</b>	<b>8.91</b>	<b>69.34</b>	<b>-</b>	<b>8.91</b>
<b>III Capital Work in progress</b>	<b>8.76</b>	<b>856.40</b>	<b>8.76</b>	<b>865.40</b>	<b>-</b>	<b>-</b>	<b>865.40</b>	<b>8.76</b>
<b>SUB TOTAL (C)</b>	<b>8.76</b>	<b>856.40</b>	<b>8.76</b>	<b>865.40</b>	<b>-</b>	<b>-</b>	<b>865.40</b>	<b>8.76</b>
<b>Total (A+B+C) Current Year</b>	<b>6542.44</b>	<b>1064.47</b>	<b>61.73</b>	<b>7545.18</b>	<b>344.09</b>	<b>19.43</b>	<b>3358.15</b>	<b>4187.03</b>
Amount adjust for surplus				<b>74.59</b>				
<b>Total Current Depreciation</b>				<b>269.50</b>				
<b>(Previous Year)</b>	<b>6471.50</b>	<b>214.21</b>	<b>152.04</b>	<b>6533.69</b>	<b>231.43</b>	<b>116.67</b>	<b>3033.50</b>	<b>3500.17</b>
								<b>3552.80</b>

Note : Building, Plant & Machineries, Electrical Installations, Office Equipments and Computers includes Rs. 29.66, Rs. 365.51, Rs. 10.09, Rs. 7.21 and Rs. 3.73 lacs respectively which includes Office Equipments . Building & Computers of Rs 2.94, 1.48 & 1.58 lacs capitalised respectively during the year towards, assets for R & D purposes.

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<b>Note No. '11' Non Current Investment (at Cost)</b>	<b>(Rs. in lacs)</b>	
	As at 31st March 2015	As at 31st March 2014
<b>Non Trade Investment (Unquoted, Non Trade)</b>		
NHAI Taxable Bond (Series XV) with benefit U/S 54EC	20.30	-
<b>TOTAL</b>	<u>20.30</u>	<u>-</u>

<b>Note No. '12' Long Term Loans &amp; Advances</b>	<b>(Rs. in lacs)</b>	
	As at 31st March 2015	As at 31st March 2014
1) Capital Advances		
Unsecured, considered good	71.32	0.00
2) Security Deposit		
Security Deposit-Others (Unsecured considered goods)	85.23	70.72
<b>TOTAL</b>	<u>156.55</u>	<u>70.72</u>

<b>Note No. '13' Other Non Current Assets</b>	<b>(Rs. in lacs)</b>	
	As at 31st March 2015	As at 31st March 2014
Mat Credit Entitlement	720.04	761.64
<b>TOTAL</b>	<u>720.04</u>	<u>761.64</u>

