

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF INDIAN TONERS U.S.A. COMPANY**

#### **Report on the Financial Statements**

1. We have audited the accompanying financial statements of **INDIAN TONERS U.S.A. COMPANY** ("the Company"), which comprises the Balance Sheet as at 31<sup>st</sup> March 2018, the Statement of profit and loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information which we have signed under reference to this report.

#### **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 of these financial statements that give a true and fair view of the financial position, financial performance, cash flows of Company in accordance with the accounting principles generally accepted in India and prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions 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 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 thereunder.

4. 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.



5. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 errors. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India
  - a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018;
  - b. in the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date; and
  - c. 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**

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 account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss, the statement of cash flows dealt with by this report are in agreement with the books of accounts;



- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
- (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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 has no pending litigations as at 31<sup>st</sup> March, 2018 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<sup>st</sup> March 2018; and
  - iii) The Company did not have any dues on account of Investor Education and Protection Fund by the company.

PLACE : NEW DELHI  
DATE : 17<sup>TH</sup> MAY, 2018

FOR M.L. GARG & COMPANY  
CHARTERED ACCOUNTANTS  
FRN 001604N



(MANISH K GARG)  
PARTNER  
M.NO. 96238





**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
FINANCIAL STATEMENTS OF INDIAN TONERS U.S.A. COMPANY**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of  
Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **INDIAN TONERS U.S.A. COMPANY** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial Controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India"

**PLACE : NEW DELHI**  
**DATE : 17<sup>TH</sup> MAY, 2018**

**FOR M.L. GARG & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN 001604N**

  
**(MANISH K GARG)**  
**PARTNER**  
**M.NO. 96238**





# INDIAN TONERS U.S.A. COMPANY

## BALANCE SHEET AS AT 31ST MARCH ,2018

(Amount in Lakhs)

Particulars	Note. No.	(in Rs. )		( in USD )	
		AS at 31st March,2018	AS at 31st March,2017	AS at 31st March,2018	AS at 31st March,2017
<b>I.ASSETS</b>					
<b>(1) Non-Current Assets</b>					
(a) Property, Plant & Equipments		-	-	-	-
(b) Intangible Assets		-	-	-	-
(c) Financial Assets		-	-	-	-
(d) Other Non-Current Assets	2	-	0.45	-	0.01
<b>(2) Current Assets</b>					
(a) Inventories	3	19.23	38.63	0.30	0.59
(b) Financials Assets					
(i) Trade receivables	4	8.63	0.01	0.13	0.00
(ii) Cash and Cash Equivalents	5	32.24	24.27	0.49	0.37
<b>Total Assets</b>		<b>60.10</b>	<b>63.36</b>	<b>0.92</b>	<b>0.97</b>
<b>II. EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
(a) Equity Share Capital	6	131.52	73.60	2.00	1.10
(b) Other Equity					
(i) Reserves and Surplus	7	(104.71)	(57.30)	(1.59)	(0.85)
<b>LIABILITIES</b>					
<b>(1) Non-Current Liabilities</b>					
<b>(2) Current Liabilities</b>					
(a) Financial Liabilities					
(i) Trade Payables	8	31.95	45.35	0.49	0.70
(b) Other Current Liabilities	9	1.34	1.71	0.02	0.02
<b>Total Equity &amp; Liabilities</b>		<b>60.10</b>	<b>63.36</b>	<b>0.92</b>	<b>0.97</b>

Summary of Significant Accounting Policies 1  
The Notes form an Integral part of these Financial Statements (1 - 21 )

As per our Report of even date.

FOR M.L.GARG & COMPANY

CHARTERED ACCOUNTANTS

ICAI'S FRN 001604N

(MANISH K GARG )

Partner

Membership No. : 96238

Place : New Delhi

Dated : 17th May,2018

for and on Behalf of the Board of Directors

(SUSHIL JAIN)

