

22ND
**ANNUAL
REPORT
2011-2012**



INDIAN TONERS & DEVELOPERS LIMITED

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT**

(Pursuant to Section 173 (2) of the Companies Act, 1956)

ITEM NO. 5.

Mr. Kewal Krishan Dhiman, was appointed as an Additional Director of the Company at the Board Meeting held on 29.10.2011. The Company has received a notice in writing from a member alongwith a deposit of Rs. 500/- proposing the candidature of Mr. Kewal Krishan Dhiman for the office of a Director under the provisions of Section 257 of the companies Act, 1956.

The Board considers it desirable to receive the benefit out of the experience of Mr. Kewal Krishan Dhiman having regard to his qualifications and exposure in the industries. The Board recommends the resolution for approval of the members.

Mr. Kewal Krishan Dhiman aged 50 Years is M. Com, MBA-Finance, PGDM (DUAL) - Production and materials management, Diploma In Export Management and Diploma in Central Excise and Customs. He has accumulated 30 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 Hosley Exports Limited from August, 2003 to March, 2005. He is, presently, the General Manager Plant of the "ITDL Imagetec Ltd.", a subsidiary of the Company.

The Board recommends passing of the resolution.

ITEM NO. 6.

The Board of Directors in its meeting held on 30.01.2012 has re-appointed Shri N. S. Sharma as a wholetime director for a period of 1 year w.e.f. 27.03.2012 upto 26.03.2013 as recommended by the Remuneration Committee on a total consolidated salary of Rs. 45,000/- (Rupees Forty Five Thousand only) per month which may be bifurcated by the Management of the Company in different head from time to time if so required. However, this reappointment of Shri N. S. Sharma was subject to the approval of the shareholders in the forth coming Annual General Meeting of the Company.

Shri N. S. Sharma aged 80 years is B.Sc and B.Tech (Hons) from IIT, Kharagpur. He has accumulated 50 years of extensive working experience in diverse industries such as Pulp and Paper, Steel / PVC Pipes and Tubes and Toners in the capacity of Chief Engineer, Works Manager, General Manager and Director (Technical) respectively. His current responsibilities as Director (Technical) encompass mainly of the technical matters and the company benefits from the long, versatile and in-depth experience.

Minimum Remuneration: Notwithstanding anything hereinabove stated, where in any financial year during Sh. N. S. Sharma's tenure as Wholetime Director, the Company has no profits or its profits are inadequate, Sh. N. S. Sharma will be paid remuneration as mentioned above as minimum remuneration.

The above may also be treated as an abstract of the memorandum of interest of the Wholetime Director, Sh. N. S. Sharma, pursuant to Section 302 of the Companies Act, 1956.

Except Sh. N. S. Sharma, none of the Directors of the Company is, in any way, concerned or interested in the resolution.

The Board recommends passing of the resolution.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. Proxies in order to be effective, must be received at the Registered Office / Head Office of the Company not less than Forty Eight Hours before the Meeting. A Proxy form is appended with the attendance slip.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 11th August, 2012 to 16th August, 2012 (both days inclusive).
3. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during Office hours on all working days except Saturday and Holiday between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
4. Members, who hold shares in de-materialised form are requested to bring their client DP ID Nos. for easier identification of attendance at the Meeting.
5. Members are requested to notify immediately any change in their addresses to the Company or to their respective depository participants without any delay.
6. 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.
7. Members, desirous of availing electronic form of delivery of balance sheet and other documents are requested to update their E-mail address with the Registrar and TPA Agents or with the Company by a written request.

PLACE : New Delhi
Dated : 29th May 2012

By Order of the
for INDIAN TONERS & DEVELOPERS
(S.C. SINGH)
EXE. DIRECTOR & COMPANY SECRETARY

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Sushil Jain	Chairman & Managing Director
Shri P. K. Kanoria	Director
Shri J. S. Varshneya	Director
upto 30.01.2012	
Shri Vikram Parkash	Director
Dr. M. R. Jain	Director
Shri Sanjeev Goel	Director
Shri N. S. Sharma	Director
Shri K. K. Dhimian	Director
w.e.f. 29.10.2011	

EXECUTIVE DIRECTOR & COMPANY SECRETARY

BANKERS

Shri S. C. Singhal
State Bank of India
K. N. Gulgulia & Co.
Chartered Accountants
11-K, Gopala Towers,
25, Rajendra Place,
New Delhi - 110 008

REGISTERED OFFICE & WORKS

10.5 KM, Rampur - Bareilly Road,
Rampur 224 901 (U.P.)
Tel: 09219410560

CORPORATE OFFICE

5E, Gopala Tower,
25, Rajendra Place,
New Delhi - 110008
Tel: (011) 45017000 (30 Lines)
Fax No. (011) 25751422
E-Mail: info@indiantoners.com
Website: http://www.indiantoners.com

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NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the Shareholders of INDIAN TONERS & DEVELOPERS LIMITED will be held on Thursday, the 16th August 2012, at 4 p.m. at the Registered Office of the Company at 10.5 KM, Rampur - Bareilly Road, Rampur 224901 (U.P.) to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Statement of Profit & Loss for the Year Ending March, 31st, 2012 and the Balance Sheet as at March, 31st, 2012 and the Directors' Report and the Auditors' Report thereon.
- To appoint a Director in place of **Shri Pawan Kumar Kanoria** who retires by rotation, being eligible, offers himself for re-appointment.
- To appoint a Director in place of **Dr. Manji Ram Jain** who retires by rotation, and being eligible, offers himself for re-appointment.
- To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration and the mode of payment. (M/s. K. N. Gulgulia & Co. Chartered Accountants (Firm Registration No. 304153E) are the retiring Auditors and are eligible for re-appointment).

SPECIAL BUSINESS:

- To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Kewal Krishan Dhimian, who was co-opted as an Additional Director of the Company by the Board of Directors under Section 260 of the Companies Act, 1956 holds office upto the date of this Annual General Meeting, in respect of whom the company has received a notice from a member under the provisions of Section 257 of the Companies Act, 1956 proposing the candidature for the office of a Director, be and is hereby appointed a Director of the Company, liable to retire by rotation."
- To consider and if thought fit to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION:
"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including statutory modification or re-enactment thereof, for the time being in force) consent of the Company be and is hereby accorded to the re-appointment of Sh. N. S. Sharma, as a Whole time Director of the Company for a period of 1 (one) year with effect from 27.03.2011 to 26.03.2013 on the terms & conditions including remuneration as set out in the explanation statement herein, with liberty to the Remuneration Committee / Board of Directors (hereinafter referred to as "The Board" which term shall be deemed to include any committee which Board may constitute to exercise its powers conferred by this resolution) to alter and to modify the terms & conditions of the said appointment and/or remuneration, within the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force or any amendments and/or modification of the said amendments thereto, as may be agreed to between the Board and Sh. N. S. Sharma."

RESOLVED FURTHER THAT the Board of Directors and / or the Company Secretary of the Company be and are hereby severally authorised to take all such steps as may be necessary proper or expedient or incidental to give effect to this resolution."

INDIAN TONERS & DEVELOPERS LTD.

5 E, Gopala Tower, 25, Rajendra Place, New Delhi - 110 008

29th May, 2012

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 Section 53 of the Companies Act, 1956.

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

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

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

Thanking you,

Yours faithfully,
for **INDIAN TONERS & DEVELOPERS LTD.**
Secretarial Deptt.

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DIRECTORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

To
The Members,

Your Directors have pleasure in presenting the 22nd Annual Report alongwith the Accounts for the year ended March 31, 2012.

Working Results

	Rs. in Lacs	
	For the year ended 31st March 2012	For the year ended 31st March 2011
Turnover (including Excise Duty)	2670	2548
Operating Gross Profit	475	380
Less: Financial Charges	4	4
Depreciation & Other Amortisations	94	148
Profit/(Loss) before Tax & exceptional items	381	228
Less: Exception Items	17	228
Profit before tax	364	228
Less: Provision for tax - Current year & Previous Year Tax Adjustment	109	105
Net Profit before Deferred Tax	255	123
Add: Deferred Tax Liability	12	27
Surplus Available for appropriation	267	150

OPERATIONS

During the year, your Company concentrated mainly on exports. Therefore out of the total turnover of Rs. 2670 lacs, more than 99% sales amounting to Rs. 2645 lacs were from exports. Exports were 7% higher during the year as against Rs. 2479 lacs in the previous year.

The consolidated financial results during the year including that of its Subsidiary Companies were better i.e. sales Rs. 8204 lacs, profit before tax Rs. 967 lacs and profit after tax Rs. 785 lacs.

FUTURE OUTLOOK AND PLANS

Your Company foresees a good scope for the exports of its products. However, fluctuation in foreign currency and tough competition in the international market will continue to be a challenge for your Company.

During the year, your Company was awarded the status of an Export House. It has strengthened the image of your company and made your Company eligible for various benefits available to Export Houses.

Efforts are going on to develop more products of Colour Toner and Company is quite hopeful to achieve desired results.

ITDL Imageset Limited a subsidiary Company in Sitarganj (Uttarakhand) manufacture of Toners & Developer manufacturing capacity of 1200 MT very well and giving satisfactory results are attached with the Annual Report.

Your company is always conscious of customers' satisfaction and strengthening established brand image. Therefore always the aim of your company quality products at reasonable develop more effective logistics, and the distribution channels so that customer needs are catered by providing faster through better presence and greater penetration.

RESEARCH AND DEVELOPMENT ACTIVITIES

Your Company continued the research and development activities during the year.

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

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

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

During the year the Company has incurred R & D expenses of Rs. 67.17 lacs in various heads (including Raw Material Consumption of Rs. 5.26 lacs) in addition to Rs. 17.25 lacs for purchase of capital items. Your Company has exhaustive programme of R & D activities in the coming years.

FIXED DEPOSITS

The Company has not invited any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder.

DIRECTORS

Shri Pawan Kumar Kanoria and Dr. Manoj Ram Jain, Directors of your Company will retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

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

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(ii) The directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period.

(iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and

(iv) The directors have prepared the annual accounts on a going concern basis.

AUDITORS

M/s K. N. Gulgutta & Co., Chartered Accountants, New Delhi, Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The Requisite Certificate Under Section 224 (1B) of The Companies Act, 1956 has been received from them.

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

OTHER INFORMATION

The other information required u/s 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure 'A' of this report.

PERSONNEL

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

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

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

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

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

DISCLOSURES UNDER LISTING AGREEMENT

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

DEMATERIALISATION OF SECURITIES

As informed earlier, the shares of your Company were included in the compulsory

list for trading in dematerialisation effect from 30.10.2000 and you had entered into necessary agree both the Depositories i.e. NSDL Securities Depository Limited) (Central Depository Securities Ltd) therefore, advisable to trade in the the company in dematerialisation is convenient and safe.

CORPORATE GOVERNANCE

In terms of Clause 49 of the Agreement, a Report on Governance along with a certificate Auditors of the Company on the of the conditions of Corporate G is provided elsewhere in this Ann

ACKNOWLEDGEMENT

Your Directors acknowledge the c and assistance extended b agencies of the Central a Governments, State Bank of Customers. Your Directors also shareholders for their continued

ANNEXURE "A" TO DIRECTORS' REPORT

ANNEXURE "A" TO DIRECTORS' REPORT

Information pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1986

(A) Conservation of Energy

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

(B) Technology Absorption

1. Specific areas in which R&D carried out by the Company:

Development & introduction of new Toners compatible for the upcoming Photocopiers, digital machines & laser printers.

2. Benefits derived as a result of the above R&D.

Availability of extended range of products resulting in procurement & servicing of orders for additional products in the export & domestic markets.

3. Further plan of action

Development of more toner formulations as well as their packaging

Re-sourcing of raw materials from other economical sources.

Import substitution of plant/machinery items by developing indigenous ones for economy in working

Development of Colour Toner formulations as well as their packaging

Charged under the respective head of accounts.

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.

3. In case of imported Technology

(imported during the last 5 years

reckoned from the beginning of the financial year) following information may be furnished

(a) Technology import

(b) Year of import

(c) Has technology been fully absorbed?

(d) If not fully absorbed area where this not taken place reason therefore and future plans of action

Augmenting Production capacity
2005-06, 2006-07
Yes
Not applicable, since Technology absorbed.

(c) Foreign Exchange Earnings / Outgo

1. Activities Relating to Exports

The Company has been able to increase its exports both quantity wise and value wise 3% and 7% respectively during the year ending 31st March, 2012 as compared to March, 2011.

2. Total Foreign Exchange used and earned

a) Total Foreign Exchange used

i) Import of Raw Materials

ii) Import of Stores & Spares and Packing material

iii) Foreign Travel

iv) Consultancy Charges

v) Others

TOTAL

b) Total Foreign Exchange earned (on FOB basis)

Rs.
20

2011-2012

1067.84

2.36

32.34

13.91

20.59

1137.04

2679.49

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

INDUSTRY AND OUTLOOK

The Company manufactures Compatible Toners and Developers for Photocopiers, Laser Printers and Digital Multi-function printers. The industry is continuously being affected by the worldwide impact of Toner's

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 Pilot Plant installed by 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.

The newly formed subsidiary, ITDL Imagetec Limited which set up a new project of 1200 MT capacity in Siliguri (Uttanchal) for the manufacturer of Toners & Developers is showing good results.

RISKS & CONCERNS

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

OPPORTUNITIES

During the last year, the Company was awarded the status of an Export House by the Directorate General of Foreign Trade. It has made the Company eligible for various benefits available to export house.

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

In its efforts to go in for diversification / expansion, the Company was successful in setting up a new project in its subsidiary, ITDL Imagetec Ltd in Uttanchal which is working satisfactorily and giving good results.

FINANCIAL PERFORMANCE

The sales (net of Excise Duty) for the year were Rs. 2670 Lacs. The Company earned a profit before tax of Rs. 364 Lacs. This does not include the sales and profit of the subsidiary Companies. However, the consolidated sales and profit before tax (including sales and profit of the subsidiary Companies) for the year are Rs. 6204 lacs and Rs. 967 lacs respectively. The nearly debt free status of both the holding and subsidiary Companies and improved liquidity resulted in significantly lowering the interest cost.

The Company has been able to increase its exports both quantity wise and value wise by 3% and 7% respectively during the year ending 31st March, 2012 as compared to previous year.

INTERNAL CONTROL SYSTEM

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

HUMAN RESOURCES

Industrial relations remained cordial during the year. The total number of employees, as on 31.03.2012 were 94 Nos.

CORPORATE GOVERNANCE REPORT

(ANNEXURE TO THE DIRECTORS' REPORT)

As required under Clause 49 of the Listing Agreement of the Stock Exchanges)

A. MANDATORY REQUIREMENTS

1. Company's Philosophy on Corporate Governance

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

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

2. Composition of Board of Directors as on 31st March, 2012

a) The Board of Directors has a mix of Executive and Non-Executive Directors. The Board 2 Executive Directors and 5 Non-Executive Directors. Accordingly, the composition of meets the stipulated requirements.

Name of the Director	Category	No. of Equity Shares held as on 31.03.2012	Attendance Particulars	No. of other Directors/Committee Members/Chairmanships
Shri Sushil Jain	CMD#	361362	4 Present	6
Shri P. K. Kanoria	NED	NIL	1 Not Present	10
Shri J. S. Vashistha**	NED-I	NIL	1 Not Present	---
Shri Vikram Prakash	NED-I	NIL	4 Not Present	5
Dr. M. R. Jain	NED-I	NIL	4 Not Present	4
Shri N. S. Sharma	ED **	200	4 Present	2
Shri Sanjeev Goel	NED-I	2500	4 Present	2
Sh. Kewal Kishan Dinesh**	NED	NIL	1 NA	NA

Directorship in Private Limited Companies are included in the above table

Chairman & Managing Director

** ED - Executive Director (Whole Time), NED-I - Non Executive Director - Independent, N Executive Director

upto 30.01.2012

*** Appointment w.e.f. 29.10.2011

During the Year 2011 - 2012 the Board of Directors met 4 times on 30th May 2011, 12th August, 2 October, 2011 and 30th January, 2012.