<b>Note No. '14' Current Investment (At the lower of cost and fair value)</b>	<b>(Rs. in lacs)</b>		
	No.	As at 31st March, 2015	As at 31st March, 2014
1 Investment in Mutual Funds (unquoted)			
Units of Rs. 10 each, unless otherwise specified)			
a) UTI Floating Rate Fund - STP - RP-DDR		561.33	
(NAV Rs. 1076.877, Units: 52126.009)			
b) UTI Floating Rate Fund-STP-Institutional Growth Option		502.32	1081.24
(NAV Rs. 2254.0595 Units: 21453.108 and NAV Rs. 1583.5534 Units : 4929.886)			
(P.Y NAV Rs.-1174.08 Lacs P.Y Units-56722.606)			
c) UTI Treasury Advantage Fund-Growth Plan			222.91
(P.Y. NAV Rs.259.43 Lacs P.Y Units-8035.346)			
d) UTI Treasury Advantage Fund - Institutional Growth Plan		45.50	355.37
(NAV Rs. 1895.1441 Units:2919.642) (P.Y.NAV Rs.-403.81 Lacs P.Y Units-23256.642)			
e) UTI Floating rate Fund -Short Term Plan -Regular plan Growth		2037.13	130.00
(NAV Rs. 2251.1599 Units: 101684.623) (P.Y.NAV Rs.-166.12 Lacs P.Y Units-10462.808)			
f) UTI Fixed Term Income Fund Series XV-IX (366 Days) -Direct Growth Plan			450.00
(P.Y.NAV Rs. 478.12 Lacs P.Y. Units: 4500000)			
g) UTI-Fixed Income Interval Fund-VI Quarterly Interval Plan-Retail Option-Direct Plan-Growth		50.00	50.00
(NAV Rs. 17.2219 Units: 334813.208) (P.Y. NAV Rs. 52.96 Lacs P.Y. Units: 334813.208)			
h) UTI-Treasury Advantage Fund - Institutional Plan Direct Plan-Growth		340.00	340.00
(NAV Rs. 1901.3133 Units: 20096.542) (P.Y.NAV Rs. 349.61 Lacs P.Y. Units: 20096.542)			
i) UTI Fixed Term Income Fund Series XVII-I		0	20.00
(P.Y.NAV Rs. 20.62 Lacs P.Y. Units 200000.000)			
<b>TOTAL</b>		<u>3536.28</u>	<u>2649.51</u>

<b>Note No. '15' Inventories</b>	<b>(Rs. in lacs)</b>	
	As at 31st March 2015	As at 31st March 2014
1 Raw Material (including in transit Rs. 99.77 lacs)		
(previous year 213.58 lacs)	743.36	536.09
2 Work in Progress (Toners)	93.57	131.64
3 Finished Goods (Toners)	72.42	142.97
4 Stores & Spares	72.98	73.02
5 Oil & Lubricants	25.46	32.52
6 Packing Material	63.37	71.50
<b>TOTAL</b>	<u>1071.16</u>	<u>987.74</u>
(For valuation, refer Note No. 1.9)		

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<b>Note No. '16' Trade receivables</b>	<b>(Rs. in lacs)</b>	
	<b>As at 31st March 2015</b>	As at 31st March 2014
1 Outstanding for a period exceeding six months from the date they are		
a) Secured, Considered Goods :	-	-
b) Unsecured, Considered Goods :	-	2.15
c) Doubtful not provided for	-	-
2 Others Receivable		
a) Secured, Considered Goods :	18.28	68.52
b) Unsecured, Considered Goods :	1107.90	1106.54
c) Doubtful	-	-
<b>TOTAL</b>	<b><u>1126.18</u></b>	<b><u>1177.21</u></b>

<b>Note No. '17' Cash &amp; Bank Balances</b>	<b>(Rs. in lacs)</b>	
	<b>As at 31st March 2015</b>	As at 31st March 2014
<b>1. Cash &amp; Cash Equivalents</b>		
Cash Balance	7.02	3.84
Sub Total (A)	<u>7.02</u>	<u>3.84</u>
<b>2. Balance with Bank</b>		
Current Account	72.22	54.87
EEFC Account	153.30	356.25
Bank Deposits	420.00	150.69
Sub Total (B)	<u>645.52</u>	<u>561.81</u>
<b>3. With SBI, East Patel Nagar (Emp. Trust A/c) (C)</b>	0.31	0.86
<b>4. Other Bank Balance</b>		
Margin money held with bank having maturity more than 3 months but upto 12 months*	196.26	106.70
Fixed Deposits with Bank having maturity of more than 12 months#	53.16	-
Sub Total (D)	<u>249.73</u>	<u>164.88</u>
<b>Total [A+B+C+D]</b>	<b><u>902.27</u></b>	<b><u>730.53</u></b>