Director

DIN 00323952



# INDIAN TONERS U.S.A. COMPANY

## STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31ST MARCH, 2018

Amount in Lakhs

Sr. No	Particulars	Note. No.	(in Rs.)		(in USD)	
			Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
I	Revenue from Operations	10	61.00	10.89	0.95	0.16
	<b>Total Revenue (I)</b>		<b>61.00</b>	<b>10.89</b>	<b>0.95</b>	<b>0.16</b>
II	<u>Expenses:</u>					
	Cost of goods	11	30.08	48.76	0.49	0.73
	Changes in inventories of finished goods, work-in-progress	12	20.75	(39.98)	0.30	(0.60)
	Employee Benefit Expenses	13	41.51	47.01	0.65	0.70
	Other Expenses	14	16.38	12.05	0.25	0.18
	<b>Total Expenses (II)</b>		<b>108.72</b>	<b>67.84</b>	<b>1.69</b>	<b>1.01</b>
III	<b>Profit / (Loss) before exceptional and extraordinary items and tax ( I-II )</b>		<b>(47.72)</b>	<b>(56.95)</b>	<b>(0.74)</b>	<b>(0.85)</b>
IV	Exceptional items		-	-	-	-
V	<b>Profit / (Loss) before extraordinary items and tax ( III-IV )</b>		<b>(47.72)</b>	<b>(56.95)</b>	<b>(0.74)</b>	<b>(0.85)</b>
VI	Extraordinary Items		-	-	-	-
VII	<b>Profit / (Loss) before tax ( V-VI )</b>		<b>(47.72)</b>	<b>(56.95)</b>	<b>(0.74)</b>	<b>(0.85)</b>
VIII	<u>Tax expense:</u>					
	(1) Current tax		-	-	-	-
	(2)Deferred tax		-	-	-	-
IX	<b>Profit/(Loss) for the period ( VII-VIII )</b>		<b>(47.72)</b>	<b>(56.95)</b>	<b>(0.74)</b>	<b>(0.85)</b>
X	<b>Other comprehensive income (OCI )</b>					
(A)	(i) Items that will not be reclassified to profit or loss		-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
(B)	(i) Items that will be reclassified to profit or loss		-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-
XI	<b>Total comprehensive income for the period ( IX +X )</b>		<b>(47.72)</b>	<b>(56.95)</b>	<b>(0.74)</b>	<b>(0.85)</b>
XII	Earning per equity share:					
	(1) Basic		(311.10)	(651.77)	(4.82)	(9.71)
	(2) Diluted		(311.10)	(651.77)	(4.82)	(9.71)

Summary of Significant Accounting Policies  
The Notes form an integral part of these Financial Statements

1  
(1-21)

As per our Report of even date.

FOR M.L.GARG & COMPANY  
CHARTERED ACCOUNTANTS  
ICAI'S FRN 001604N

(MANISH K GARG)  
Partner  
Membership No. : 96238

Place : New Delhi  
Dated : 17th May, 2018

for and on Behalf of the Board of Directors

(SUSHIL JAIN)  
Director  
DIN 00323952





# INDIAN TONERS U.S.A. COMPANY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Amount in Lakhs

Sr. No.	Particulars	( in USD )		(in Rs.)	
		Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017
A.	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>				
	Net Profit/(Loss) Before Tax	(0.74)	(0.85)	(47.72)	(56.95)
	Adjustment for :				
	Depreciation	-	-	-	-
	<b>Operating profit before working capital changes</b>	(0.74)	(0.85)	(47.72)	(56.95)
	Adjustment for :				
	(Increase)/Decrease in Inventories	0.30	(0.60)	19.40	(38.63)
	(Increase)/Decrease in Trade receivables	(0.13)	-	(8.62)	(0.01)
	(Increase)/Decrease in Loans & Advances and Other Assets	0.01	(0.01)	0.45	(0.45)
	Increase/(Decrease) in Trade Payable, Provisions & Other liabilities	(0.22)	0.73	(13.75)	47.05
	<b>Cash Generated from Operations</b>	(0.78)	(0.73)	(50.24)	(48.99)
	Direct Tax Paid (net of refund)	-	-	-	-
	<b>Net Cash Inflow/(outflow) from Operating Activities (A)</b>	<b>(0.78)</b>	<b>(0.73)</b>	<b>(50.24)</b>	<b>(48.99)</b>
B.	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>				
		-	-	-	-
	<b>Net Cash Inflow/(outflow) from Investing Activities (B)</b>	-	-	-	-
C.	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>				
	Proceeds from issuance of Equity Shares	0.90	1.10	57.91	73.60
	<b>Net cash Inflow/(outflow) from financing activities (C)</b>	<b>0.90</b>	<b>1.10</b>	<b>57.91</b>	<b>73.60</b>
D.	<b>FOREIGN CURRENCY TRANSACTION DIFF. ON CONSOLIDATION</b>				
	<b>Net cash Inflow/(outflow) in course of Foreign Currency Transaction activities (D)</b>	-	-	0.30	(0.34)
	<b>Net increase/ (Decrease) in cash and cash equivalents (A+B+C+D)</b>	<b>0.12</b>	<b>0.37</b>	<b>7.97</b>	<b>24.27</b>
	Cash and cash equivalents at the beginning of the year	0.37	-	24.27	-
	<b>Cash and cash equivalents at End of year</b>	<b>0.49</b>	<b>0.37</b>	<b>32.24</b>	<b>24.27</b>
	<b>Components of cash &amp; cash equivalents:</b>				
	- Balance with Banks : On current accounts	0.49	0.37	32.24	24.27
	- Cash on hand	-	-	-	-
		<b>0.49</b>	<b>0.37</b>	<b>32.24</b>	<b>24.27</b>