3 Committees of the Board

A. Audit Committee

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

Shri Sanjeev Goel is the Chairman of the Audit Committee. The other members of the Committee are Shri Vikram Prakash and Dr. M. R. Jain.

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

1. Regular review of accounts, accounting policies, disclosures, etc.
 2. Review of the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit
 3. Qualifications in the draft audit report
 4. Establishing and reviewing the scope of the independent audit including the observations of the auditors and review of the quarterly, half yearly and annual financial statements before submission to the Board
 5. Conducting post audit discussions with the independent auditors to ascertain any area of concern
 6. Establishing the scope of and frequency of internal audit, reviewing the findings of the internal auditors and ensuring the adequacy of internal control systems
 7. To look into the matters pertaining to the Directors' Responsibility Statement with respect to compliance with Accounting Standards and accounting policies
 8. Compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable
 9. The Committee shall look into any related party transactions i.e., transactions of the Company of material nature, with promoters or management their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
 10. Appointment and remuneration of Statutory and Internal Auditors
 11. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Audit Committee
- The Audit Committee met 4 times during the year on 30.05.2011, 12.08.2011, 29.10.2011 and 30.01.2012 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	Held	Audit Committee	Attended
1	Sh. Sanjeev Goel	4		4
2	Sh. Vikram Prakash	4		4
3	Dr. M. R. Jain	4		4

4 Remuneration Committee (Non-Mandatory)

Brief Description of Terms of reference

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

Composition and Attendance at the Meeting

The Remuneration Committee comprises of two independent Directors viz Shri Sanjeev Goel and Dr. M. R. Jain who elect the Chairman between themselves in every meeting. The Committee met on three times during the year 30.05.2011, 12.08.2011 & 30.01.2012 where members were present. The Remuneration paid to Executive Directors and relatives of Directors, if reviewed / recommended by the Remuneration Committee, approved by the Board and is within the provision of the Companies Act, 1956. The remuneration package of Chairman and Managing Director and whole time Directors comprises of salary, perquisites and allowances and contributions to Provident Fund. The Remuneration Policy is directed towards rewarding performance based on achievement. It is aimed at attracting and retaining high caliber talent. Non-Executive Directors not paid any remuneration except sitting fees.

Remuneration to Chairman & Managing Director and Whole - time Director is subject to review / recommendation by the Remuneration Committee to the Board and thereafter approved by shareholder in General Meeting.

Presently, the Company does not have any stock option plan or performance linked incentives.

Details of remuneration paid / payable during the period from 01.04.2011 to 31.03.2012 to Directors:

Name of Director	Salary including Personal Pay	HRA	***Arrear	Commi-sion	Perquisites + PF	Sitting Fee (Meeting)	Board	Commit-ment	T. Amount
Sh. Sustul Jain*	5419436	1912742	1277742	-----	968521	-----	-----	-----	3565
Sh. P.K. Kanoria	-----	-----	-----	-----	-----	5000	-----	-----	-----
Sh. J.S. Varshneya	-----	-----	-----	-----	-----	5000	-----	-----	-----
Sh. Vikram Prakash	-----	-----	-----	-----	-----	20000	14000	3	-----
Dr. M. R. Jain	-----	-----	-----	-----	-----	20000	24500	4	-----
Sh. N. S. Sharma**	532500	-----	-----	-----	-----	-----	-----	-----	533
Sh. Sanjeev Goel	-----	-----	-----	-----	-----	20000	28000	4	-----
Sh. K.K. Dhinan	-----	-----	-----	-----	-----	5000	-----	-----	-----

* Chairman & Managing Director, ** Executive Director

***Including Rs. 12,77,742/- relating to previous year paid during the year on receipt of the approval of Central Government.

5. Shareholder's / Investors' Grievances Committee

Terms of Reference

The Board constituted a Shareholders / Investors Grievance Committee on 31.05.2002 to look redressal of Shareholders' / Investors' grievances like Transfer and Transmission of Shares, non of Balance Sheet and dematerialisation of shares and matters relating to share certificates, c of A name, splitting & consolidation of shares and also to delegate any of its responsibilities, c the performance of the Registrar and Share Transfer Agents as well as recommend suggestions to improve the Investors' Services.

During the year 2011-2012, only one meeting of the committee was held.

During the Year 2011 - 2012, 6 complaints were received from Shareholders / Investors. All the com have been resolved to the satisfaction of the complainants. There was no complaint pending.

31.03.2012

All valid share transfers received during the year 2011 - 2012 have been acted upon by the Company. There were no transfers pending as on 31st March, 2012.

Consultation, Meeting & Attendance thereat :-

The Shareholders' / Investors Grievance Committee Comprise of following Members

Name of Members	Category	Held	Committee Meetings 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)

The Name and designation of the Compliance Officer is Shri S. C. Singhal, Executive Director (not a member of the Board) & Company Secretary : e-mail ID : investors@indiantoners.com

6. Share Transfer Committee

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

Name of Members	Category	Held	Committee Meetings Attended
Shri Sushil Jain	CMD	15	14
Shri N. S. Sharma	Director	15	15
Shri S. C. Singhal	Co. Secretary	15	15

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

7. General Body Meetings

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

Financial Year	Date	Time
2010 - 2011	18.08.2011	2.30 P.M.
2009 - 2010	16.08.2010	2.30 P.M.
2008 - 2009	29.08.2009	2.30 P.M.

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

Postal Ballot

During the year ended 31st March, 2012, there have been no ordinary or special resolutions passed by the Company's shareholders through postal ballot.

8. Reappointment of Directors

SHRI PAWAN KUMAR KANORIA, aged 77 years, passed his Graduation in the year 1954 from Calcutta University and had his studies at St. Xavier's, Calcutta.

Shri Kanoria has business experience of nearly fifty years. He had the distinction of being the Chairman and Managing Director in the Industries like Tea Plantation, Sugar and Jute. He has also been associated with Industries like Textiles and Cement. At present he is also Executive Chairman of M/s. Reliance Jute Mills (International) Ltd.

Shri Kanoria had the distinction of serving as the President of the Tea Association of India, Indian Sugar Mills Association, Indian Jute Industries - Research Association and Indian Chamber of Commerce the premiere Chamber in Kolkata.

Shri Kanoria has traveled to a large number of parts in the World. He had the privilege of leading a delegation to East African countries for study of Tea Industries in these countries. He was also a member of a delegation to Sri Lanka sponsored by the Government of India.

"Dr. Manji Ram Jain, aged 79 years is a M. Sc. from Piplani (Rajasthan) securing 1st position in the University and received Gold Medal. He is Ph.D in Highpolymer from Canada completed in record period of 26th Months. He worked with D.C.M. J.K. Synthetics Ltd. & Chief Executive of Modipon Ltd. Dr. M. R. Jain is well known to all leading Technology and Equipment suppliers like Dupont, British Nylon Spinner, Lurgi, Zimmer, Barmag, Inventa, Scragg, Teijin, Korea Nylon BP etc. and travelled Western Europe, Eastern Europe, Canada, North America, South America, North African Countries, South Asia etc.

Dr. Jain is promoter of Pampat Weaving & Processing Pvt. Ltd., Pushpsons International, Pushp Fibrol Pvt. Ltd., Pushpsons Balbro Pvt. Ltd. and Pushpsons Industries Ltd.

Dr. Jain was Honoured with Rashtriya Udyog Award for outstanding services, achievements/contribution in textile industry. The Award was given by former President Shri R. Venkataraman August 1993.

Dr. M. R. Jain joined the Board of the Company on 10.01.1990 and is also the Chairman / Mumbai Remuneration Committee & Audit Committee. He is also on the Board of Pampat Weaving & Processing Pvt. Ltd., Pushpsons Balbro Pvt. Ltd., Pushpsons Fibrol Pvt. Ltd. & Pushpsons Industries Ltd.

9. Materially Non-listed Subsidiary :

The Company has one materially non-listed subsidiary namely M/s. ITDL Imagedec Ltd. Mr. S. Goel, Independent Director has been appointed a director there also to comply with clause 49 of Listed Agreement.

10. Disclosures of Non-compliance, Related Party Transactions, if any

The Company has complied with the requirement of regulatory authorities on capital market and there was no question of penalties / strictures being imposed by SEBI or the Stock Exchange on the Company in the last three years.

Details only to Related Party transactions have been disclosed in Note 42 of Notes to the Financial Statement.

11. Means of Communication

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the proforma and time prescribed by Clause 41 of the Listing Agreement.
- The approved financial results are forthwith sent to the Listed Stock Exchanges and are published in the news papers namely The Pioneer/Money Maker and Mahabharati Vysparak within forty hours of approval thereof.
- The results being sent to the Bombay Stock Exchanges Limited where the Shares of the company are listed, for putting in their own web site.
- No formal presentations were made to the institutional investors and analysts during the under review.
- Management discussion and Analysis forms part of the Annual Report, which is posted to Shareholders of the Company.

12. CEO / CFO Certificate

Certificate from CEO / CFO for the Financial Year ended March 31, 2012 has been provided elsewhere in the Annual Report.

13. General Shareholders' Information

- Next Annual General Meeting : As indicated in the Notice to our Shareholders, the Annual General Meeting of the Company will be held on 16th August 2012. The time and venue of the meeting as indicated in the notice.
- Financial Year : April 1st, 2011 to March 31st, 2012.
- Date of Book Closure : 11.08.2012 to 16.08.2012
- Dividend payment : N/A
- Listing on Stock Exchanges :
 - Bombay Stock Exchange Limited, Phiroze Jejeebhoy Towers, Dalal Street, Mumbai - 400025
 - Stock Code
 - Bombay Stock Exchange Limited, Mumbai
 - ISIN Number for NSDL / CDSL

g). Market Price Data : High Low during each month in last financial year

Month	High (Rs.)	BSE	Low (Rs.)
April 2011	20.35		17.20
May 2011	18.95		15.30
June 2011	18.80		14.80
July 2011	19.95		15.10
August 2011	18.45		13.45
September 2011	19.80		14.00
October 2011	17.65		14.40
November 2011	16.90		13.00
December 2011	15.20		11.51
January 2012	16.40		11.81
February 2012	17.70		14.25
March 2012	15.67		12.00

[Source: www.bseindia.com]

h) Share Transfer Procedure : Every effort is made to clear share transfers/transmissions and split / consolidation requests within 15 days

Share Transfer Agents: Alankit Assignments Limited, 2E/8, Alankit House, Jhandewalan Extension, New Delhi - 110 055.
Ph. No. (011) 43541234, 42541234, Fax No. (011) 42541987

i). Distribution Schedule : The distribution of Company's shareholding as on 31st March, 2012 was as follows:

No. of Equity Shares held	No. Shareholders	No. of Shares	% of Total Shares
1 to 250	12015	86,545	15.926
251 to 500	1001	4,165,21	5.168
501 to 1000	464	3,342	405,732
1001 to 2000	188	1,354	296,227
2001 to 3000	70	0,504	177,321
3001 to 4000	36	0,259	128,128
4001 to 5000	21	0,151	96,280
5001 to 10000	49	0,353	386,334
10001 & Above	39	0,281	486,6934
	13883	100,000	8058900
			100.000

Shareholding Pattern as on 31st March 2012

Category	Category of Shareholder	Number of Shares	Total No. of Shares	% of Total Shares	Category of Shareholder	Number of Shares	Total No. of Shares	% of Total Shares
(A) Shareholding of Promoter & Promoter Group								
(1) Indian								
(a) Individuals/Hindu Undivided Family		7	860552	10.92				
(b) Central Govt / State Government(s)								
(c) Bodies Corporate		4	2838924	35.10				
(d) Financial Institutions - Banks								
(e) Any other (Specify)								
Sub - Total (A)(1)		11	3709486	46.02				
(2) Foreign								
(a) Individuals (Non Resident)								
(b) Bodies Corporate								
(c) Institutions								
(d) Any Other (Specify)								
Sub - Total (A)(2)								
Total Shareholding of Promoter and Promoter Group		11	3709486	46.02				
(B) Public Shareholding								
(1) Institutions		2	3200	0.03				
(a) Mutual Funds/UTI								
(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	0.03				
(2) Non-Institutions		127	673155	8.35				
(a) Bodies Corporate								
(b) Individuals								
i) Individual Shareholders holding nominal Share Capital up to Rs. 1 lakh		13581	2963428	36.77				
ii) Individual Shareholders holding nominal shares capital in excess of Rs. 1 lakh		19	580905	7.33				
(c) Others		2	2700	0.03				
(1) Directors								
(2) N. F. I.								
(3) Clearing Members		4	858	0.01				
(4) H.U.F.		119	78171	0.97				
Sub - Total (B)(2)		13870	4340214	53.93				
Total Public Shareholding		13872	4340414	53.97				
(B) = (B)(1) + (B)(2)		13883	8058900	100.00				
TOTAL (A)+(B)								
Shares held by Custodians and against which Depository Receipts have been issued								
(1) Promoter and Promoter Group		0	0	0.00				
(2) Public		0	0	0.00				
GRAND TOTAL (A)+(B)+(C)		13883	8058900	100.00				

- i) Dematerialisation of Shares: Approximately 85.43% of the total paid up share capital of the Company has been dematerialized upto March, 31, 2012.
 - ii) 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 Executive Director & Company Secretary is the Compliance officer in this regard.
 - iii) Outstanding GDR/ADRs/Warrants or any convertible instruments, conversion date and impact on equity: The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.
 - iv) Plant Location: 10, 5 K M, Rampur-Bareilly Road, Rampur-224 901, UP & D-11, Phase - II, Eideco-Sidcul Industrial Park, Sargaraj - 262405, Dist. Uthman Singh Nagar, Uttarhand for its subsidiary.
 - v) Address for correspondence: Sh. S. C. Singhal E. D. & Company Secretary, 5 E. Gopala Tower, 25, Rajendra Place, New Delhi - 110 008 Ph. No. (011) 45017000
 - vi) Plant Location of subsidiary: D - II, Phase - II, Eideco - Sidcul Industrial Park, Sargaraj - 262405, Dist. Uthman Singh Nagar, Uttarhand
- B. Non-Mandatory Requirements:**
- (i) The Company has constituted a Remuneration Committee as pursuant to the Mandatory Requirements.
 - (ii) The Executive Chairman of the company maintains an office at his residence for which company reimburses him.
- C. Code of Conduct:**
- The Code of Conduct for Directors and Senior Management Personnel was approved and adopted by the Company in the Board Meeting held on 31.10.2005 and annual compliance certificate from all the Directors and Senior Personnel of the Company

CERTIFICATE

The Annual Compliance Confirmation for compliance of the Code of Conduct for the year ending 31.03.2012 has been received from all the Directors and Senior management Personnel of the Company New Delhi May 29.05.2012

Chairman & Managing Director
Sushil Jain

- 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, 2012, as stipulated in clause 49 of the listing agreements 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

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 efficiency or effectiveness with which the management has conducted the affairs of the company.

Date: 29th, May 2012
Place: New Delhi

FOR K.N. GUTGUTIA &
(B R GO)
PART
CHARTERED ACCOUNTANTS
Membership No. 1
ICAI's FRN 304

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 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 the year which are fraudulent, illegal or violative of the company's code of conduct;
- (c) We accept responsibility for establishing and maintaining internal controls and that they we evaluate the effectiveness of the internal control systems of the company and we have disclosed to the audit and the Audit Committee, deficiencies in the design or operation of internal controls, if any, 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 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 been aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(Sushil Jain)
Chairman & Managing Director

(S. C. Singhal)
Executive Director & C. S.
& Acting C.F.O

Date: 29.05.2012
Place: New Delhi

INDIAN TONERS & DEVELOPERS LIMITED

and Loss and the Cash Flow Statement

of which representations I received from the Director on 24 March 2019.

give the information required by the Commission for each sector.