#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

<b>Note No. '18' Short Terms Loans and Advances</b>	<b>(Rs. in lacs)</b>	
	<b>As at 31st March 2015</b>	As at 31st March 2014
(1) Loans & Advances to Employees (Unsecured, considered goods)	1.72	0.94
<b>(2) Balance with Govt. Authorities</b>		
Balance with Excise / Sales Tax	-	-
Service tax Recoverable	33.66	27.64
Balance with Govt. Authorities	6.45	12.96
<b>(3) Others</b>		
Advance to Suppliers	4.76	22.40
Advance Income Tax (including TDS)	498.07	645.85
Prepaid Expenses	18.63	15.39
Others	5.91	7.25
<b>TOTAL</b>	<b><u>569.20</u></b>	<b><u>732.42</u></b>

<b>Note No. '19' Other Current Assets</b>	<b>(Rs. in lacs)</b>	
	<b>As at 31st March 2015</b>	As at 31st March 2014
1 Interest Accrued (but not due) on Fixed Deposits & Others	20.44	15.37
2 Insurance Claim Receivables	-	6.65
3 Focus Licence in Hand	26.92	9.50
<b>TOTAL</b>	<b><u>47.36</u></b>	<b><u>31.52</u></b>

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**Note No. '20' Revenue from Operations (Rs. in lacs)**

	Year ended 31st March 2015	Year ended 31st March 2014
<u>Sale of Products</u>		
Manufactured Goods (Comparises of Toners)	9715.27	8663.86
Less : Discounts & Allowances	(330.32)	(293.80)
Less : Excise Duty	(30.35)	(8.25)
<b>Sub Total (A)</b>	<b>9354.60</b>	<b>8361.81</b>
Other Operating Reveue		
Export Incentives etc.	129.15	100.51
Scrap Sales	1.51	1.61
<b>Sub Total (B)</b>	<b>130.66</b>	<b>102.12</b>
<b>Total (A+B)</b>	<b>9485.27</b>	<b>8463.93</b>

**Note No. '21' Other Income (Rs. in lacs)**

	Year ended 31st March 2015	Year ended 31st March 2014
1 Interest Income	39.03	22.47
2 Dividend Income on current investments	21.33	27.76
3 Capital Gain on Mutual Fund	-	32.94
4 Insurance Claim Received	-	6.65
5 Provision no longer required written back	7.85	5.20
6 Other Non Operating Income	9.02	14.58
7 Sundry Balance written back	3.74	1.21
8 Cash Discount	7.38	7.66
9 Exchange Fluctuations Gain (Net)	5.46	-
10 Profit on Sale of Fixed Assets	0.85	-
11 Reversal of Service Tax Adjustments	-	31.51
<b>TOTAL</b>	<b>94.66</b>	<b>149.98</b>

**Note No. '22' Cost of Raw Material Consumed (Rs. in lacs)**

	Year ended 31st March 2015	Year ended 31st March 2014
<u>Raw Materials</u>		
Opening Stock	322.51	368.01
Add : Purchase	4139.53	3402.12
Less : Closing Stock	643.59	322.51
<b>TOTAL</b>	<b>3818.45</b>	<b>3447.62</b>

**Imported & Indigenous Raw Material Consumed (Rs. in lacs)**

	For the year ended 31st March 2015	%	For the year ended 31st March 2014	%
1 Imported	3768.57	(98.69)	3361.80	(97.51)
2 Indigenous	49.88	(1.31)	85.82	(2.49)
<b>TOTAL</b>	<b>3818.45</b>	<b>(100%)</b>	<b>3447.62</b>	<b>(100%)</b>

**Details of Raw Material Consumed (Rs. in lacs)**

1 Resin	2317.27	2171.85
2 Magnetitie	905.25	706.66
3 Others	595.93	569.11
<b>TOTAL</b>	<b>3818.45</b>	<b>3447.62</b>

**Note No. '23' Other Manufacturing Expenses (Rs. in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2014
1 Packing Material Consumed	416.67	361.70
2 Stores and Spares Consumed	81.05	66.09
3 Power & Fuel	658.48	558.87
4 Repair & Maintenance Plant & Machinery	54.26	41.11
5 Repair & Maintenance Building	9.31	12.03
6 Security Expenses	21.63	18.56
<b>Total</b>	<b>1241.40</b>	<b>1058.36</b>