Note:-

1 Previous Year figures has been re-grouped / re-arranged wherever considered necessary to make them comparable.

As per our Report of even date.

FOR M.L.GARG & CO

CHARTERED ACCOUNTANTS

FRN 001604N

(MANISH K GARG)

Partner

Membership No. : 96238

Place : New Delhi

Dated : 17th May, 2018

for and on Behalf of the Board of Director

(SUSHIL JAIN)

Director

DIN 00323952





# **INDIAN TONERS U.S.A. COMPANY**

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31.03.2018

## **1 ACCOUNTING POLICIES**

### **i) General Corporate Information:**

Indian Tonners USA Company is a Company domiciled and incorporated in Florida( U.S.A.) under the state of Florida and is in the business of trading of Toners only . Indian Toners U.S.A. company is wholly owned subsidiary company of Indian Toners & Developers Limited incorporated in India.The company has been formed for the purpose of marketing and distribution of Toners to customers based in America.

### **ii) Basis of preparation of financial statements:**

#### **a) Functional and Presentation currency**

These financial statements are presented in USD which is the Company's functional currency & conversion in Indian Rupees (INR) for the purpose of consolidation. All financial information presented in USD & INR has been rounded to the nearest Lakhs (upto two decimals), except as stated otherwise.

### **iii) Use of Estimates**

The preparation of the Financial Statements in conformity with the management to make estimates, judgments and assumptions. These estimates, judgment and assumptions affect the application of accounting policies and the reported amount of Assets and Liabilities on the date of the Financial Statements and reported amounts of revenues and expenses for the year. Accounting estimate could change from year to year. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in estimates are reflected in the financial statements in the period in which the changes are made and if material, their effects are disclosed in the notes to financial statements.

### **iv) Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

### **v) Revenue Recognition**

Revenue from sale of products is recognized when the significant risks and rewards of ownership of the products are transferred to the buyer, recovery of the consideration is reasonably assured and the amount of revenue can be measured reliably.

### **vi) Employee Benefits**

All employee benefits falling due wholly within twelve months of rendering the services are classified as Short Term employee benefits, which include benefits like salaries, incentives and contribution to 401(k) plan as it prevalent in USA, and are recognised as expenses in the period in which the employee renders the related services and measured accordingly.



vii) **Valuation of Inventories**

Inventories are stated at lower of cost or net realisable value. The cost for the purpose of valuation is computed on the basis of weighted average price. The cost comprises of Purchase price, direct labour, other 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. Net realisable value is the estimate of the selling price in the ordinary course of business, less the estimated costs of completion/reprocessing and the estimated cost necessary to make the sale.

viii) **Foreign Currency Transactions and Translations**

- a) Initial Recognition: Foreign currency transactions are recorded in the reporting currency (in USD), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on/or closely approximating to the date of the transaction.
- b) Conversion: Foreign currency monetary items, if any are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- c) Exchange Difference: Exchange differences arising on the settlement of monetary items, if any or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year or reported in financial statements, are recognized as Foreign Exchange Translation Reserve.

ix) **Provisions and Contingent Liabilities**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed in respect of possible obligations that may arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent Assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

x) **Cash & Cash Equivalents**

Cash and cash equivalents consist of cash in hand and balance with banks.

xi) **Income Tax**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

xii) **Earning Per Share**

Basic Earning Per Share is calculated by dividing the net profit 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, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xiii) **Cash Flow Statement**

Cash Flow are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the company are segregated.