-areality

(BR GUYAL)

ICAI'S FRN 304153E

N

Re: INDIAN TONERS & DEVELOPERS LIMITED

the year ended 31st March, 2012.

year and no discrepancy was noticed

ventories have been physically verified

management are reasonable and a

nds of inventory. In our opinion, it's

THE BOOKS OF ACCOUNT.

parties Act, 1930. The maximum in

cial in the interest of the Company

maintained under Section 301 of the

of the company and the nature of its

correct major weakness in internal

tion provided by the management

index section on page 201

to study the effects of the following factors:

100

100

100

action (1) of Section 209 of the Act

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

- (k) (a) According to the information and explanations given to us and records examined by us, the company's regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales-tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed amounts of statutory dues of the aforesaid nature were outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there was no dues, as at 31st March 2012 of sales tax, income-tax, customs, wealth tax, service tax, excise duty, cess which have not been deposited on account of disputes.
- (l) There are no accumulated losses of the Company as on 31st March, 2012. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (m) Based on our audit procedures and the information given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions or banks.
- (n) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (o) Clause (xii) of the Order is not applicable to the Company as the Company is not a Chit fund Company or mutual benefit fund/society.
- (p) In our opinion, the Company is not dealing in or trading in shares, securities, debentures, and other investments. Accordingly, the provisions of clause 4 (iv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (q) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank of financial institution.
- (r) According to the information and explanations given to us, no term loan has been raised by the Company during the year.
- (s) According to the information & explanation given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long term investments.
- (t) The Company has not made any preferential allotment of shares during the year.
- (u) During the year covered by our audit report the Company has not issued secured debentures.
- (v) The Company has not raised any money by public issues during the year covered by our report.
- (w) Based upon the audit procedures performed and the information and explanations given to us, by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : New Delhi
Date: 29th May, 2012

FOR K.N.GUTGUTIA & CO.
CHARTERED ACCOUNTANTS

(B.R.GOYAL)
PARTNER
Membership No. 12172
ICAI'S FRN 304153E

Balance Sheet As At 31st March 2012

Particulars

Note No.

As at 31st March 2012

As at 31st March

(Rs. in Lakhs)

1. EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
a. Share Capital	2	805.89	805.89
b. Reserve & Surplus	3	3349.94	3674.83
(2) Non Current Liabilities			
a. Long Term Borrowings	4	15.94	15.94
b. Deferred Tax Liability (Net)	5	215.18	215.18
c. Long Term Provisions	6	12.06	12.06
(3) Current Liabilities			
a. Short Term Borrowings	7		
b. Trade Payables	8	334.74	334.74
c. Other Current Liabilities	9	115.15	115.15
d. Short-Term Provisions	10	112.35	112.35
TOTAL		4961.25	5638.15
II. ASSETS :			
(1) Non Current Assets			
a. Fixed Assets	11		
i) Tangible Assets		1004.82	1004.82
ii) Intangible Assets		24.32	24.32
iii) Capital Work in progress		3.33	3.33
b. Non current investments	12	169.60	169.60
c. Long terms loans and advances	13	900.09	900.09
(2) Current Assets			
a. Current Investments	14	887.74	887.74
b. Inventories	15	431.82	431.82
c. Trade receivables	16	440.83	440.83
d. Cash and cash equivalents	17	350.44	350.44
e. Short-term loans and advances	18	744.30	744.30
f. Other current assets	19	3.96	3.96
TOTAL		4961.25	5638.15

Significant Accounting Policies

The Notes form an integral part of these Financial statements

As per our Report of Even Date Attached
For K.N.GUTGUTIA & COMPANY
Chartered Accountants
ICAI'S FRN 304153E
(B.R.GOYAL)
Partner
Membership No. 12172
11K, Gopala Towers,
25, Rajendra Place, New Delhi
The 29th Day of May 2012

(S.C. SINGHAL) (N.S. SHARMA) (SUSHIL)
Executive Director
& Company Secretary
Directors Chairman & Managing

For and on Behalf of the Board of

Statement of Profit & Loss Account for the year ended on 31st March, 2012

(Rs. in Lacs)

S.No	Particulars	Note No	For the year ended 31st March 2012	For the year ended 31st March, 2011
I	Revenue from operations (Net of excise duty Rs. 0.23 lacs) (P.Y. Rs. 2.36 lacs)		2670.15	2540.08
II	Other Income	20	302.85	264.72
III	Total Revenue (I+II)	21	2973.00	2794.80
IV	Expenses:			
	Cost of materials consumed	22	1236.86	1148.01
	Manufacturing & Operating Expenses	24	613.13	572.47
	Changes in inventories of finished goods & work-in-progress	23	8.08	36.29
	Employee Benefit Expenses	25	334.40	294.36
	Financial Costs	26	3.91	3.80
	Depreciation and Amortization Expenses ¹¹	27	90.38	148.58
	Other Expenses		304.68	363.09
	Total Expenses (IV)		2591.44	2566.60
V	Profit before exceptional items and tax	(III-IV)	381.56	228.20
VI	Exceptional Items	28	17.24	-
VII	Profit before tax (V+VI)		364.32	228.20
VIII	Tax expenses:			
	(1) Current tax	(106.00)	(76.46)	(76.46)
	(2) Taxes in respect of earlier years	(3.36)	(28.57)	(28.57)
	(3) Deferred tax charge	12.19	27.36	27.36
IX	Profit for the year	(V-VI)	267.15	150.53
X	Earning per equity share of Rs. 10 each		3.31	1.87
	(1) Basic		3.31	1.87
	(1) Diluted		3.31	1.87

Significant Accounting Policies

1

The Notes form an integral part of these Financial statements

As per our Report of Even Date Attached For K. N. GUTGUTIA & COMPANY	For and on Behalf of the Board of Directors
Chartered Accountants ICAI's FNN 304153E (B.R. GOYAL)	(S.C. SINGHAL) Partner Membership No. 12172 11K, Gopala Tower 25, Rajendra Place, New Delhi The 29th Day of May 2011
	(N.S. SHARMA) Executive Director (SANJEEV GOEL) Directors (SUSHIL JAIN) Chairman & Managing Director

Notes to the financial statements for the year ended 31st March 2012
Note 1 Significant Accounting Policies
GENERAL INFORMATION

INDIAN TONERS & DEVELOPERS

Indian Toner & Developers Limited (hereinafter referred to as 'the Company') is a manufacturer 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 compliance in all material aspect, with the applicable accounting principles in India. The applicable standards notified under Section 211(3C) and the other relevant provisions of the Companies Act, 1956. All the Assets and Liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule VI of the Companies Act, 1956. Based on products and the time between the acquisition of assets for processing and their realization in cash equivalent the Company has ascertained its operating cycle to be less than 12 months.

1.2 FIXED ASSETS

- a) Fixed Assets are stated at cost less accumulated Depreciation provided for.
b) Depreciation is provided on straight line method treating the Plant as continuous process for R & D Plant, at rates and in the manner as per Schedule XIV to the Companies Act, 1956 amended vide notification dated 16th December, 1993. Depreciation on assets added during the year is charged proportionately with reference to the date of additions / deduction incurred. Depreciation on R & D plants & machinery is charged, treating the same as non-current assets in the same manner as mentioned above.

- c) Intangible assets, represented by product development are amortized over period of five years quarter in which the same is put to its commercial use.
d) Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 10% per annum on straight line method over a period of three years.

1.3 IMPAIRMENT OF ASSETS

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

1.4 RESEARCH & DEVELOPMENT

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

1.5 EMPLOYEE BENEFITS

Contributions payable for provident fund and employee state insurance, which are defined plans, are charged to statement of profit & loss. Gratuity and leave encashment which are defined benefits plans are accrued, recognized and on unit credit method, based on actuarial valuation, as at balance sheet date provided by L1C independent actuarial valuator respectively.

The Company has opted for a group gratuity - cum Life Assurance Scheme of the Life Corporation of India for employees and the annual contribution for it is charged to the statement of profit & loss on the accrual basis.

1.6 INVESTMENTS

- (a) Investments are classified into Current & long term investments. Current investments are stated at cost and fair value. Long Term Investments are stated at cost. However, provision of diminution is made for decline other than temporary in value.
(b) Gain / Loss on investments in Growth / Dividend plans of Mutual Funds are accounted for redemption of units.
(c) Dividends from the Units of Mutual Funds is accounted for when the Company becomes legally entitled to receive the same.

1.7 INVENTORY VALUATION

- a) Finished goods. Lower of cost or net realizable value
- b) Raw Materials, Stores & Spares, Power & Fuel and Packing Materials. At the lower of cost or net realization value
- c) Stock in process. Lower of cost or net realizable value
- d) Raw material and stores & spares and packing materials costs are computed on weighted average basis
- e) Finished goods and work in process include cost of conversion and other costs incurred in bringing the inventories to their present locations and condition.

1.3. FOREIGN CURRENCY TRANSACTIONS

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

1.9. TAXATION

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.

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

1.10. BORROWING COST

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

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

1.12. PROVISIONS AND CONTINGENT LIABILITY

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

1.13. REVENUE RECOGNITION

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.

1.14. USE OF ESTIMATES

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

1.15. EARNINGS PER SHARE

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.

1.16. LEASES

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Lease payment in respect of such leases are recognized as expenses in the Statement of profit & loss on a straight line basis over the lease terms or extended term.

Notes to the financial statements for the year ended 31st March 2012**Note No. '2'****Share Capital****AUTHORISED CAPITAL**

17000000 Equity Shares of Rs. 10/- each

	As at 31st March 2012	As at 31st March
	1700.00	1700.00
	1700	1

ISSUED CAPITAL

8058900 Equity Shares of Rs. 10/- each

805.89

SUBSCRIBED & PAID UP CAPITAL

8058900 Equity Shares of Rs. 10/- each, fully paid

805.89

TOTAL

805.89

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

2. The Company has only one class of equity shares, having a par value of Rs. 10 per share. shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of the shareholdings.

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

As at 31st March 2012

Name of the shareholders

ABC Commercial Co. Ltd. 474000 shares

(p y. 474000 shares) @ 10 each

5.9

Manavir Phototech Pvt. Ltd.

915561 shares (p y. 915561 shares) @ Rs. 10 each

11.4

Alankar Securities Pvt. Ltd.

807854 shares (p y. 807854 shares) @ Rs. 10 each

10.0

Twinn Securities Pvt. Ltd.

631509 shares (p y. 631509 shares) @ Rs. 10 each

7.8

Note No. '3'**Reserve & Surplus****Surplus**

Opening Balance

3082.79

Add Net profit for the year

267.15

TOTAL

3349.94

Note No. '4'**Long Term Borrowings****Other Loans & Advances**

-Loan term maturity of Finance lease obligation (Secured)

15.94

TOTAL

15.94

Aggregating to Rs. 15.93 lac (p y. 25.41 lac) are secured by hypothecation of specific vehicle. Repayment in 60 monthly instalments commencing from Nov. 2009

Note No. '5'		(Rs. in lacs)
Deferred Tax Liabilities (net)		
Deferred Tax Liability on account of	As at 31st March 2012	As at 31st March 2011
Accelerated Depreciation	227.37	254.70
Deferred Tax Asset on account of	(12.19)	(27.33)
Provision for leave Encashment	215.18	227.37
NET DEFERRED TAX LIABILITY		
Note No. '6'		(Rs. in lacs)
Long Term Provisions	As at 31st March 2012	As at 31st March 2011
Employee Benefits	12.06	8.18
Leave Encashment (Refer Note No. 37)	12.06	8.18
TOTAL		
Note No. '7'		(Rs. in lacs)
Short Term Borrowings	As at 31st March 2012	As at 31st March 2011
Loans repayable on demand (Secured) from Banks	-	9.21
Cash Credit and working Capital facilities	-	9.21
Closing Balance		
Working Capital facilities from State Bank of India are Secured against hypothecation of raw material, stock in transit, finished goods, stock in process, chemicals, spares and stores and book debts etc. and second charge over all the immovable assets both present and future of the company.		
Note No. '8'		(Rs. in lacs)
Trade Payable	As at 31st March 2012	As at 31st March 2011
Trade Payable	292.21	298.49
Others (For micro and small enterprises Refer Note No. 32)	42.53	40.44
TOTAL	334.74	338.93
Note No. '9'		(Rs. in lacs)
Other Current Liabilities	As at 31st March 2012	As at 31st March 2011
Current Maturities for finance lease obligation (refer Note No. 31)	12.28	12.28
Deposits from Dealers	2.17	4.01
Advance against Sales	22.28	66.67
Statutory Dues Payable	34.92	41.58
Other Payable		
- Expenses Payable	15.77	18.78
- Accrued Salaries & Benefits Payable	27.73	22.38
Others	0.00	1.00
TOTAL	115.15	166.70
Note No. '10'		(Rs. in lacs)
Short Term Provisions	As at 31st March 2012	As at 31st March 2011
Employee Benefit	6.35	5.77
Leave Encashment (Refer Note No. 37)		
Others	106.00	426.74
Provision for Taxation	112.35	432.51
TOTAL		

Note No. '11'

Fixed Assets

(Rs. in lacs)

S.No.	Particulars	Gross Block			Depreciation				Net Block	
		Balance as at 01.04.2011 Rs.	Additions during the Year	Disposal during the Year	Balance as at 31.03.2012	Upto 01.04.2011	For the year	Disposal during the Year	Balance as at 31.03.2012	Balance as at 31.03.2011
I	Tangible Assets									
1.	Land	3.50	-	-	3.50	-	-	-	3.50	3.50
2.	Building	178.97	5.20	-	184.17	84.12	6.00	-	94.05	94.85
3.	Plant and Equipments	2860.58	6.97	-	2867.55	2060.12	48.22	-	759.21	801.46
4.	Furniture & Fixtures	36.72	1.15	-	37.87	21.92	1.94	-	14.01	14.80
5.	Vehicles	132.41	-	4.48	127.92	29.72	8.96	4.05	93.30	102.69
6.	Office Equipment	107.16	3.32	-	110.48	72.95	14.92	-	22.61	34.21
7.	Electric Installation	53.24	1.92	-	55.16	34.48	2.54	-	18.14	18.76
	SUB TOTAL (A)	3372.58	18.56	4.49	3386.64	2303.31	82.57	4.05	1004.82	1069.27
II	Intangible Assets									
	Intangible R & D (Product Development)	26.14	8.71	-	34.85	5.23	6.97	-	22.65	20.91
	Computer Software	-	2.51	-	2.51	-	0.84	-	1.67	-
	SUB TOTAL (B)	26.14	11.22	0.00	37.36	5.23	7.81	0.00	24.32	20.91
III	Capital Work in progress									
	Building	-	3.33	-	3.33	-	-	-	3.33	8.71
	SUB TOTAL (C)	0.00	3.33	0.00	3.33	0.00	0.00	0.00	3.33	8.71
	Total (A+B+C)									
	(Current Year)	3398.72	33.11	4.49	3427.34	2308.53	90.39	4.05	1032.48	1098.89

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Note No. '12' Non Current Investment (at Cost)

	No.	As at 31st March 2012	No.	As at 31st March 2011
1 Investment in Subsidiaries (Unquoted, Trade)				
ITDI, USA Inc. (Refer Note No. 43)	50000	22.60	50000	22.60
ITDI, Imagejet Limited - Subsidiary Company	510000	51.00	510000	51.00
(Equity Shares of Rs. 10 each)				
2 Non Trade Investment in Associates (Unquoted, Trade)				
Alphar Securities Private Limited	123000	36.90	123000	36.90
(Equity Shares of Rs. 10 each)				
Tiven Securities Private Limited	100000	30.00	100000	30.00
(Equity Shares of Rs. 10 each)				
Equity Share Mahavir Phototech Pvt. Ltd.	97000	29.10	97000	29.10
(Equity Shares of Rs. 10 each)				
TOTAL		159.60		159.60