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

	For the year ended 31st March 2015	%	For the yearended 31st March 2014	%
1 Imported	5.11	(1.03%)	4.97	(1.16%)
2 Indigenous	492.61	(98.97%)	422.82	(98.84%)
<b>TOTAL</b>	<b>497.72</b>	<b>(100%)</b>	<b>427.79</b>	<b>(100%)</b>

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<b>Note No. '24' Change in Inventories</b>	<b>(Rs. in lacs)</b>	
	Year ended 31st March 2015	Year ended 31st March 2014
1 <u>Inventories at the end of the year</u>		
Finished goods (Toners)	72.42	142.97
Work-in-Process (Toners)	93.57	131.64
	<u>165.99</u>	<u>274.61</u>
2 <u>Inventories at the beginning of the year</u>		
Finished Goods (Toners)	142.97	124.30
Work-in-Process (Toner)	131.63	180.66
	<u>274.60</u>	<u>304.96</u>
<b>NET DECREASE / INCREASE DURING THE YEAR</b>	<u>108.61</u>	<u>30.35</u>

<b>Note No. '25' Employee Benefit Expenses</b>	<b>(Rs. in lacs)</b>	
	Year ended 31st March 2015	Year ended 31st March 2014
1 Salaries, Bonus, Bonus etc.	909.37	809.97
2 Contribution to Provident & Other Fund	44.32	37.19
3 Staff Welfare Expenses	15.86	14.52
<b>TOTAL</b>	<u>969.55</u>	<u>861.68</u>

<b>Note No. '26' Finance Cost</b>	<b>(Rs. in lacs)</b>	
	Year ended 31st March 2015	Year ended 31st March 2014
1 Interest Expenses	17.87	19.42
<b>TOTAL</b>	<u>17.87</u>	<u>19.42</u>

<b>Note No. '27' Other Expenses</b>	<b>(Rs. in lacs)</b>	
	Year ended 31st March 2015	Year ended 31st March 2014
1 Rent	63.60	64.14
2 Rates & Taxes	12.23	11.72
3 Insurance Expenses	19.16	16.85
4 Repair & Maintenance To Computers	4.37	4.85
5 Repair & Maintance Office	26.93	25.02
6 Director Siting Fees	3.62	1.73
7 Freight, Clearing & Forwarding Expenses	244.76	198.92
8 Advertisement & Sales Promotion	73.36	74.33
9 Discount & sample	299.33	171.07
10 Staff Recuriment & Seminar Expenses	2.71	2.21
11 Printing & Stationery	23.50	20.68
12 Electricity & water Expenses	6.04	9.92
13 Communication Expenses	33.61	25.79
14 Travelling Expenses (Including Foreign Travelling) & Conveyance	181.29	173.53
15 Vehicle Running & Maintance	34.65	29.13
16 Bank Charges	31.65	32.32
17 Auditors Remuneration		
As Audit fees	3.75	3.19
As Tax Audit fees	0.78	0.53
For Other Services	0.80	0.25
18 Legal, Professional & Consultancy Expenses	67.97	26.54
19 Commision on sales	19.06	7.87
20 Assets Written Off	3.23	9.43
21 Loss on Sale of Fixed Assets & shares	-	17.37
22 General Expenses	26.25	35.84
23 Corporate Social Responsibility Expenses (Refer Note 47)	28.03	-
24 Foreign Exchange Fluctuations	21.54	29.06
<b>TOTAL</b>	<u>1232.23</u>	<u>992.29</u>

<b>Note No. '28' Exceptional Items</b>	<b>(Rs. in lacs)</b>	
	Year ended 31st March 2015	Year ended 31st March 2014
1 Profit (Loss) on sale of long term investment	167.67	28.64
<b>TOTAL</b>	<u>167.67</u>	<u>28.64</u>