XIV) Key accounting estimates and judgements

- a) The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.
- b) Accounts of the Company ( a wholly owned subsidiary of Indian Toners & Developers Ltd., a company incorporated in India), incorporated in USA.; based upon the returns and information received, have been made out as per requirement of Companies Act, 2013 of India. This entailed drawing up the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement (including Auditor's Report thereon) of the subsidiary in a manner so as to make it appear conforming to Holding Company and its requirements of presenting the financial statements in accordance with Indian Accounting Standards notified under the provisions of Sec 133 of the Companies Act, 2013 of India read with Indian Accounting Standards (Rules) ,2015 , to facilitate the cause of consolidation with the holding company as required under Ind AS – 110 CONSOLIDATED FINANCIAL STATEMENTS, issued by ICAI and presentation of accounts in terms of Schedule III of the Companies Act, 2013 of India, including disclosure of necessary information.



# INDIAN TONERS U.S.A.COMPANY

Notes to the Financial Statements as at 31.03.2018

Amount In Lakhs

		(in Rs.)				(in USD)			
Note No.: 2 Other Non Current Assets		Non-Current		Current		Non-Current		Current	
Sr. No	Particulars	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017
1	<u>Security Deposit</u> Security Deposit - Other ( Unsecured considered good)	-	-	-	0.45	-	-	-	0.01
	<b>Total</b>	-	-	-	0.45	-	-	-	0.01

Note No. :3 Inventories		Non-Current		Current		Non-Current		Current	
Sr. No	Particulars	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017
1	Finished Goods (Toners Only)	-	-	19.23	38.63	-	-	0.30	0.59
	<b>Total</b>	-	-	19.23	38.63	-	-	0.30	0.59

Note No. : 4 Trade Receivables		Non-Current		Current		Non-Current		Current	
Sr. No	Particulars	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017
1	<u>Secured</u>								
	a) Considered Good :	-	-	-	-	-	-	-	-
	b) Considered Doubtful	-	-	-	-	-	-	-	-
2	<u>Unsecured</u>								
	a) Considered Good :	-	-	8.63	0.01	-	-	0.13	0.00015
	b) Considered Doubtful	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	8.63	0.01	-	-	0.13	0.00015

Note No. : 5 Cash & Cash Equivalent		Non-Current		Current		Non-Current		Current	
Sr. No	Particulars	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017	AS at 31st March, 2018	AS at 31st March, 2017
1	<u>Cash-on-Hand</u> Cash Balance	-	-	-	-	-	-	-	-
	<b>Sub Total (A)</b>	-	-	-	-	-	-	-	-
2	<u>Bank Balance</u> Current Account with Bank of America	-	-	32.24	24.27	-	-	0.49	0.37
	<b>Sub Total (B)</b>	-	-	32.24	24.27	-	-	0.49	0.37
	<b>Total [ A + B ]</b>	-	-	32.24	24.27	-	-	0.49	0.37





# INDIAN TONERS U.S.A.COMPANY

Notes to the Financial Statements as at 31.03.2018

Note no. : 6 Share Capital

Amount in Lakhs

Sr. No	Particulars	AS at 31st March ,2018	AS at 31st March ,2017	AS at 31st March ,2018	AS at 31st March ,2017
		( In Rs.)		( in USD)	
1	<b>AUTHORIZED CAPITAL</b> 25,000 Equity Shares of USD 10/- each.			2.50	2.50
				2.50	2.50
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> 20, 000 Equity Shares of Rs.657.5875 each( P/Y 11,000 Equity Shares of Rs. 669.1250/- each.)	131.52	73.60	2.00	1.10
	<b>Total</b>	<b>131.52</b>	<b>73.60</b>	<b>2.00</b>	<b>1.10</b>

6.1 **Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period in USD & Rs.**

Amount in Lakhs

Particulars	As at 31st March ,2018		
	Units in Number	Amount in Rs.	Amount in USD
Shares outstanding at the beginning of the year	11,000	73.60	1.10
Shares issued during the year	9,000	57.91	0.90
Shares bought back during the year	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>20,000</b>	<b>131.51</b>	<b>2.00</b>

6.2 The Company has only one class of Equity Shares of USD 10/- per share . Each Shareholder is eligible for one vote per share .