Note No. '13' Long Term Loans & Advances

	As at 31st March 2012	As at 31st March 2011
I Capital Advances		
Unsecured, considered goods	87.37	0.00
II Security Deposit		
Security Deposit-Others (Unsecured considered goods)	11.84	13.02
III Loans & Advance to related parties		
Refer Note 41 (Unsecured considered goods)	800.00	1300.00
IV) Loan & Advance to Employee (Unsecured considered goods)	0.78	1.27
V) Others : Fixed Deposit with banks with maturity period more than 12 months	0.10	
TOTAL	900.09	1314.29

Note No. '14' Current Investment (at the lower of cost and fair value)

	No.	As at 31st March, 2012	As at 31st March, 2011
1 Investment in Mutual Funds (unquoted)			
Units of Rs. 10 each, unless otherwise specified			
a) UTI Treasury Advantage Fund - Daily Dividend Plan	17453	182.53	-
b) UTI Treasury Advantage Fund - Growth	7691	212.97	-
c) UTI Treasury Advantage Fund - Institutional Growth	3616	264.81	-
d) UTI Floating Rate Fund	13523	227.43	-
TOTAL		887.74	0.00

Note No. '15' Inventories

	As at 31st March 2012	As at 31st March 2011
1 Raw Material (including in transit Rs. 5.42 lacs)	251.87	334.60
(previous year 31.32 lacs)	82.72	91.01
2 Work in Process (Toners)	29.68	64.85
3 Packing Material	28.02	13.73
4 Oil & Lubricants	28.82	45.85
5 Stores & Spares	10.71	10.50
6 Finished Goods (Toners)	431.82	560.54
TOTAL		

(For valuation, refer Note No. 1.7)

INDIAN TONERS & DEVELOPERS LIM

Details of Raw Materials Inventory

	As at 31st March 2012	As at 31st March 2011
1 Resin	52.36	14.56
2 Magnetic	27.00	6.00
3 Others	132.49	13.24
TOTAL	251.87	33.80

Note No. '16' Trade receivables

	As at 31st March 2012	As at 31st March 2011
1 Outstanding for a period exceeding six months		
a) Secured, Considered Goods	31.61	4.00
b) Unsecured, Considered Goods	-	-
c) Doubtful	-	-
2 Others:		
a) Secured, Considered Goods	409.22	32.00
b) Unsecured, Considered Goods	-	-
c) Doubtful (including Related Party refer Note)	-	-
TOTAL	440.83	37.00

Note No. '17' Cash & Cash Equivalents

	As at 31st March 2012	As at 31st March 2011
1 Cash on Hand	5.42	5.42
Cash Balance	5.42	5.42
Sub Total (A)		
2 Bank Balance	13.64	18.00
Current Account	226.01	50.00
EEFC Account	50.00	5.57
Bank Deposits	49.80	345.02
With HDFC Bank of India IFBCC Account	345.02	350.44
Sub Total (B)		
Total (A+B)	350.44	373.93

*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. '18' Short Terms Loans and Advances

	As at 31st March 2012	As at 31st March 2011
1 Advances to Employees (Unsecured, considered goods)	4.36	5.00
2 Loans & Advances to related parties (Unsecured, considered goods)	500.00	-
Refer note 41		
3 Balance with Govt. Authorities	4.05	1.72
Customer Claim Receivables	115.51	13.20
Vat Credit	13.20	-
Balance with Excise / Sales Tax	-	-
Service tax Recoverable	-	-
4 Security Deposit	0.89	-
Security Deposit Others (Unsecured considered goods)	-	-
5 Others	17.98	82.55
Advance to Suppliers	4.24	4.24
Advance Income Tax (including TDS)	744.30	744.30
Prepaid Expenses	-	-
TOTAL	744.30	744.30

Note No. '23' Change in Inventories

	For the year ended 31st March 2012	For the year ended 31st March 2011
Inventories at the end of the year	10.71	14.14
Finished goods (Toners)	82.72	9.2
Work-in-Process (Toners)	93.43	10
Inventories at the beginning of the year	10.50	8.06
Finished Goods (Toners)	91.01	46
Work-in-Process (Toners)	101.51	13.1
Decrease/Increase during the year	8.06	36

Note No. '24' Manufacturing & Operating Costs

	For the year ended 31st March 2012	For the year ended 31st March 2011
1. Packing Material Consumed	123.30	10.3
2. Stores and Spares Consumed	47.14	38
3. Power & Fuel	399.54	26.22
4. Repair & Maintenance of Plant & Machinery	26.22	10.90
5. Repair & Maintenance of Building	10.90	6.03
6. Security Expenses	6.03	57
Total	613.13	112

Imported & Indigenous Stores, Spares & packing Material Consumed

	For the year ended 31st March 2012	For the year ended 31st March 2011
Raw Material	123.30	10.3
Imported	170.44	138.35
Indigenous	170.44	138.35
TOTAL	170.44	138.35

Note No. '25' Employee Benefit Expenses

	For the year ended 31st March 2012	For the year ended 31st March 2011
1. Salaries, Wages, Bonus etc.	313.96	27
2. Contribution to Provident & Other Fund	14.51	1
3. Staff Welfare Expenses	5.94	28
TOTAL	334.40	28

Note No. '26' Finance Cost

	For the year ended 31st March 2012	For the year ended 31st March 2011
1. Interest Expenses	3.91	3.91
TOTAL	3.91	3.91

Note No. '27' Other Expenses

	For the year ended 31st March 2012	For the year ended 31st March 2011
1. Rent Account	6.62	14
2. Rates & Taxes	8.62	9
3. Insurance Expenses	13.35	10
4. Repair & Maintenance to Computers	5.15	16
5. Repair & Maintenance Office	4.18	17
6. Director's Sitting Fees	1.45	18
7. Freight Outward	90.65	19
8. Advertisement & Sales Promotion	21.54	20
9. Discount & Incentive	2.29	21
10. Seminar Expenses	4.19	22
11. Staff Recruitment Expenses	1.72	23
12. Subscription Account	1.43	24
13. Printing & Stationery Account	4.55	25

Note No. '19' Other Current Assets

	For the year ended 31st March 2012	For the year ended 31st March 2011
1. Interest Accrued on Fixed Deposits	2.45	2.83
2. Interest Accrued on Car Loan	0.00	0.12
3. Insurance Claim Receivables	1.45	5.37
4. Interest Receivable from Subsidiary	0.00	61.38
TOTAL	3.95	69.70

Note No. '20' Revenue from Operations

	For the year ended 31st March 2012	For the year ended 31st March 2011
Sale of Products	2679.06	2474.53
Manufacturing Goods (Comparisons of Toners)	14.87	0.00
Less : Sale Return	0.24	2.36
Other Operating Revenue	65.17	67.29
Export Incentives	1.03	0.62
Scrap Sales	2670.15	2540.08
TOTAL	2670.15	2540.08

Note No. '21' Other Income

	For the year ended 31st March 2012	For the year ended 31st March 2011
1. Interest Income : from Subsidiaries	143.51	158.91
2. Dividend Income from others	3.98	7.05
3. Short Term Capital Gain on Mutual Funds	39.43	6.25
4. Recovery Against assignment of Keyman Policy	10.20	10.20
5. Insurance Claim Received	0.10	0.00
6. Provision no longer required	31.51	0.00
7. Exchange Fluctuations Gain (Net)	0.31	10.40
8. Gain on Sales of Focus Licence	0.43	8.77
9. Custom Duty Refund of earlier year	52.43	0.00
10. Other Income	6.00	26.39
TOTAL	0.00	4.05
	14.95	22.70
	302.85	254.72

Note No. '22' Cost of Material Consumed

	For the year ended 31st March 2012	For the year ended 31st March 2011
Raw Materials	313.18	143.21
Opening Stock	1170.13	1317.99
Add : Purchase	246.45	313.19
Less : Closing Stock	1236.86	1148.01
Consumed	1236.86	1148.01

Imported & Indigenous Raw Material Consumed

	For the year ended 31st March 2012	For the year ended 31st March 2011
Raw Material	1156.68	1107.71
Imported	77.18	40.30
Indigenous	1079.50	1067.41
TOTAL	1236.86	1148.01

Details of Raw Material Consumed

	For the year ended 31st March 2012	For the year ended 31st March 2011
Resin	786.13	684.05
Magnesium	108.94	180.76
Others	251.79	283.20
TOTAL	1236.86	1148.01

14	Electricity & Water Expenses	4.95	2.15
15	Communication Expenses	14.61	14.26
16	Travelling Expenses (including Foreign Travelling & Conveyance)	46.11	36.34
17	Vehicle Running & Maintenance Account	14.98	17.89
18	Bank Charges	19.23	18.33
19	Auditors Remuneration		
	As Audit Fees	4.50	1.25
	As Tax Audit Fees	0.25	0.25
	For Out of Pocket Expenses	0.13	0.12
20	Leipst & Professional Expenses	27.05	32.32
21	Foreign Exchange Fluctuations	0.00	0.41
22	Bad Debts	0.00	1.69
23	Loss on Sales of Mutual Funds	5.93	1.69
24	Loss on Sale of Fixed Assets	0.00	0.55
25	General Expenses	0.00	12.67
	TOTAL	304.68	363.09

* Note - After adjustments of recoveries expenses from Subsidiary Company ITOL Imagedec include Rs. 41.64 lacs (FY 11-12 lacs) related with R & D expenses (Refer Note No. 36)

Note No. '28' Exceptional Items**(Rs. in lacs)**

	For the year ended 31st March 2012	For the year ended 31st March 2011
Rent Arrears	17.24	17.24
TOTAL	17.24	17.24

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

29. Contingent liabilities not provided for in respect of: For the year ended 31st March 2012 For the year ended 31st March 2011
- a) Letters of credit established in favour of the suppliers 426.07 381.89
- b) Guarantee issued by SBI on behalf of Company 0.25 7.28
- c) Sales Tax / Trade Taxes demands against which appeals have been preferred 46.92 56.15
- d) Export obligation against advance licenses 266.73 93.24
- e) Corporate Guarantee given to Subsidiary NIL 2700.00
- f) Rent 7.06 NIL
30. **Commitments:** As at 31st March 2012 As at 31st March 2011
- Estimated amount of contract remaining to be executed 138.36 0.00
31. Balances in accounts of Sundry Debtors, Advances, Security deposits from dealers are subject to confirmations for the respective parties.
32. 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 payable during the year no any enterprises registered under MSME.
c) The above information is available with the company regarding the status of supplied under MSME 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 2012	For the year ended 31st March 2011
Geographical Segment:		
i) Domestic Sale (including Excise Duty):	25.38	63.08
ii) Export Sales (including Export benefits):	2645.00	2479.36
	2670.38	2542.44

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- b) Details of sales (including Export Benefit on Export Sales)
- | | | |
|------------------|----------------|----------------|
| Sales | 2670.38 | 2542.44 |
| Excise Duty | (-) 0.23 | (-) 2.39 |
| NET SALES | 2670.15 | 2540.05 |
34. a) Estimated benefits aggregating to Rs. 65.18 lacs (Previous Year Rs. 67.30 lacs) against effect 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. 13.20 lacs (Previous Year Rs. 27.39 lacs) have been treated recoverable and is subject to claim yet to be filed with Department.
35. Amount of Exchange difference debited to Profit & Loss Account amounted to Rs. 62.37 lacs (Previous Year Rs. 25.24 lacs) and credited to P & L acc amounted to Rs. 114.80 lacs (Previous Year Rs. 1.16 lacs).
36. R & D expenses included under various heads Rs. 67.18 lacs (Including Raw Material Consumptive 5.26 lacs & Depreciation Rs. 25.24 lacs) (Previous year Rs. 28.14 lacs, Raw Material Consumptive 1.16 lacs & Depreciation Rs. 16.89 lacs) respectively.
37. The Company has calculated the various benefits provided to employees as under:

A) Defined Contribution Plans
Provident Fund
During the year the Company has recognized the following amounts in the Profit and Loss Account

For the year ended 31st March 2012 For the year ended 31st March 2011

(Rs. in Lacs)

- B) Employers Contribution to Provident Fund
State Plans

14.50

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 2012 For the year ended 31st March 2011

(Rs. in Lacs)

- C) Employers Contribution to Employee State Insurance
Defined Benefit Plans

0.48

a) Leave Encashment
b) The discount rate assumed is 8% which is determined by reference to market yield at the Balance Sheet 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	Current Year (If funded)*	Previous Year	Current Year	Previous Year
Gratuity	8%	8%	8%	8%
Leave Encashment (Unfunded)*	—	—	—	—
Discount rate	8%	8%	8%	8%
Expected rate of return on assets	—	—	—	—
Expected rate of future salary increase	6%	6%	6%	5%
Change in present value of obligations	24.91	41.10	13.95	—
Present value of obligations as at 01.04.2011	1.99	3.29	1.12	—
Interest cost	—	—	—	—

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INDIAN TONERS & DEVELOPERS LIMITED

Current service cost	3.16	3.33	3.90	2.53
Benefits paid/transferred	(2.36)	(20.78)	(10.56)	(9.29)
Actuarial (Gain)/loss on Obligations	3.03	(2.03)	—	—
Present value of obligation as at 31.03.2012	30.73	24.91	18.41	13.95
Changes in fair value of plan assets				
Liability recognized in the Balance Sheet	Net Available	Net Available	Net Available	Net Available
Present value of obligations as at 31.03.2012	—	—	13.95	19.12
Fair value of plan assets as at the end of the year	—	—	—	—
Expenses as above	—	—	4.46	(5.17)
Unrecognised Actuarial (Gain) / Loss	—	—	—	—
Net (Assets) / Liability recognized in Balance Sheet	—	—	18.41	13.95
Expenses recognized in Profit and Loss Account				
Current service cost	0.42	0.23	3.90	2.53
Interest cost	—	—	1.12	1.53
Expected return on plan assets	—	—	—	—
Net Actuarial (Gain) / Loss recognized during the year	—	—	(0.56)	(9.23)
Total Expense recognized in Profit and Loss Account	0.42	0.23	4.46	(5.17)
*Funded with L I C				
39. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS:				
(i) Raw Materials	For the year ended 31st March 2012	For the year ended 31st March 2011	For the year ended 31st March 2011	
(ii) Stores & Spares and packing materials	1067.84	1198.00	2.21	
39. Expenditure in foreign currency:	2.36			
(i) Foreign Travels	For the year ended 31st March 2012	For the year ended 31st March 2011	For the year ended 31st March 2011	
(ii) Consultancy Charges	32.34	15.28	31.44	
(iii) Others (Exhibition, Advertisement etc.)	13.92	23.81	23.81	
40. Earning in Foreign Exchange:	20.59			
		(Rs. in lacs)		
41. FOB Value of Exports	For the year ended 31st March 2012	For the year ended 31st March 2011	For the year ended 31st March 2011	
1. No. of Shares at the beginning of the year	2679.50	2411.36	80.59	
2. No. of Shares at the close of the year	80.59	80.59	80.59	
3. Net Profit after Tax Rs.	267.15	150.52	150.52	
4. E.P.S. Rs.	3.31	1.87	1.87	
42. Related Party Disclosure (Pursuant to Accounting Standard - 18)				
(a) Wholly and Subsidiary Companies:-	(i) ITDL USA, Inc. (ii) ITDL Imagelec Limited			
(b) Key Management Personnel	Shri Sushil Jain (CMD)			
(c) Relative of Key Management	Shri Akshat Jain, (son of Sh. Sushil Jain)			
(d) Enterprises over which Key Management Personnel and/or relative are able to exercise significant influence	Sr. Vice President (Corporate Affairs)			
	Jain Bhawan			
	Shrikan India Ltd.			
	Atankar Securities Private Limited			
	Mahavir Phototech Private Limited			
	Triveni Securities Private Limited			
	Jain Tube Company Limited			
(ii) Detail of transactions with Related Parties during the year:				
Particulars	Subsidiary Companies	Key Management Personnel	Relative of Key Management Personnel	Enterprises referred in (i) (d) above

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Remuneration Paid	—	96.68	24.03
Advance / Loans given (including interest & Expenses Charged)	27.89	(54.62)	(17.85)
Rent Received/ Expenses	(311.86)	—	—
Recovered/Interest charged	29.08	—	—
Sales of Goods	(44.30)	—	—
	162.87	—	—
	(158.91)	—	—
	29.95	—	—
	(16.76)	—	—
i) Outstanding:			
Balances as at year end	1300.00	—	—
(balances due from the Company)	(1961.38)	—	—
ii) Corporate Guarantee given on behalf of the subsidiary co.	NIL	—	—
	(2700.00)	—	—
Note:			
i) Figures in the bracket are for the previous year.			
ii) In addition to above during the year, from a Subsidiary company, goods worth Rs. 54.01 lacs, Rs. 36.50 lacs & Rs. 29.95 lacs (Previous Year Rs. 35.70 lacs) have been purchased & sold on high seas basis and also sold licences under focus scheme of Rs. 17.32 lacs during the year Rs. 28.39 lacs)			
42. Lease			
Vehicle taken on lease:			
The total future minimum lease payable at the Balance Sheet date is as under:			
For a period of not later than one year Rs. 12.28 lacs			
For a period later than one year and not later than five years Rs. 19.44 lacs			
For a period later than five years Rs. Nil			
Total lease expenses debited to Statement of profit & loss is Rs. 2.93 lacs Previous Year Rs. 143.51 lacs during the year (Previous Year 128.91 lacs). Maximum amount of loan / if the year Rs. 1961.38 lacs (Previous year Rs. 1961.38 lacs)			
43. i) Previous year's figures have been regrouped / rearranged whenever necessary to make them with those of the current year.			
44. The Financial Statements for the year ended 31st March 2012 had been prepared as applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequently to the north the Companies Act, 1956, the financial statements for the year ended 31st March 2012 under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to this year's classification.			