**INDIAN TONERS & DEVELOPERS LIMITED**

**Note No. '29' Extraordinary Items**

**(Rs. in lacs)**

	Year ended 31st March 2015	Year ended 31st March 2014
1 Profit on compulsory acquisition of Land by NHAI	35.14	-
<b>TOTAL</b>	<b>35.14</b>	<b>-</b>

**Details of Research & Development Expenses**

	Year ended 31st March 2015	Year ended 31st March 2014
1 Raw Material Consumed	3.91	3.41
2 Employees Benefits Expenses	17.87	15.32
3 Other Manufacturing Expenses	11.56	9.01
4 Other Expenses (Including Dep.)	24.34	20.84
<b>TOTAL</b>	<b>57.68</b>	<b>48.58</b>

**Notes to the Financial Statements for the year ended 31st March, 2015**

**(in lacs)**

	For the year ended 31st March 2015	For the year ended 31st March 2012
30. Capital Commitments :		
Estimated amounts of contracts remaining to be executed on capital accounts & provided for [net of advance]	87.62	NIL
31. Contingent liabilities not provided for in respect of:		
a) Letters of credit established in favour of the suppliers	1236.71	1222.40
b) Guarantee issued by SBI on behalf of Company	0.65	0.65
c) Sales Tax / Trade Taxes demands against which appeals have been preferred	NIL	1.14
d) Export obligation against advance licenses	380.22	49.323
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, disclosure as to secondary segment is as under :		(Rs. in lacs)
	For the year ended 31st March 2015	For the year ended 31st March 2014

Geographical Segment :

i)	Domestic Sale (including Excise Duty) :	6440.74	5161.70
ii)	Export Sales (including Export benefits) :	3143.20	3291.45
		<b>9583.94</b>	<b>8453.15</b>
b)	Details of sales : (including Export Benefit on Export Sales) :		
	Sales	9583.94	8453.15
	Excise Duty	(-) 30.34	(-) 0.13
	<b>NET SALES</b>	<b>9553.60</b>	<b>8453.02</b>
33.	MAT Credit Entitlement (including for the previous year Rs. 761.64 Lacs) amounting to Rs.720.04 Lacs has been recognized in view of the company's current and future profitability projections. During the year, the company has utilized MAT credit entitlement of Rs 41.60 Lacs for the payment of Income Tax as a part of income of the Company has become partially taxable which was totally exempted upto 31st march, 2014.		
34.	a) Estimated benefits aggregating to Rs.94.74 lacs/- (Previous Year Rs.91.19 lacs) 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 License Scheme and corresponding amount has been added to the cost of Materials.		
	b) Service Tax amounting to Rs.6.45 lacs/-(Previous Year Rs. 12.95 Lacs) have been treated as recoverable is subject to claim yet to be filed with Department. The same has been grouped in Advance Recoverable.		
35.	a) Trade Payables includes (i) 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.		
36.	Amount of Exchange difference debited to consolidated Statement of profit & loss amounted to Rs.16.07 lacs/- during the year (previous year debited Rs.29.42 lacs).		
37.	R & D expenses included in various heads Rs.57.68 Lacs [Including Raw Material Consumption Rs.3.92 Lacs & Depreciation Rs.20.34 Lacs] (Previous year Rs.48.58 Lacs Raw Material Consumption Rs.3.41 Lacs & Depreciation Rs.19.13 Lacs) respectively.		
38.	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 others than parent Company.		
39.	The Company has calculated the various benefits provided to employees as under:		



**INDIAN TONERS & DEVELOPERS LIMITED**

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 2015	For the year ended 31st March 2014
	<b>(Rs. In. Lacs)</b>	
Employers Contribution to Provident Fund	<b>37.55</b>	32.06
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 2015	For the year ended 31st March 2014
	<b>(Rs. In Lacs)</b>	
Employers Contribution to Employee State Insurance	<b>6.76</b>	5.13
C) Defined Benefit Plans		
a) Gratuity		
b) Leave Encashment		