6.3 During the year ,9000 Equity Shares of USD 10 /- each ( P / Y 11000 Equity Shares of USD 10/- each) issued and allotted at par to its holding company , namely Indian Toners & Developers Limited .

6.4 Shares in the company held by each shareholders holding more than 5 percent shares :

Name of Shareholders	As at 31st March,2018		As at 31st March,2017	
	No. of Shares held	%of Holding	No. of Shares held	%of Holding
Indian Toners & Developers Ltd.	20000	100	11000	100
<b>Total</b>	<b>20000</b>	<b>100</b>	<b>11000</b>	<b>100</b>

Note No. : 7 Other Equity

Amount in Lakhs

(i) Reserve & Surplus		(In Rs.)		( in USD )	
Sr. No	Particulars	AS at 31st March ,2018	AS at 31st March ,2017	AS at 31st March ,2018	AS at 31st March ,2017
1	<b>Surplus</b>				
	Balance as at 01.04.2017	(56.96)		(0.85)	-
	Profit during the year	(47.72)	(56.95)	(0.74)	(0.85)
	<b>Total - A</b>	<b>(104.68)</b>	<b>(56.95)</b>	<b>(1.59)</b>	<b>(0.85)</b>
2	<b>Foreign Currency Translation Reserves</b>				
	Opening Balance	(0.03)	(0.35)	-	-
	Add : Effect of Foreign Exchange rate variation during the year				
	<b>Total -B</b>	<b>(0.03)</b>	<b>(0.35)</b>	<b>-</b>	<b>-</b>
	<b>Balance as at 31.03.2018 ( A+B )</b>	<b>(104.71)</b>	<b>(57.30)</b>	<b>(1.59)</b>	<b>(0.85)</b>



# INDIAN TONERS U.S.A.COMPANY

Notes to the Financial Statements as at 31.03.2018

Amount in Lakh

Note No. : 8 Trade Payables		( in Rs. )				( in USD )			
		Non -Current		Current		Non -Current		Current	
		AS at 31st March ,2018	AS at 31st March ,2017	AS at 31st March ,2018	AS at 31st March ,2017	AS at 31st March ,2018	AS at 31st March ,2017	AS at 31st March ,2018	AS at 31st March ,2017
Sr. No	Particulars								
1	Indian Toners & Developers Limited	-	-	31.25	45.35	-	-	0.48	0.70
2	Others	-	-	0.70	-	-	-	0.01	-
	<b>Total</b>			<b>31.95</b>	<b>45.35</b>	<b>-</b>	<b>-</b>	<b>0.49</b>	<b>0.70</b>

Note No. : 9 Other Liabilities		( in Rs. )				( in USD )			
		Non -Current		Current		Non -Current		Current	
		AS at 31st March ,2018	AS at 31st March ,2017	AS at 31st March ,2018	AS at 31st March ,2017	AS at 31st March ,2018	AS at 31st March ,2017	AS at 31st March ,2018	AS at 31st March ,2017
Sr. No	Particulars								
1	Statutory Dues Payable	-	-	0.90	1.52	-	-	0.01	0.02
2	Others	-	-	0.44	0.19	-	-	0.01	0.0029
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.34</b>	<b>1.71</b>	<b>-</b>	<b>-</b>	<b>0.02</b>	<b>0.02</b>





# INDIAN TONERS U.S.A.COMPANY

Notes to the Financial Statements as at 31.03.2018

Amount in Lakhs

		( in Rs.)		( in USD)	
Note No. : 10 Revenue from Operations					
Sr. No	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
1	<u>Sales of products (Traded Goods)</u> Sale of Products constitute Toners only.	61.00	10.89	0.95	0.16
	<b>Total</b>	<b>61.00</b>	<b>10.89</b>	<b>0.95</b>	<b>0.16</b>

Note No. : 11 Purchase of goods

Sr. No	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Purchases during the year	30.08	48.76	0.49	0.73
	Sub-total	30.08	48.76	0.49	0.73
	<b>Total</b>	<b>30.08</b>	<b>48.76</b>	<b>0.49</b>	<b>0.73</b>