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

A. CASH FLOW ARISING FROM OPERATING ACTIVITIES

	For the year ended 31st March 2012	For the year ended 31st March 2011
Net Profit before tax	364.32	228.20
Adjustment for:		
Depreciation & Amortisation	90.38	148.58
Loss / (Profit) on sale of Fixed Assets	(0.06)	12.67
Interest Expenses	3.91	9.11
Provision for leave encashment	(147.49)	(155.96)
Bad Debt / Irrecoverable Advances written off (Net of Write-Off)	4.46	3.85
Liabilities / provisions no longer required written back	5.93	1.65
Short term capital gain on mutual fund	(0.43)	(8.77)
Unrealised Foreign Exchange (Gain)/Loss	(0.10)	0.55
Income from Current Investments (Non Trade) Dividend	(8.65)	5.04
Operating Profit Before Working Capital Changes	(49.63)	(16.46)
Adjustments For	262.64	218.50
(Increase) / Decrease in Inventories	128.72	(120.50)
(Increase) / Decrease in Trade receivables	(70.76)	28.79
(Increase) / Decrease in other current assets	3.92	(36.22)
(Increase) / Decrease in Trade payables	(38.49)	(495.31)
(Increase) / Decrease in other current liabilities	(51.55)	(54.00)
Direct Taxes including Wealth Taxes	(106.00)	(76.46)
Net Cash Inflow / (outflow) in course of Operating Activities (A)	(205.46)	537.20

B. CASH FLOW FROM INVESTING ACTIVITIES

Net Cash Inflow / (outflow) in course of Investing Activities (B)	(111.77)	(52.35)
Purchase of Fixed Assets / Capital Advances & CWP	(887.74)	30.67
Purchase of Investments in Long term loans and advances	501.58	(311.86)
(Increase)/Decrease in loan & advance	151.93	574.96
Short term capital gain on mutual fund	0.10	(0.56)
Proceeds from sales of fixed assets	0.50	6.38
Movement in bank deposits (net) (having original maturity of more than three months)	(2.91)	(55.37)
Dividend Received	209.31	165.96
Interest Received	49.63	16.46
Net Cash Inflow / (outflow) in course of Investing Activities (B)	(89.37)	374.30

C. CASH FLOW FROM FINANCING ACTIVITIES

Net Cash Inflow / (outflow) in course of Financing Activities (C)	(9.47)	0.27
Proceeds from / (Payments of) long Term Borrowing	(3.91)	(9.11)
Interest paid	(9.22)	(8.84)
Increase/(Decrease) in Short Term Borrowings	(22.60)	(171.74)
Net Cash Inflow / (outflow) in Cash & Cash Equivalents (A)+(B)+(C)	93.49	373.32
Net Increase / (Decrease) in Cash & Cash Equivalents at the beginning of the year	201.58	201.58
Cash And Cash Equivalent At closing of the year	295.07	201.58

Notes : (1) The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard - 3 Cash Flow Statement specified in the Companies (Accounting Standard) Rules, 2006.
(2) Previous Years figures have been regrouped / rearranged wherever considered necessary to confirm to make them comparable.

As per our Report of Even Date Attached
For K.N. GUTGUTIA & COMPANY
Chartered Accountants
ICAI's FRN 304/153E
(B.R. GOYAL)
Partner
Membership No. 121172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 29th May 2011

(S.C. SINGHAL)
Executive Director
& Company Secretary
(N.S. SHARMA)
(SANJEEV GOEL)
Directors
(SUSHIL JAIN)
Chairman & Managing Director

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

Name of the Subsidiary	ITDL (U.S.A.) Inc.	ITDL IMAGEITE
The Financial Year of the Subsidiary Company ended on	31 st March 2012	31 st March 2011
Holding Company's interest	100%	51%
Share held by the Holding Company in the subsidiary -	50000 Shares @ \$ each	510000 Shares @ Rs. 10 each
Net aggregate amount of Profit / (Loss) of the subsidiary so far as it concerns the Members of the Holding Company and is not dealt with in the Accounts of the Holding Company		
a. For the financial year ended on March 31, 2012 (Rs.)	Rs. 1.04 lacs	Rs. 268.81 lacs
b. For the other previous financial years of the subsidiary since it became a Subsidiary (Rs.)	Rs. 2.10 lacs	Rs. 313.98 lacs
Net aggregate amount of Profit / (Loss) of the subsidiary so far as it concerns the Members of the Holding Company and is dealt with in the Accounts of the Holding Company		
a. For the financial year ended on March 31, 2012 (Rs.)	NIL	NIL
b. For the other previous financial years of the subsidiary since it became a Subsidiary (Rs.)	NIL	NIL

Place : New Delhi
Date : 29th May 2012

(S.C. SINGHAL)
Executive Director
& Company Secretary
(N.S. SHARMA)
(SANJEEV GOEL)
Directors
(SUSHIL JAIN)
Chairman & Managing Director

AUDITORS' REPORT

ITDL (U.S.A) Inc.

TO THE MEMBERS OF ITDL (U.S.A) Inc.

1. We have verified the attached Balance Sheet of ITDL-USA, Inc., (the Company) incorporated in USA as at 31st March 2012, the related Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto, all being made out in accordance with the requirement of Indian Companies Act, 1956, from the certified accounts of the body corporate under the stable of the country of its incorporation and additional certified returns which have been relied upon by us. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

3. The Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 is not applicable to the Company in view of the fact that Company is incorporated outside India.

4. Further to our comments mentioned in the Annexure referred to in above paragraph we report that

a) Proper returns necessary for making out the accounts in accordance with the requirement of Indian Companies Act, 1956 were received.

b) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

c) In our opinion, proper books of account as required by the Indian law have been kept by the Company so far as appears from our examination of the books of the Company.

d) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by the report are in agreement with the Books of Account of the Company.

e) In our opinion, Balance Sheet Statement of Profit & Loss, and Cash Flow Statement comply with the mandatory Accounting Standards as are applicable to a Company incorporated in India.

f) In our opinion, and to the best of our information and according to the explanations given to us, the said financial statements read with the notes thereon and Significant Accounting Policies, there on give the information required by the Companies Act, 1956 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 2012.

(ii) In the case of the Statement of Profit and Loss Account, of the Profit for the year ended on that date.

And

(iii) In the cases of the Cash Flow Statement of the Cash Flows for the year ended on that date.

FOR K.N. GUTGUTIA & CO.

(B. R. GOYAL)

PARTNER

CHARTERED ACCOUNTANTS

Membership No. 12172

ICAI'S FRN 304153E

Place : New Delhi
Date : 29th May, 2012

Balance Sheet As At 31st March 2012

ITDL (U.S.A) Inc.

Particulars

Note No.

As at 31st March 2012

As at 31st March 2012

I. EQUITY AND LIABILITIES

(1) Shareholders' Fund

(a) Share Capital	2	22.60
(b) Reserve & Surplus	3	(17.53)

(2) Current Liabilities

(a) Trade Payables	4	0.95
(b) Other Current Liabilities	5	

Total Equity & Liabilities

6.02

II ASSETS

(1) Non-Current Assets

(a) Fixed Assets

i) Tangible Assets	6	
ii) Intangible Assets		

(2) Current Assets

(a) Inventories	7	6.02
(b) Cash and cash equivalents	8	

TOTAL ASSETS

6.02

Significant Accounting Policies

The Notes form an integral parts of these Financial statements

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

Chartered Accountants
ICAI'S FRN 304153E

(B. R. GOYAL)

Partner

Membership No. 12172

11K, Gopala Tower,

25, Rajendra Place, New Delhi

The 29th Day of May 2012

For and on Behalf of the Board

(S)

Statement of Profit & Loss Account for the year ended on 31st March, 2012

(Rs. in Lacs)

S.No	Particulars	Note No.	For the year ended 31st March, 2012	For the year ended 31st March, 2011
I	Revenue from operations	9	13.84	75.28
II	Other Income	10	1.59	-
III	Total Revenue (I+II)		15.43	75.28
IV	Expenses			
	Cost of materials consumed	11	13.49	70.79
	Other Expenses	12	0.90	2.39
	Total Expenses (IV)		14.39	73.18
V	Profit before tax	(III-IV)	1.04	2.10
VI	Tax expenses		-	-
VII	Profit (Loss) for the period		1.04	2.10
VIII	Earning per equity share			
1	Basic		2.09	4.20
2	Diluted		2.09	4.20

Significant Accounting Policies

The Notes form an integral part of these Financial statements.

As per our Report of Even Date Attached
For K. N. GUGGUTIA & COMPANY
Chartered Accountants
ICAI's FIRM 304153E
(B R GOYAL)
Partner
Membership No. 121772
11K, Gajula Tower,
25, Rajendra Place, New Delhi
The 29th Day of May 2012

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

Note 1

SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES:

1.1 BASIS OF ACCOUNTING:

The financial statements have been prepared on an accrual basis and under historical cost convention in compliance in all material aspect, with the applicable accounting principles in India. The applicable accounting standards notified under Section 211(3C) and the other relevant provisions of the Companies Act 1956 and all the Assets & Liabilities have been classified as current or non-current as per the Company's normal cycle and other criteria set out in Schedule VI of the Companies Act, 1956. Based on the nature of product cycle and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, Company has ascertained its operating cycle to be less than 12 months.

1.2 FIXED ASSETS

a) Fixed Assets are stated at cost less Depreciation provided for.
b) Depreciation have been charged on straight line method over a period of 5 years.

1.3 INVENTORY VALUATION

a) Stock of Finished Goods - At cost or net realizable value whichever is lower

1.4 FOREIGN CURRENCY TRANSACTIONS

Transactions in Foreign currencies are recorded at the rate of exchange prevailing at the time of transactions or approximate near to the dates of transactions.
Foreign currency assets and liabilities, other than for financing fixed assets, which are adjustable carrying cost of such assets are stated at the rate of exchange corresponding to the denominated currency (i.e. currency in which original transactions took place) at the year end and the re-gains / losses are recognized in the Profit and Loss Account of the year.
For conversion of accounts into Indian Currency, the assets and liabilities (except fixed capital) are restated at rates prevailing on the closing date of the year and revenue items are stated at average rates of the year and resultant difference is taken to Exchange Fluctuation Reserve.

1.5 TAXATION

Income Tax is provided in accordance with Federal Tax Laws of U.S.A.

NOTES TO THE FINANCIAL STATEMENTS

13 Accounts of the Company (a wholly owned subsidiary of Indian Toners & developers Ltd., a company incorporated in India), incorporated in U.S.A., based upon the returns and information received from the Company, have been made out as per requirement of Companies Act, 1956 of India, in due adherence of sub-section 2 (a) and 2(b) of section 212 of Companies Act, 1956 of India. This entailed drawing up the Profit & Loss Account and Cash Flow Statement (including Auditor's Report thereon) of the Company in a manner so as to make it appear conforming to requirements of Indian Companies Act, 1956 of India, for the purpose of annexing the particulars of the Company with the holding Company pursuant to the provisions of section 212(1) of the Companies Act, 1956 of India and translation of the various heads of accounts in terms of accounting standards referred to in section 212(1) of the Companies Act, 1956 of India, read with accounting policy of parent Company, the latter embarked upon to facilitate the cause of consolidation with the holding company as required under section 212(1) of the Companies Act, 1956 of India, including disclosure of necessary information as laid down under section 211(2) of Companies Act, 1956 of India.

14 Related Party Transactions:

The Company has entered into transactions with the following related parties:
Holding Company: INDIAN TONERS & DEVELOPERS LTD

For the year 2011-12

For the year 2011-12

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Nil

Notes to the financial statement for the year ended 31st March, 2012

Note No. '2'

(Rs. in lacs)

Share Capital

As at 31st March 2012

As at 31st March 2011

1. Authorised Capital

50000 Equity Shares of Rs. 45/- each

22.60

22.60

2. Issued Capital

50000 Equity Shares of Rs. 45/- each

22.60

22.60

3. Subscribed & Paid Up Capital

50000 Equity Shares of Rs. 45/- each, fully paid

22.60

22.60

TOTAL

22.60

22.60

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

2. The Company has only one class of equity shares, having a par value of Rs. 45/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholdings.

3. Details of share held by shareholders holding more than 5% of the aggregate shares in the company:

Name of the shareholders

As at 31st March 2012

As at 31st March 2011

No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
50000	100%	50000	100%
50000	100%	50000	100%

Indian Toners & Developers Ltd

TOTAL

As at 31st March 2012

As at 31st March 2011

4. Details of shares held by holding company/its subsidiary company

Name of the shareholders

As at 31st March 2012

As at 31st March 2011

No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
50000	100%	50000	100%
50000	100%	50000	100%

Indian Toners & Developers Ltd

TOTAL

As at 31st March 2012

As at 31st March 2011

Note No. '3'

Reserve & Surplus

As at 31st March 2012

As at 31st March 2011

1. Foreign Currency Transaction Reserves

Opening Balance

(15.50)

(10.51)

Add Effect of Foreign Exchange rate variation during the year

0.13

5.01

Closing Balance

(15.37)

(5.50)

2. Surplus

Opening Balance

(13.20)

(15.29)

Profit transferred during the year from Statement of Profit & Loss A/c

1.04

2.09

Closing Balance

(12.16)

(13.20)

TOTAL

(17.53)

(18.70)

Note No. '4'

Trade Payable

As at 31st March 2012

As at 31st March 2011

Trade Payable

13.49

13.49

TOTAL

13.49

13.49

Note No. '5'

Other Current Liabilities

As at 31st March 2012

As at 31st March 2011

Others

0.95

1.38

TOTAL

0.95

1.38

ITDL (USA) INC.