The discount rate assumed is 8% (Previous Year 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	Current Year	Previous Year	Previous Year	Current Year	Previous Year
<b>The principal assumptions used in actuarial valuation as per below:</b>						
· Discount rate	8.75%	9%	8.75%	8.7%	8%	9%
· Expected rate of return on assets	—	—	—	—	—	—
· Expected rate of future salary increase	6%	6%	6%	6%	5%	5%
<b>Change in present value of obligations</b>						
· Present value of obligations as at 01.04.2014	0.11	79.23	53.43	0.00	46.13	44.01
· Interest cost	0.04	7.52	5.12	0.00	4.15	3.52
· Current service cost	1.39	17.87	25.57	0.11	9.54	8.82
· Benefits paid	(0.02)	(2.56)	(4.89)	0.00	—	—
· Actuarial loss on Obligations	—	—	—	—	(2.30)	(10.23)
· Present value of obligation as at 31.03.2015	1.52	102.06	79.23	0.11	57.52	46.13
<b>Changes in fair value of plan assets</b>						
	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
<b>Liability recognized in the Balance Sheet</b>						
· Present value of obligations as at 31.03.2015					57.52	46.13
· 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					57.52	46.13
<b>Expenses recognized in statement of Profit and Loss Account</b>						
· Current service cost	1.39	17.87	25.57	0.11	9.54	8.82
· Interest cost	—	—	—	—	4.15	3.52
· Expected return on plan assets	—	—	—	—	—	—
· Net Actuarial (Gain) / Loss recognized during the year	—	—	—	—	(2.30)	(10.23)
· Total Expense recognized in statement of Profit and Loss	1.39	17.87	25.57	0.11	11.39	2.11

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

	Discount & Incentive	
	As at 31st March, 2015	As at 31st March 2014
	Rs.	Rs.
Opening Balance	<b>9.74</b>	12.05
Add Creations	<b>10.44</b>	2.54
Less : (a) Utilizations	<b>1.74</b>	4.85
(b) Written Back	<b>7.86</b>	----
Closing Balance	<b>10.58</b>	<b>9.74</b>

**INDIAN TONERS & DEVELOPERS LIMITED**

(Rs. in Lacs)

41.	<b>Value of Import calculated on C.I.F Basis</b>	For the year ended 31st March 2015	For the year ended 31st March 2014
	i) Raw Material	3860.61	3222.05
	ii) Stores, Spares & Packing Material	12.21	6.38
42.	<b>Expenditure in Foreign Currency</b>	For the year ended 31st March 2015	For the year ended 31st March 2014
	i) Foreign Travel	29.12	57.91
	ii) Consultancy Charge	28.34	6.98
	iii) Others (Exhibition, Advertisement etc.)	24.32	18.04
43.	<b>Earning in Foreign Exchange</b>	For the year ended 31st March 2015	For the year ended 31st March 2014
	FOB Value of Export	2990.40	3185.86
44.	<b>Calculating of Earning Per Share</b>	For the year ended 31st March 2015	For the year ended 31st March 2014
	1. No. of Shares at the beginning of the year	<b>8059000</b>	8059000
	2. No of Shares at the close of the year	<b>8059000</b>	8059000
	3. Net Profit after Tax Rs.	<b>1048.73</b>	1767.02
	4. E. P. S. Rs.	<b>13.01</b>	14.32

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

(i) Relationship :

(a)	Key Management Personnel	-	Shri Sushil Jain (CMD)
(b)	Relative of Key Personnel Management	-	Shri Akshat Jain, (son of Sh. Sushil Jain) President
		-	Smt. Nandita Jain (Wife of Sh. Sushil Jain)
		-	Ms. Aashima Jain (Daughter of Sh. Sushil Jain)
(c)	Enterprises over which Key Management Personnel and/or relative their who 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	Key Management Personnel	Relative of Key Management Personnel	Enterprises referred in (1) (d) above
Remuneration Paid	120.30	62.75	—
Dividend Proposed / Paid	(101.78)	(51.26)	—
	(3.34)	(6.46)	—

Figures in the bracket are for the previous year.