Note No. : 12 Change in Inventories

Sr. No	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
1	<u>Inventories at the end of the year</u> Closing Stock	19.23	39.98	0.30	0.60
2	<u>Inventories at the beginning of the year</u> Opening Stock	39.98	-	0.60	-
	<b>Total</b>	<b>20.75</b>	<b>(39.98)</b>	<b>0.30</b>	<b>(0.60)</b>

Note No. : 13 Employee Benefit Expenses

Sr. No	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Salaries	38.36	42.96	0.60	0.64
2	Staff Welfare Expenses	0.07	0.61	-	0.01
3	Payroll Taxes	3.08	3.44	0.05	0.05
	<b>Total</b>	<b>41.51</b>	<b>47.01</b>	<b>0.65</b>	<b>0.70</b>

Note No. : 14 Other Expenses

Sr. No	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Rent	1.46	2.47	0.02	0.04
2	Communication Expenses	0.02	0.03	-	-
3	Freight, Clearing & Forwarding Expenses	2.73	0.46	0.04	0.01
4	Bank Charges	0.27	0.04	-	-
5	Conveyance & Travelling Exp.	0.79	1.71	0.01	0.03
6	Subscription Exp.	0.03	0.04	-	-
7	Office Expenses	0.47	0.25	0.01	-
8	Legal & Professional Charges	2.45	2.69	0.04	0.04
9	Telephone & Internet Exp	1.19	1.01	0.02	0.02
10	Sales Promotion Exp.	0.12	0.89	-	0.01
11	Warehousing Exp.	5.42	2.29	0.08	0.03
12	Miscellaneous Expenses	1.43	0.17	0.03	-
	<b>Total</b>	<b>16.38</b>	<b>12.05</b>	<b>0.25</b>	<b>0.18</b>



# INDIAN TONERS U.S.A. COMPANY

Notes to the Financial Statements as at 31st March, 2018

## 15 Conversion in Foreign Exchange Rates

For the purpose of conversion of accounts into Indian Currency, the following rate are applied.

Average rate for 2017-18

1 USD = INR 64.4724

As on 31.03.2018

1 USD = INR 65.17

## 16 Employee Benefit

During the year company has recognised the following amounts in the statement of profit and loss.

Particulars	Amount in Lakhs	
	31.03.2018	31.03.2017
Benefits(Contributed to)		
FICA	2.93	3.29
FLITA	0.03	0.03
SUTA	0.12	0.13
Total	3.08	3.44

## 17 Provisions, Contingent Liabilities and Contingent Assets

- i) Commitments NIL
- ii) Contingent Liability to the extent not provided for NIL

## 18 Related Party Transactions

- a) Holding Company  
Indian Toner & Developer Limited, India
- b) Key Management Personnel :  
Mr. Akshat Jain (President)  
Mr. Allen L. Kronstat (Secretary)
- c) Transaction with Related party

Particular	31.03.2018		31.03.2017	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Purchase of Goods	30.08	0.49	45.39	0.70
Remuneration to Secretary	38.76	0.60	42.96	0.64

## 19 Earnings Per Share

Particular	Units	31.03.2018		31.03.2017	
		Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Profit/ (Loss) after Tax	in Lakhs	(47.72)	(0.74)	(56.95)	(0.85)
Weighted average no. of Shares	in Number	15339	15339	8740	8740
Face Value	Per Share	657.59	10	669.13	10
Basic & diluted EPS	Per Share	(311.10)	(4.82)	(651.77)	(9.71)

Weighted average no. of Shares

Particulars	31.03.2018	31.03.2017
At the beginning of the year	11000	-
Issued during the year 2016-17		
11000/365*290	8740	8740
11000/365*75	2260	
Issued during the year 2017-18		
3000/365*299	2458	4339
2500/365*178	1219	
3500/365*69	662	
At the end of the year	15339	8740

20 (i) Previous Year figures has been re-grouped / re-arranged wherever considered necessary to make them comparable with current year.

(ii) Previous year figures were audited by another firm of Chartered Accountant & which have been relied upon by the current auditors.

21 Figures in Rs have been given only for the purpose of Consolidation with Holding Company.