Notes forming Integral part of the Balance Sheet for the year ended 31st March, 2012

Note No. '6'

Fixed Assets as at 31st March, 2012

(Rs. in lacs)

S.No.	Particulars	Gross Block			Depreciation			Net Block		
		As at 01.04.2011	Additions	Disposals Total upto 31.03.2012	As at 01.04.2011	Additions	Disposals Total upto 31-3-2012	as at 31.03.2012	as at 31.03.2011	as at 31.03.2011
I	<u>Tangible Assets</u>									
1.	Office Equipments	0.49	-	0.49	0.49	-	0.49	0.49	-	-
	SUB TOTAL (A)	0.49	-	0.49	0.49	-	0.49	0.49	-	-
II	<u>Intangible Assets</u>									
	SUB TOTAL (B)	-	-	-	-	-	-	-	-	-
	Total (A+B)	-	-	-	-	-	-	-	-	-
	(Current Year)	0.49	-	0.49	0	-	-	-	-	-
	(Previous Year)	0.49	-	0.49	0.49	0.00	-	0.49	-	-

Notes to the financial statements for the year ended 31st March, 2012

Note No. '7' Inventories

	As at 31st March 2012	As at 31st March 2011
Finished Goods	13.49	13.49
TOTAL	13.49	13.49

(Rs. in lacs)

Note No. '8' Cash & Cash Equivalent

	As at 31st March 2012	As at 31st March 2011
Cash in Hand	-	-
Cash Balance	-	-
Sub Total (A)	6.02	5.28
Bank Balance	-	-
Current Account	-	-
Sub Total (B)	6.02	5.28
TOTAL (A+B)	6.02	5.28

(Rs. in lacs)

Note No. '9' Revenue from Operations

	As at 31st March 2012	As at 31st March 2011
Sale of product (Traded Goods)	13.84	75.28
Sale of Product constitute items only (Refer note 10 for related party)	-	-
TOTAL	13.84	75.28

(Rs. in lacs)

Note No. '10' Other Income

	As at 31st March 2012	As at 31st March 2011
Other Income	1.59	-
TOTAL	1.59	-

(Rs. in lacs)

Note No. '11' Cost of materials consumed

	As at 31st March 2012	As at 31st March 2011
a) Opening Stock	13.49	3.10
Add: Purchase during the year	-	81.18
Less: Closing stocks	-	13.49
TOTAL	13.49	70.79

(Rs. in lacs)

Note No. '12' Other Expenses

	As at 31st March 2012	As at 31st March 2011
1 Bank Charges	0.01	0.13
2 Other Expenses	0.89	0.84
3 Freight Outward Exp.	-	1.42
TOTAL	0.90	2.39

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended 31st March 2012	For the year ended 31st March 2011
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	1.04	1.04
Adjustment for		
Depreciation	-	-
Finance costs	-	-
Unrealised Foreign Exchange (Gain) / Loss	-	-
Operating Profit Before Working Capital Changes	1.04	1.04
Adjustments For		
(Increase) / Decrease in Inventories	13.49	13.49
(Increase) / Decrease in Trade receivables	(13.49)	(13.49)
(Increase) / Decrease in Trade Payables	(10.44)	(10.44)
(Increase) / Decrease in Other Current liabilities	0.60	0.60
Net Cash Inflow / (outflow) in course of Operating Activities (A)	0.60	0.60

B. CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Fixed Assets & Capital Advances	-	-
Proceeds from sales of Fixed Assets	-	-
Net Cash Inflow / (outflow) in course of Investing Activities (B)	-	-

C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from / (payment of) Long term Borrowings	-	-
Net Cash Inflow / (outflow) in course of Financing Activities (C)	-	-
FOREIGN CURRENCY TRANSACTION DIFFERENCE ON CONSOLIDATION	-	-
Net Cash Inflow / (outflow) in course of Foreign Currency transaction activities (D)	-	-

Net Increase / (Decrease) in Cash & Cash Equivalents

(A)+(B)+(C)+(D)	0.14	0.14
-----------------	------	------

Cash And Cash Equivalents at the beginning of the year

(Opening Balance)	0.74	0.74
-------------------	------	------

Cash And Cash Equivalents at the Closing of the year

(Closing Balance)	6.02	6.02
-------------------	------	------

Notes:

- The Cash Flow Statements has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3. The Cash Flow Statement specified in the Companies (Accounting Standards) Rules - 6.
- Previous Years figures have been regrouped / rearranged wherever necessary to make it comparable.

As per our Report of Even Date Attached For K. N. GUTSUTIA & COMPANY

Chartered Accountants
ICAI's F.R.N. 394/133E
(B.R. GOYAL)

Partner

Membership No. 12172

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

The 29th Day of May 2012

For and on Behalf of the Board of Directors

(SUSHIL J.)
Director

DIRECTORS' REPORT

ITDL IMAGETEC LIMITED

To,
The Members,
Your Directors have pleasure in presenting the 6th Annual Report alongwith the Accounts for the year ended March 31, 2012.

OPERATIONS

During the year your Company achieved a turnover of Rs. 3532 lacs as against Rs. 3489 lacs during the preceding year. The net profit (after tax) was Rs. 527 lacs (including provision of Rs. 122 lacs for Mat Credit Entitlement) during the year as against Rs. 616 lacs (including provision of Rs. 196 lacs for Mat Credit Entitlement) in the previous year. Only a marginal increase was in the production during the year i.e. 695.43 MT as compared to 695.11 MT in the last year.

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

DIVIDEND

The Board of Directors have recommended a dividend of 20%. The dividend for financial year 2011 - 2012 shall be in addition to Corporate Dividend tax to be paid by the Company. The total outflow on account of dividend for 2011 - 2012 is Rs. 23.24 lacs including dividend distribution tax.

PROSPECTS

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

FIXED DEPOSITS

The Company has not invited any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder.

DIRECTORS

Shri N. S. Sharma, a Director of your Company will retire by rotation at the forth coming Annual General Meeting and being eligible, offers himself for re-appointment.

Shri Sanjeev Goel, a Director of your Company will retire by rotation at the forth coming Annual General Meeting and being eligible, offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- The directors have prepared the annual accounts on a going concern basis.

AUDITORS

M/S. K. N. GUTGUTIA & CO., Chartered Accountants, New Delhi, the Auditors of the Company, ensuring Annual General Meeting of the Company and being eligible, offer themselves for appointment as Auditors under Section 224(1B) of the Companies Act, 1956 has been received.

PERSONNEL

The Board wishes to express its deep appreciation to all sections of the employees for their efforts, co-operation and outstanding contribution to the growth of the Company during the year. The Company has no employees in the category specified in 217 (2A) of the Companies Act, 1956 with Companies (Particulars of employees) rules, 1975 and Companies (Particulars of employees) Rules, 2002.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

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

- Conservation of Energy** : Regular supervision and controls are being maintained in steps have already been taken for the conservation of energy.
- Technology Absorption, Adaptation and Innovation** : The activities of the Company involve any foreign technology and consequently process of absorption and technology adaptation does not arise. However, innovative methods of production are continuous introduction suiting to the requirement of the jobs.
- Foreign Exchange Earning and Outgo**

	Rs. in Lacs
i) Total Foreign Exchange Used	2011-12
ii) Import of Raw Materials	1044.06
iii) Import of Stores & Spares and Packing Material	0.66
Foreign Travel	8.75
TOTAL	1053.47
(ii) Total Foreign Exchange earned (on FOB basis)	NIL

ACKNOWLEDGEMENT

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

Place : New Delhi
Date: 29th May, 2012

For and on Behalf of the Board of Directors
(SUS)

ITDL IMAGETEC LIMITED

the Company so far as appears from our examination of the books of the Company.

- (i) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement and the Books of Account are in agreement with the Books of Account of the Company.
- (ii) In our opinion, the Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement comply with the mandatory Accounting Standards referred to in Sub-Section 3 (c) of Section 211 of the Companies Act, 1956.
- (iii) According to the information and explanation given to us and on the basis of written representations received from the Directors as on 31st March 2012 of the Company and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012, from being appointed as a Director in terms of clause (g) of Sub Section (1) of Section 274 of the Companies Act, 1956.
- (iv) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the notes and Significant Accounting Policies as thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (v) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2012.
- (vi) In the case of the Statement of Profit and Loss, the Profit for the year ended on that date.
- (vii) And
- (viii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

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FOR K.N. GUTGUTIA & CO.,
CHARTERED ACCOUNTANTS
(B.R. GOYAL)
PARTNER
Membership No. 12177Z
ICAI'S FRN 304153B

ANNEXURE TO THE AUDITORS' REPORT

Re: ITDL IMAGETEC LTD.

This is the Annexure referred to in Paragraph 3 of our report of even date to the members of Imagetec Ltd. (the Company) for the year ended 31st March, 2012.

- (i) (a) The Company has maintained proper records showing particulars of tangible assets and situation of fixed assets.
- (b) As per the information and explanation given to us, physical verification of fixed assets has been carried out by the Management at the close of the year and no discrepancy was noticed on verification.
- (c) During the year the Company has not disposed off any substantial major part of fixed assets.
- (d) As per the information furnished, the inventories have been physically verified during the year and the management, in our opinion, having regard to the nature and location of stock, the frequency of the physical verification is reasonable.
- (e) In our opinion and according to the information and explanations given to us, procedure 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.
- (f) The Company is maintaining proper records of inventory. In our opinion, discrepancies, if any, on physical verification of stocks, were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (g) The Company had not granted any loans to companies, firm or other parties listed in the unlisted companies' register maintained under Section 301 of the Companies Act, 1956, therefore, the provisions of clause (iii) (a) to (d) of the Companies (Auditors Report) order are not of applicable.
- (h) The Company has taken unsecured loan from its Holding Company listed in the register maintained under Section 301 of the Companies Act, 1956 and the maximum amount Rs. 1900 Lacs in outstanding as at balance sheet date was Rs. 1300 Lacs (including interest). According to the information and explanations given to us, in our opinion, the terms and condition on which said loan has been taken are prima facie not prejudicial to the interest of the Company. Company is regular in the matter of payment of interest and the principal amount.
- (i) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, We have not observed any continuing failure to correct major weakness in internal controls in these areas.
- (j) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that should have been entered into the register maintained under section 301 have been so entered.
- (k) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees 10 Lacs have been entered into during the year with its Holding Company, at such considerations as are reasonable having regard to the nature of strategic relationship with the company.
- (l) The Company has not accepted any public deposits. Accordingly, paragraph (vi) of the Circular is applicable to it.
- (m) In our opinion, the company has no internal audit system as the Company is yet to start commercial activities.
- (n) We have broadly reviewed the books of account maintained by the Company in respect of the year, pursuant to the Rules made by the Central Government of India, the maintained and co-ordinated as has been prescribed under clause (d) of sub section (1) of Section 209 of the Act, and in our opinion that prima facie, the prescribed accounts and records have been made and maintained.

have not, however, made a detailed examination of the record with a view of determine whether they are accurate or complete.

- (a) According to the information and explanations given to us and records examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues of the aforesaid nature were outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there was no dues as at 31st March, 2012 of sale tax, income tax, customs, wealth tax, service tax, excise duty, cess which have not been deposited on account of disputes.
- x) As the Company has been registered for a period of less than five years, hence, 4(x) of the Order is not applicable to it.
- xi) Based on our audit procedures and the information given by the management, we are of the opinion that the company has not defaulted in repayment of dues to Financial Institutions/Bank.
- xii) Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) Clause (xiii) of the Order is not applicable to the Company as the Company is not a Coal fund Company or a mutual benefit fund/society.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures, and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us, Company has not given any guarantees for loans taken by others from bank or financial institutions.
- xvi) According to the information and explanations given to us, the term loans raised during the year were applied to the purposes for which the same were availed.
- xvii) According to the information & explanation given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long term investments.
- xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix) During the year covered by our audit report the Company has not issued secured debentures.
- xx) The Company has not raised any money by public issues during the year covered by our report.

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

Place: New Delhi
Date: 29th May, 2012

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

Balance Sheet As At 31st March 2012

S. No.	Particulars	Note No.	As at 31st March 2012	As at 31st March
I. EQUITY AND LIABILITIES				
1.	Shareholders' Fund			
a.	Share Capital	2	100.00	100.00
b.	Reserve & Surplus	3	1371.07	861.00
2.	Non Current Liabilities			
a.	Long Term Borrowings	4	800.00	1350.00
b.	Deferred Tax Liability (Net)	5	217.00	134.00
c.	Long Term Provisions	6	8.28	
3.	Current Liabilities			
a.	Short Term Borrowings	7	500.00	600.00
b.	Trade Payables	8	428.05	378.05
c.	Other Current Liabilities	9	275.83	400.00
d.	Short-Term Provisions	10	233.95	222.00
TOTAL			3934.18	4011.00
II. ASSETS				
1.	Non Current Assets			
a.	Fixed Assets	11		
i.)	Tangible Assets		2339.59	2470.00
ii.)	Intangible Assets		5.67	
iii.)	Capital Work in progress		0.29	
b.	Long terms loans and advances	12	113.27	4.00
c.	Other non-current assets	13	317.90	19.00
2.	Current Assets			
a.	Inventories	14	338.87	564.00
b.	Trade receivables	15	477.56	340.00
c.	Cash and cash equivalents	16	89.48	140.00
d.	Short-term loans and advances	17	252.48	240.00
e.	Other current assets	18	5.07	2.00
TOTAL			3934.18	4011.00

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

As per our Report of Even Date Attached
For K.N. GUTGUTIA & COMPANY
Chartered Accountants
ICAI'S FRN 304153E
(B.R. GOYAL)
Partner
Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 29th Day of May 2012

(SANJEEV GOEL) (N. S. SHARMA) (SUSHIL)
Director Director D

For and on Behalf of the Board of Dir

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Statement of Profit & Loss Account for the year ended on 31st March, 2012

(Rs. in Lacs)

S. No.	Particulars	Note No.	For the year ended 31st March, 2012	For the year ended 31st March, 2011
I.	Revenue from operations (Net)	19	3532.08	3489.30
II.	Other Income	20	47.70	50.77
	III. Total Revenue (I+II)		3579.78	3540.07
IV.	Expenses	21	1229.17	1139.28
	Cost of materials consumed	22	26.52	30.03
	Changes in inventories of finished goods	22	389.74	409.96
	& work-in-progress	23	384.54	389.18
	Manufacturing & Operating Expenses	24	153.09	184.35
	Employee Benefit Expenses	25	117.40	111.26
	Finance Costs	26	680.62	705.29
	Depreciation and Amortization Expenses	26	2962.18	2949.35
	Other Expenses			
	Total Expenses (IV)		617.60	590.72
V.	Profit before exceptional items and tax (III-IV)	(III-IV)	6.06	590.72
VI.	Exceptional Items	27	611.54	590.72
VII.	Profit before tax (V-VI)			
VIII.	Tax expenses			
	1. Current tax		123.56	(116.62)
	2. Deferred Tax		82.78	(54.49)
	3. MAT Credit Entitlement		(121.86)	(196.04)
	IX. Profit/(Loss) for the year		527.06	615.85
X.	Earning per equity share of Rs. 10 each			
	1. Basic		52.71	61.57
	1. Diluted		52.71	61.57

Significant Accounting Policies

The Notes form an integral part of these Financial statements

As per our Report of Even Date Attached For K.N. GUTGUTIA & COMPANY Chartered Accountants ICAI's FNN 334/153C (B.R.G.OYAL)	(SANJEEV GOEL) Partner Director	(N. S. SHARMA) Director	(SUSHIL JAINI) Director
Membership No. 12172 11K, Gopala Tower, New Delhi 25, Rajendra Place, New Delhi The 29th Day of May 2012			

Notes to the financial statements for the year ended 31st March, 2012.

Note 1*

GENERAL INFORMATION:

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

1.1 BASIS OF ACCOUNTING

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

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

1.2 FIXED ASSETS :

a) Fixed Assets are stated at cost less Depreciation provided for.

b) Depreciation on provided on straight line method treating the Plant as continuous process rates and in the manner as per Schedule XIV to the Companies Act, 1956 as amended with effect from 1st December, 1993. Depreciation on assets added / deducted during the year is charged proportionate with reference to the date of additions / deductions.

c) Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 10 percent.

1.3 IMPAIRMENT OF ASSETS

The carrying amount of fixed assets are revised at each Balance Sheet date if there is any impairment based upon internal / external factors. Any impairment loss is recognized with carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows expected to be received from the asset are discounted to their present value at the weighted average cost of capital.

1.4 EMPLOYEE BENEFITS:

Contributions payable for provident fund and employee state insurance which are defined contribution plans are charged to profit & loss account.