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

47. **Corporate Social Responsibility**

As per the requirements of Section 135 of Companies Act, 2013 company is liable to spend 2% of its average net profits of three preceeding years as an Expense on Corporate Social Responsibility. Average Net profits (calculated as per the provisions of Sec. 198 of Companies Act 2013) of Last three years is Rs. 1401.68 Lacs and 2% of which is Rs. 28.03 Lacs and this whole amount was donated to Prime minister national relief fund as a CSR initiative

48. Pursuant to Companies Act, 2013 ("the act"), being effective from 1st April, 2014, the Company has revised depreciation rates on fixed assets as per the useful life specified in part "C" of Schedule II of the Act. As a result of the change, the depreciation charges is higher by Rs. 38.58 lacs for the year ended 31st March, 2015. Further based on transitional provision provided in note 7 (b) of the said Schedule, an amount of Rs. 50.30 lacs (net of deferred tax assets) where useful life has become nil in terms of the said schedule, has been debited to the opening balance of the surplus/(deficit).

49. (a) Additional Information, as required under Schedule III to the Companies Act, 2013 of enterprises consolidated Subsidiary.

Name of the Enterprises	Net Assets i.e. total Assets Minus Total Liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (in Lacs)	As % of Consolidated Profit or Loss	Amount (in Lacs)
<b>Parent</b>				
Indian Toners & Developers Ltd.	54.55%	5347.21	29.03%	466.79
<b>Subsidiary</b>				
ITDL Imagetec Ltd.	21.37%	2095.15	36.19%	581.94
<b>Minority Interest in Subsidiary</b>	24.08%	2360.10	34.77%	559.11

(b) Salient features of financial statements of subsidiary as per Companies Act, 2013.

Particulars	Amount (In Lacs)
Share Capital	100.00
Reserves and Surplus	4405.59
Total Assets	6190.41
Total Liabilities	1684.82
Investments	446.10
Turnover / Total Income	6171.62
Profit Before Taxation	1505.64
Provision for Taxation	364.59
Profit for Taxation	1141.05
Proposed Dividend (including Tax thereon)	120.48
<b>% of Shareholding</b>	<b>51.00%</b>

50. The financial statements for the year ended 31st March 2015 are prepared as per the requirement of Schedule III of Companies Act, 2013. Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of the current year.

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 23rd Day of May 2015

**(S.C. SINGHAL)**  
Company Secretary

**(N.K.MAHESHWARI)**  
C.F.O.

**(SANJEEV GOEL)**  
Director

**(SUSHIL JAIN)**  
Chairman &  
Managing Director

For and on Behalf of the Board of Directors

**INDIAN TONERS & DEVELOPERS LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015** (Rs. in lacs)

<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES</b>	<b>For the Year ended 31st March 2015</b>	<b>For the year ended 31st March 2014</b>
Net Profit/(Loss) Before Tax	2125.14	1944.12
<b>Adjustment for :</b>		
Depreciation & Amortisation	269.50	231.43
Loss/(profit) on sale of Fixed Assets	(32.76)	26.80
Loss/(profit) on sale of Investments	(167.67)	28.64
Interest Expenses	17.87	19.42
Interest income	(39.03)	(22.47)
Provision for leave encashment	11.39	2.12
Liabilities / provisions no longer required written back	(11.58)	(6.41)
Service Tax Adjustment		(31.51)
Unrealised Foreign Exchange (Gain) / Loss	(11.35)	(12.73)
Loss of finished goods in transit	-	(6.65)
Income from Current Investment (Non Trade) Dividend	(21.33)	(27.76)
<b>Operating profit before working capital changes</b>	<b><u>2140.18</u></b>	<b><u>2145.00</u></b>
<b>Adjustment for :</b>		
(Increase)/Decrease in Inventories	(83.43)	(72.72)
(Increase)/Decrease in Trade receivables & Other receivables	69.80	(69.37)
Increase/(Decrease) in Trade payables & Other Payables	138.18	375.50
<b>Cash generated from operation</b>	<b><u>2264.73</u></b>	<b><u>2378.41</u></b>
Direct Taxes paid / Refund (Net)	(502.79)	(435.94)
<b>Net Cash Inflow/(outflow) from Operating Activities (A)</b>	<b><u>1761.94</u></b>	<b><u>1942.47</u></b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets / Capital Advances & CWIP	(1127.03)	(222.97)
Purchase of Investments(net of sales)	(538.30)	(1,318.58)
Proceeds from sale of Fixed Assets	66.30	8.57
Movement in other bank deposits (net)	31.62	(126.22)
Interest Received	39.03	22.47
Dividend Received	21.33	27.76
<b>Net Cash Inflow/(outflow) from Investing Activities (B)</b>	<b><u>(1,507.05)</u></b>	<b><u>(1,608.97)</u></b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from / (payment of) Long term Borrowings	-	(5.64)
Dividend paid	-	(91.49)
Interest paid	(17.87)	(19.42)
Proceeds from / (Payment of) Short-term borrowings	-	(2.25)
<b>Net cash Inflow/(outflow) from financing activities (C)</b>	<b><u>(17.87)</u></b>	<b><u>(118.80)</u></b>
<b>Net increase/ (Decrease) in cash and cash equivalents (A+B+C)</b>	<b><u>237.02</u></b>	<b><u>214.70</u></b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b><u>415.82</u></b>	<b><u>201.12</u></b>
<b>Cash and cash equivalents at the closing of the year</b>	<b><u>652.84</u></b>	<b><u>415.82</u></b>

Notes :

- (1) The Cash Flow Statements has been prepared under the 'In direct Method' set out in Accounting Standard - 3. Cash Flow Statements specified as notified by Central Govt. of India.
- (2) Previous period's figures have been regrouped / rearranged wherever considered necessary to confirm to make them comparable.

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

For and on Behalf of the Board of Directors

**(B.R.GOYAL)**

Partner

Membership No. 12172

11K, Gopala Tower,

25, Rajendra Place, New Delhi

The 23rd Day of May 2015

**(S.C. SINGHAL)**  
Company Secretary

**(N.K.MAHESHWARI)**  
C.F.O.

**(SANJEEV GOEL)**  
Director

**(SUSHIL JAIN)**  
Chairman &

Managing Director

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**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 .....
Name of Shareholder / Proxy .....	

I hereby record my presence at the 25<sup>th</sup> Annual General Meeting of the Company at **10.5 Km Milestone, Rampur Bareilly Road, Rampur-244901 (U.P.)** on Monday, the 31st August, 2015 at 2.30 P.M.

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

(on a poll) for me / us and on my / our behalf at the 25th Annual General Meeting of the Company, to be held on Monday, the 31st August, 2015 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 resolution as are indicated overleaf.

S.No.	Resolutions	For	Against
1.	Consider and adopt : (a) Audited Financial Statement, Reports of the Board of Directors and Auditors (b) Audited Consolidated Financial Statement		
2.	Re-appointment of Mr. Kewal Krishan Dhiman who retires by rotation.		
3.	Ratification of appointment of Statutory Auditors and fixing their remuneration		
4.	Regularization of appointment of Ms. Neena Jain and appointment as Independent Director		
5.	To enter into contract with related party pursuant to section 188 of the Companies Act, 2013		
6.	To keep the Statutory Registers at a place other than Registered Office pursuant to section 94 of the Companies Act, 2013.		

Signed this .....day of.....2015

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.



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