Gratuity and leave encashment which are defined benefits are accrued, recognized and charged to profit & loss account based on actuarial valuation, as at balance sheet date provided by L.L.C. independent actuarial valuer respectively.

1.5 INVESTMENTS

(a) All Long Term Investments are stated at cost. All the current investments are stated at market rate whichever is lower as at the date of annual accounts. However, provision is made for decline in value other than temporary in nature.

(b) Gain / Loss on Investments in Growth / Dividend plans of Mutual Funds is accounted for in profit & loss in the period in which the employee renders the related service.

1.6 INVENTORY VALUATION

a) Finished goods: Lower of cost or net realisable value
b) Raw Materials, Stores & Spares, Power & Fuel and packing Materials: At the lower of cost or net realisable value.
c) Stock in process: Lower of cost or net realisable value.

- d) Raw material and stores & spares and packing materials costs are computed on weighted average basis.
- e) Finished goods and work in process include cost of conversion and other costs incurred in bringing the inventories to their present locations and condition.

1.7 FOREIGN CURRENCY TRANSACTIONS:

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

1.8 TAXATION

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

1.9 BORROWING COST:

Borrowing Costs in relation to specially borrowed funds to acquire fixed assets, are capitalized till the date the qualifying assets are ready for the intended use / put to commercial use.

1.10 PROVISIONS AND CONTINGENT LIABILITY

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

1.11 REVENUE RECOGNITION

Revenue from sale of goods is recognized when the goods are dispatched to the customers and its stated net of excise duty, sales returns and sales tax.

1.12 USE OF ESTIMATES

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

1.13 EARNINGS PER SHARE

Basic earning per share is 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.

1.14 GOVERNMENT GRANTS:

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

Notes to the financial statements for the year ended 31st March 2012

Note No. 2: Share Capital (RS)

	As at 31st March 2012	As at 31st March 2011
AUTHORISED CAPITAL		
1000000 Equity Shares of Rs. 10/- each	100.00	100.00
ISSUED CAPITAL		
1000000 Equity Shares of Rs. 10/- each	100.00	100.00
SUBSCRIBED & PAID UP CAPITAL		
1000000 Equity Shares of Rs. 10/- each, fully paid	100.00	100.00
TOTAL	100.00	100.00

- During the current year and in the previous year, there have been no movements in the equity shares outstanding.
- The Company has only one class of equity shares, having a par value of Rs. 10 per share. The Company is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of the equity shareholders are eligible to receive the remaining assets of the Company after discharge of all preferential amounts, in proportion of the shareholdings.
- Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of the shareholders	As at 31st March 2012		As at 31st March 2011	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Indian Toners & Developers Ltd.	510000	51.3%	510000	51.3%
Mr. Susil Jain	166950	16.70%	166950	16.70%
Mrs. Nandita Jain	133010	13.30%	133010	13.30%
Mr. Akshat Jain	100010	10.00%	100010	10.00%
Ms. Ashima Jain	90000	9%	90000	9%
TOTAL	999970	99.99%	999970	99.99%

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

Name of the shareholders	As at 31st March 2012	% of	No. of	As at 31st March 2011
	No. of			
Indian Toners & Developers Ltd.	Shares Held	Holding	Shares Held	
	510000	51%	510000	
TOTAL	<u>510000</u>	<u>99.99%</u>	<u>510000</u>	
Note No. 3¹				(R)
Reserve & Surplus	As at 31st March 2012		As at 31st March 2011	
Surplus				
Opening Balance	867.25			
Add Net profit for the year	527.06			
Proposed Dividend on Equity Shares	(20.00)			
	(3.24)			
TOTAL	<u>1371.07</u>			
Note No. 4²				(R)
Long Term Borrowings	As at 31st March 2012		As at 31st March 2011	
Loan Received from Related Party				
Loan from holding company (unsecured, considered goods)	800.00			
(Refer Note 4a)	-			
TOTAL	<u>800.00</u>			

Note No. '5'		As at 31st March 2012	(Rs. in lacs)	As at 31st March 2011
Deferred Tax Liabilities				
1. Deferred Tax Liability on account of Accelerated Depreciation		221.83	136.74	
2. Gratiuity WBack		-	0.33	
Deferred Tax Asset on account of Provision for leave Encashment		<u>221.83</u>	<u>137.07</u>	
NET DEFERRED TAX LIABILITY		<u>4.83</u>	<u>2.85</u>	
Note No. '6'		<u>217.00</u>	<u>134.23</u>	
Long Term - Provisions		As at 31st March 2012	As at 31st March 2011	
Employee Benefits				
Leave Encashment (Refer Note No. 36)		8.28	7.06	
TOTAL		<u>8.28</u>	<u>7.06</u>	
Note No. '7'			(Rs. in lacs)	
Short Term Borrowings		As at 31st March 2012	As at 31st March 2011	
Loan Received from Related Party				
Loan from holding company (unsecured, considered goods) (Refer Note 44)		500.00	600.00	
TOTAL		<u>500.00</u>	<u>600.00</u>	
Note No. '8'			(Rs. in lacs)	
Trade Payable		As at 31st March 2012	As at 31st March 2011	
1. Trade Payable*		393.22	357.69	
2. Others than Trade Payable		34.83	13.70	
(For micro & small enterprises Refer Note No. 33)				
* (includes related party refer note no. 44)				
TOTAL		<u>428.05</u>	<u>371.39</u>	
Note No. '9'			(Rs. in lacs)	
Other Current Liabilities		As at 31st March 2012	As at 31st March 2011	
1. Deposits From Dealers		82.45	117.36	
2. Advance against Sales		76.46	56.44	
3. Statutory Dues Payable		19.18	28.64	
4. Other Payable -				
a) Expenses		39.38	73.40	
b) Accrued Salaries & Benefits		37.62	42.06	
c) Interest Payable to Holding Co.		-	61.38	
d) Discounts & Incentives Payable		10.12	22.59	
e) Staff Imprest & Unpaid Bonus		10.62	6.56	
TOTAL		<u>275.81</u>	<u>408.53</u>	
Note No. '10'			(Rs. in lacs)	
Short Term Provisions		As at 31st March 2012	As at 31st March 2011	
1. Employee Benefit		6.61	7.33	
Leave Encashment (Refer Note No. 36)				
2. Others		20.00	20.00	
Provision for Dividend on Equity Shares		3.24	3.24	
Provision for Dividend Distribution Tax		204.10	196.82	
Provision for Taxation		<u>233.95</u>	<u>227.40</u>	
TOTAL		<u>233.95</u>	<u>227.40</u>	

Notes to the financial statements for the year ended 31st March, 2012

Note No. '11'

Fixed Assets

(Rs. in lacs)

Gross Block					Depreciation				Net Block		
S.No.	Particulars	As at 01.04.2011	Additions	Disposal	Total upto 31.03.2012	As at 01.04.2011	Addition	Disposal	31-3-2012	As At 31.03.2012	As At 31.03.2011
I. <u>Tangible Assets</u>											
1.	Land	327.29	-	-	327.29	-	-	-	-	327.29	327.29
2.	Building	571.09	-	-	571.09	38.03	19.07	-	57.10	513.99	533.06
3.	Plant and Equipments*	1536.99	4.61	33.24	1608.36	159.13	84.84	0.13	243.84	1364.52	1477.66
4.	Furniture & Fixtures	23.45	0.81	-	24.26	2.10	1.57	-	3.67	20.59	21.35
5.	Vehicles	31.32	-	-	31.32	1.41	2.98	-	4.39	26.93	29.91
6.	Office Equipment	13.35	2.42	0.07	15.70	1.06	0.68	0.01	1.73	13.97	12.29
7.	Computer	6.01	0.09	-	6.10	1.38	0.98	-	2.35	3.74	4.64
8.	Electric Installation	76.74	0.09	-	76.83	6.53	3.74	-	10.27	68.56	72.22
SUB TOTAL (A)		2668.24	8.02	33.31	2662.95	209.64	113.86	0.14	323.36	2339.59	2478.62
II. <u>Intangible Assets</u>											
	Computer Software	7.70	2.94	-	10.64	1.42	3.55	-	4.97	5.67	6.28
SUB TOTAL (B)		7.70	2.94	-	10.64	1.42	3.55	-	4.97	5.67	6.28
III. <u>Capital Work in progress</u>											
	Office Equipment	-	0.29	-	0.29	-	-	-	-	0.29	-
SUB TOTAL (C)		-	0.29	-	0.29	-	-	-	-	0.29	-
Total (A+B+C)											
(Current Year)		2695.94	11.25	33.31	2673.88	211.07	117.40	0.14	328.33	2345.55	2484.89
(Previous Year)		2429.94	270.57	4.57	2695.95	99.79	111.26	-	211.06	2484.89	2330.15

Note No. '12' Long Term Loans & Advances

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
i) Security Deposit		
Securely Deposit-Others (Unsecured considered goods)	31.65	18.64
ii) Other Loans & Advances (Unsecured & considered goods)		
Margin Money held with bank*	39.66	24.59
Fixed Deposit with banks with maturity period more than 12 months	41.96	
TOTAL	113.27	43.23

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

Note No. '13' Other Non Current Assets

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
1 Mat Credit Entitlement	317.90	196.04
TOTAL	317.90	196.04

Note No. '14' Inventories

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
1 Raw Material (including in transit Rs. 19.31 lacs)	154.04	346.19
(previous year 80.36 lacs)		
2 Work in Process (Toners)	36.59	37.07
3 Finished Goods (Toners)	69.27	97.40
4 Stores & Spares	24.73	25.68
5 Fuel	18.26	14.05
6 Packing Materials	35.98	24.62
(For valuation, refer Note No. 1.7)		
TOTAL	338.87	545.01

Details of Raw Materials Inventory

1 Resin	10.41	63.16
2 Magnetite	12.81	17.52
3 Others	130.82	265.51
TOTAL	154.04	346.19

Note No. '15' Trade receivables

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
1 Trade receivables Outstanding for a period exceeding six months		
a) Secured, Considered Goods :		
b) Unsecured, Considered Goods :	215.44	48.41
c) Doubtful		
TOTAL	215.44	48.41
2 Trade receivables Outstanding for a period less than six months		
a) Secured, Considered Goods :	88.45	117.36
b) Unsecured, Considered Goods :	167.67	177.93
c) Doubtful		
TOTAL	471.56	343.70

Note No. '16' Cash & Cash Equivalents

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
1 Cash in Hand	1.90	2.31
Cash Balance		
Sub Total (A)	1.90	2.31

2 Balance with banks	41.95
Sub Total (B)	41.95
3 With SBI East Patel Nagar (Emp. Trust A/c)	0.63
4 Cheques on Hand	
5 With Fixed Deposit with bank having maturity period more than 3 months but upto 12 months	45.00
TOTAL	88.48

Note No. '17' Short Terms Loans and Advances

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
1 Advances to Employees (Unsecured, considered goods)	2.36	
2 Balance with Govt. Authorities (With Sales Tax Deptt. Rampur & Sitarganj)	20.75	
3 Others	24.85	
Advance to Suppliers	197.79	
Advance Income Tax (including TDS)	6.71	
Prepaid Expenses	252.48	
TOTAL	278.14	2

Note No. '18' Other Current Assets

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
1 Interest Accrued on Fixed Assets	4.81	
2 Insurance Claim Receivables	0.26	
3 Focus Scheme Licence in hand & EPCG (ED) Receivable	5.02	
TOTAL	5.02	2

Note No. '19' Revenue from Operations

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
a) Sale of Products		
Manufacturing Goods (Comprises of Toners)	3774.40	37
Less : Discounts and Allowances	(242.32)	(22)
TOTAL	3532.08	34

Note No. '20' Other Income

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
1 Interest Income on Fixed Deposit	8.50	
2 Dividend Income from Mutual Fund		
3 Sundry Balances written back	14.71	
4 Provision no longer required	15.00	
5 Insurance Claim Received	2.22	
6 Cash Discounts	5.00	
7 Other Income	2.27	
TOTAL	47.70	2

Note No. '21' Cost of Material Consumed

	As at 31st March 2012	As at 31st March 2011
(Rs. in lacs)		
Raw Materials		
Opening Stock	265.82	1
Add : Purchase during the year	1098.08	12
Less : Closing Stock	134.73	2
TOTAL	1229.17	11

Imported & Indigenous Raw Material Consumed

Raw Material	Year ended 31st March 2012	%	Year ended 31st March 2011	%
Imported	12.18	99	11.31	99
Indigenous	11	1	8	1
TOTAL	12.29	100.00	11.39	100.00

Details of Raw Material Consumed

	As at 31st March 2012	As at 31st March 2011
Resin	690.82	434.70
Magnellite	297.17	271.50
Others	241.18	433.06
TOTAL	1229.17	1139.26

Note No. '22' Change in Inventories

	As at 31st March 2012	As at 31st March 2011
Inventories at the end of the year	69.27	97.40
1 Finished goods (Toners) :-	36.59	37.06
2 Work-in-Process (Toners)	105.66	134.46

Inventories at the beginning of the year

3 Finished Goods (Toners)

4 Work-in-Process (Toner)

TOTAL**Note No. '23' Manufacturing & Operating Costs**

	As at 31st March 2012	As at 31st March 2011
1 Packing Material Consumed	155.69	149.93
2 Stores and Spares Consumed	28.02	31.22
3 Power & Fuel	188.38	211.04
4 Repair & Maintenance of Plant & Machinery	8.35	8.85
5 Repair & Maintenance of Building	0.56	0.91
6 Security Expenses	7.74	8.01
TOTAL	388.74	409.96

Imported & Indigenous Stores, Spares & packing Material Consumed :

Packing Material Consumed	Year ended 31st March 2012	%	Year ended 31st March 2011	%
Imported	155.69	100%	149.93	100%
Indigenous	155.69	100.00	149.93	100.00
TOTAL	155.69	100.00	149.93	100.00

Stores & Spares Consumed

Imported	28.02	100%
Indigenous	28.02	100.00
TOTAL	28.02	100.00

Note No. '24' Employee Benefit Expenses

	As at 31st March 2012	As at 31st March 2011
1 Salaries, Wages, Bonus etc.	360.95	343.75
2 Contribution to Provident & Other Fund	12.63	12.81
3 Staff Welfare Expenses	10.76	12.62
TOTAL	384.34	369.18

Note No. '25' Finance Cost

	As at 31st March 2012	As at 31st March 2011
1 Interest to Holding Company	143.51	158.91
2 Interest - Others	9.58	25.44
TOTAL	153.09	184.35

Note No. '27' Other Expenses

	As at 31st March 2012	As at 31st March 2011
1 Rent	20.91	20.91
2 Rates & Taxes	2.40	2.40
3 Insurance	6.19	6.19
4 Repair & Maintenance to Computers	0.94	0.94
5 Repair & Maintenance Office	13.09	13.09
6 Director's Sitting Fees	0.33	0.33
7 Freight, Clearing & Forwarding Expenses	93.57	93.57
8 Advertisement Expenses & Sales Promotion Exp.	35.67	35.67
9 Discount, Incentive & Samples	234.54	234.54
10 Miscellaneous Expenses	11.79	11.79
11 Recruitment Expenses & Seminar Exp	0.37	0.37
12 Printing & Stationery Account	7.31	7.31
13 Electricity Expenses	4.58	4.58
14 Communication Expenses	11.30	11.30
15 Travelling & Conveyance Expenses	117.39	117.39
16 Vehicle Running & Maintenance Account	18.48	18.48
17 Bank Charges	8.90	8.90
18 Auditors Remuneration		
As Audit Fees	0.80	0.80
As Taxation Matter	0.20	0.20
Out of Pocket Expenses (Inc. Service Tax)	0.15	0.15
19 Legal & Professional Expenses	22.22	22.22
20 Commission On Sale	6.07	6.07
21 Foreign Exchange Fluctuations Loss	31.29	31.29
22 Loss on Sale of Fixed Assets	3.13	3.13
23 Loss on Sales of Mutual Funds		
24 Preliminary Expenses Amortised		
TOTAL	660.62	660.62

Note No. '27' Exceptional Items

	As at 31st March 2012	As at 31st March 2011
Rent Arrears	6.06	6.06
TOTAL	6.06	6.06

Notes to the Financial Statements for the year ended 31st March, 2012

28. Contingent liabilities not provided for in respect of
- a) Letters of credit established in favour of the suppliers
- b) Guarantee issued by SBI on behalf of Company
- c) Sales Tax / Trade Taxes (the amount has been deposited and kept as advances)
29. **Commitments :** As at 31st March 2012 As at 31st March 2011
- Estimated amount of contract remaining to be executed
- on capital amount and provided for
30. Balances in accounts of Sundry Debtors, Advances, Security deposits from dealers are confirmations for the respective parties.
31. a) Accounting Standard as to Segment Reporting AS - 17 is not applicable to the Company engaged in the business of Toners and Developers which is the single reportable segment. However, disclosure as to secondary segment is as under

	As at 31st March 2012	As at 31st March 2011
	(Rs. in lacs)	(Rs. in lacs)
Geographical Segment		
1) Domestic Sale	3532.08	3489.30
32. MAT Credit Entitlement (including for the previous year) amounting to Rs. 317.90/- has been recognized in view of the company's current and future profitability projections.		
33 a) Trade payable includes (i) Rs. Nil (Previous Year Nil due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSME)).		
b) No interest is paid/payable during the year no any enterprises registered under MSME.		
c) The above information has been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplied under MSME.		
34 Amount of Exchange difference debited to Profit & Loss Account amounted to Rs. 31.28 lacs (-) (previous year Rs. 19.50 lacs).		
35 The company has opted for accounting the exchange difference arising on reporting of long term foreign currency monetary item in line with the Companies (Accounting Standard) Amendment Rules 2009 on AS 11 notified by the Ministry of Corporate Affairs on 31st March 2009. Accordingly during the year the company has adjusted exchange difference (loss) amounting to Rs. Nil (Previous Year - Gain Rs. 9.36 lacs) to the cost of fixed assets.		
36 Disclosure as per AS 15 (revised)		
A) Defined Contribution Plans		
During the year the Company has recognized the following amounts in the Profit and Loss Account:		
As at 31st March 2012	As at 31st March 2011	
For the year ended 31st March, 2012	(Rs. in lacs)	
Employers Contribution to Provident Fund	12.83	12.80
B) State Plans		
a) Employee State Insurance		
During the year the Company has recognized the following amounts in the Profit and Loss Account:		
As at 31st March 2012	As at 31st March 2011	
For the year ended 31st March, 2012	(Rs. in lacs)	
Employers Contribution to Employee State Insurance	5.54	6.48
C) Defined Benefit Plans		
a) Leave Encashment		
b) Gratuity		
The discount rate assumed is 8% which is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority promotion and other relevant factors, such as supply and demand in the employment market. Reconciliation of opening and closing balances of the present value of the defined benefit obligation is as under		
Particulars	Current Year (Funded)*	Previous Year (Unfunded)*
Current Year	Previous Year	Current Year
The principal assumptions used in actuarial valuation as per below:		
Discount rate	8%	8%
Expected rate of return on assets	8%	8%
Expected rate of future salary increase	6%	5%
Change in present value of obligations		
Present value of obligations as at 01.04.2011	19.28	5.29
		14.40
		6.45

Interest cost	1.25	0.13	1.15
Current service cost	3.54	1.85	4.56
Benefits paid	2.04	2.93	
Actuarial (Gain)/loss on Obligations	1.89	14.94	(5.21)
Present value of obligation as at 31.03.2012	23.92	19.28	14.90
Changes in fair value of plan assets			
Liability recognized in the Balance Sheet			
Present value of obligations as at 31.03.2012			
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			
Expenses recognized in Profit and Loss Account			
Current service cost	2.88	0.16	4.56
Post service cost			
Interest cost			1.15
Expected return on plan assets			(5.21)
Net Actuarial (Gain) / Loss recognized during the year			0.16
Total Expense recognized in Profit and Loss Account	2.88	0.16	0.50
37 Loans from holding company include accrued interest amounting to Rs. 143.51 lacs during (Previous Year 159.91 lacs). Maximum amount of loan / interest during the year Rs. 1327.89 lacs (year Rs. 1981.38 lacs).			
38 Disclosure pursuant to AS-29 (Movement of provisions)			
As at 31st March 2012			
Leave	Previous	Discount	
Encashment (Rs.)	Year (Rs.)	& Incentive (Rs.)	
Opening Balance	4.39	21.89	22.69
Add Creations	4.78	14.39	6.00
Less:			
(a) Utilizations	4.28	21.89	18.56
(b) Written Back			
Closing Balance	14.89	14.39	10.13
39. Particulars of unhedge foreign currency expenses as at 31.03.2012			
As at 31st March 2012	As at 31st March 2011		
Creditors for import of Goods	347.89		
40. Expenditure in foreign currency:			
As at 31st March 2012	As at 31st March 2011		
(i) Foreign Travels	8.75		
41. Earning in Foreign Exchange:			
As at 31st March 2012	As at 31st March 2011		
FOB Value of Exports	Nil		
42. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS:			
As at 31st March 2012	As at 31st March 2011		
(i) Raw Materials	1044.04		
(ii) Stores & Spares and packing materials	0.66		
43. Calculation of Earning Per Share			
As at 31st March 2012	As at 31st March 2011		
1. No. of Shares at the beginning of the year	10.00		
2. No of Shares at the close of the year	527.08		
3. Net Profit after Tax Rs.	52.71		
4. E.P.S. Rs.			

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

(i) RELATIONSHIP:

- (a) Indian Toners & Developers Ltd. (Holding Co.)
 (b) ITDL USA, Inc. (ii) ITDL Imagetec Limited (Fellow Subsidiary)
 (c) Key Management Personnel

- (d) Enterprises over which Key Management Personnel and/or relative are able to exercise significant influence
- Shri Sushil Jain (Director)
 - Shri Akshat Jain, (son of Sh. Sushil Jain)
 - Smt. Nandita Jain (Wife of Sh. Sushil Jain)
 - Mrs. Ashima Jain (Daughter of Sh. Sushil Jain)
 - Smt. Sushila Devi Jain,
 - Mother of Sh. Sushil Jain (expired on 02.06.2010)
 - Jain Bhawan
 - Shilpa India Ltd.
 - Atankar Securities Private Limited
 - Mahavir Phototech Private Limited
 - Tivren, Securities Private Limited
 - Jain Tube Company Limited

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

Transaction during the year with detail & particulars

Name of the Company / Nature of transactions

Indian Toners & Developers Ltd. -

Opening balance

Corporate guarantees given by Indian Toners & Developers Ltd.

Loans & Advances

Transactions during the year

Loans & Advances received (including interest Rs. 143.59 lacs (Previous Year Rs. 158.91 lacs) and Rs. 51.04 lacs (Previous Year Rs. 36.50 lacs) and Rs. 29.95 lacs (Previous Year Rs. 35.70 lacs) respectively from holding company. Also the company has purchased Licenses under Focus scheme from the holding company of Rs. 17.32 lacs (Previous Year Rs. 26.39 lacs)

Dividend Paid/Proposed

Closing balance

Corporate guarantees given by Indian Toners & Developers Ltd. (effective guarantees Rs. NIL (Previous Year Rs. NIL)

Loan & Advances (including interest other than Current account transactions)

Remuneration Paid to relative of Key Management

Note:

(1) In addition to above during the year Company entered into an agreement of High Seas Sale Purchase with Holding Company (Indian Toners & Developers Limited). Total sale and purchase made on high seas basis is Rs. 51.04 lacs (Previous Year Rs. 36.50 lacs) and Rs. 29.95 lacs (Previous Year Rs. 35.70 lacs) respectively from holding company. Also the company has purchased Licenses under Focus scheme from the holding company of Rs. 17.32 lacs (Previous Year Rs. 26.39 lacs)

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

45.2 The Financial Statements for the year ended 31st March 2012 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequently to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification.

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

A. CASH FLOW ARISING FROM OPERATING ACTIVITIES

	For the Year ended 31st March 2012	For the Year ended 31st March 2011
Net Profit before tax	117.40	117.40
Adjustment for:		
Depreciation & Amortisation	3.14	3.14
Loss / (Profit) on sale of Fixed Assets/Mutual Funds	153.09	153.09
Interest Expenses	(8.50)	(8.50)
Interest Income	0.50	0.50
Provision for leave encumbrment	(29.71)	(29.71)
Preliminary expenses, written off	10.09	10.09
Liabilities / provisions no longer required written back		
Unrealised Foreign Exchange (Gain)/Loss		
Income from Current Investments (Non Trade) Dividend	857.55	857.55
Operating Profit Before Working Capital Changes	857.55	857.55
Adjustments For:		
(Increase) / Decrease in Inventories	206.16	206.16
(Increase) / Decrease in Trade receivables	(127.87)	(127.87)
(Increase) / Decrease in other current assets	18.38	18.38
(Increase) / (Decrease) in Trade payables	76.28	76.28
(Increase) / (Decrease) in other current liabilities	(71.33)	(71.33)
(Increase) / (Decrease) in short-term provisions	7.28	7.28
Direct Taxes including Wealth Taxes	(123.56)	(123.56)
Net Cash Inflow / (outflow) in course of Operating Activities (A)	842.89	842.89

B. CASH FLOW FROM INVESTING ACTIVITIES

Net Cash Inflow / (outflow) in course of Investing Activities (B)	(11.25)	(11.25)
Purchase of Fixed Assets / Capital Advances & CWIP*	(70.04)	(70.04)
Purchase of investments (Net of sales)	(10.43)	(10.43)
(Increase)/Decrease in Long term loans and advances	30.00	30.00
(Increase)/Decrease in loan & advance Capital Subsidy received against fixed assets	0.04	0.04
Proceeds from sales of fixed assets	(5.00)	(5.00)
Movement in bank deposits (net) (having original maturity of more than three months)	5.94	5.94
Interest Received		
Dividend Received	(60.74)	(60.74)

C. CASH FLOW FROM FINANCING ACTIVITIES

Net Cash Inflow / (outflow) in course of Financing Activities (C)	(500.00)	(500.00)
Proceeds from / (Payments of) long Term Borrowing	(23.24)	(23.24)
Dividend Paid	(214.47)	(214.47)
Interest Paid	(100.00)	(100.00)
(Increase)/Decrease in Short Term Borrowings	(837.71)	(837.71)
Net Cash Inflow / (outflow) from Financing Activities (C)	(55.56)	(55.56)
Net Increase / (Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	100.01	100.01
Cash And Cash Equivalents at the beginning of the year	44.48	44.48

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

(2) Previous Year's figures have been regrouped / rearranged wherever considered necessary to conform to this year's classification.

As per our Report of Even Date Attached
 For K.N. GUTTIA & COMPANY

Chartered Accountants
 ICAS & FRN 104153E

(B. G. GOYAL)

(S. C. SINGHAL)

Partner

Executive Director

(N. S. SHARMA)

(SUSHIL)

Membership No. 12172

& Company Secretary

(SANJEEV GOEL)

Directors

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

Chairman & Managing Director

AUDITORS' REPORT

TO THE MEMBER OF INDIAN TONERS & DEVELOPERS LTD.

ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIAN TONERS & DEVELOPERS LTD AND ITS SUBSIDIARIES.

1 We have examined the attached Consolidated Balance Sheet of INDIAN TONERS & DEVELOPERS LTD (the company) and its subsidiaries companies, namely, ITDL-USA Inc. and ITDL Inagetic Ltd. (the company and its subsidiary constitute the group) as at 31st March 2012, the Consolidated Statement of Profit and Loss for the year then ended and annexed thereto and the consolidated Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2 We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

INDIAN TONERS & DEVELOPERS LIMITED

3 We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Company and its subsidiary companies included in the Consolidated Financial Statements.

4 On the basis of the information and explanation given to us and on consideration of the separate audit report on individual audited financial statements of the Company and its aforesaid subsidiaries, in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the consolidated Balance Sheet, of the consolidated state of affairs of the group as at March 31, 2012;
- In the case of the consolidated Statement of Profit and Loss, of the consolidated results of operations of the group for the year ended on that date; and
- In the case of the consolidated Cash Flow Statement, of the consolidated cash flows of the group for the year ended on that date.

FOR K.N.GUTGUTIA & CO.,

(B.R.GOYAL)

PARTNER
CHARTERED ACCOUNTANTS

Membership No. 12172
ICAI'S FRN 304153E

Place : New Delhi
Date: 29th May, 2012

Consolidated Balance Sheet As At 31st March 2012

INDIAN TONERS & DEVELOPERS LTD

S.No.	Particulars	Note No.	As at 31st March 2012	As at 31st March 2011
I. EQUITY AND LIABILITIES				
(1)	Shareholders' Fund			
a.	Share Capital	2	805.89	8
b.	Reserve & Surplus	3	3997.46	34
	Minority Interest		755.03	4
(2)	Non Current Liabilities			
(a)	Long Term Borrowings	4	15.94	3
(b)	Deferred Tax Liability (Net)	5	432.19	
(c)	Long Term Provisions	6	20.35	
(3)	Current Liabilities			
(a)	Short Term Borrowings	7	734.89	7
(b)	Trade Payables	8	391.92	6
(c)	Other Current Liabilities	9	346.31	
(d)	Short-Term Provisions	10	7499.98	7
Total Equity & Liabilities				
II. ASSETS				
(1)	Non-Current Assets			
(a)	Fixed Assets	11	3344.41	3
i)	Tangible Assets		29.99	
ii)	Intangible Assets		3.63	
iii)	Capital Work in progress		96.00	
(b)	Non current investments	12	213.36	
(c)	Long terms loans and advances	13	317.90	
(d)	Other non-current assets	14		
(2)	Current Assets			
(a)	Current Investments	15	887.74	
(b)	Inventories	16	770.69	
(c)	Trade receivables	17	804.50	
(d)	Cash and cash equivalents	18	445.94	
(e)	Short-term loans and advances	19	496.79	
(f)	Other current assets	20	9.03	
TOTAL ASSETS				
			7499.98	

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

As per our Report of Even Date Attached
For K.N.GUTGUTIA & COMPANY
Chartered Accountants
ICAI'S FRN 304153E
(B.R.GOYAL)
Partner
Membership No. 12172
11K, Copala Tower, 25, Rajendra Place, New Delhi
The 29th Day of May 2012

For and on Behalf of the Board
(S.C. SINGHAL)
(N.S. SHARMA)
(SANJEEV GOEL)
Executive Director
& Company Secretary
Directors
Chairman & Managing Director
(SU)

Consolidated Profit & Loss Account for the year ended on 31st March, 2012
(Rs. in lacs)

Particulars	Note No.	For the year ended 31st March, 2012	For the year ended 31st March, 2011
I. Revenue from operations (net of excise duty Rs. 0.23 lacs, P.Y. 2.36 lacs)	21	6203.77	6104.85
II. Other Income	22	192.02	109.79
III. Total Revenue (I + II)		6395.79	6214.64
IV. Expenses:	23	2460.81	2331.70
Cost of material consumed			66.30
Changes in inventories of finished goods, work in progress	24	36.70	982.42
Manufacturing & Operating Expenses	25	1001.87	663.54
Employee Benefit Expense	26	718.94	29.24
Financial Costs	27	13.49	259.84
Depreciation and Amortization Expenses	28	207.79	1070.79
Other Expenses		966.16	5403.82
Total Expenses (IV)	(III-IV)	5405.77	810.82
V. Profit before exceptional items and tax		990.02	810.82
VI. Exceptional Items	29	23.30	810.82
VII Profit before tax (V - VI)		966.72	810.82
VIII Tax Expenses			
1. Current Tax (including wealth tax)		229.56	193.08
2. Tax of earlier years		3.35	28.57
3. Deferred Tax		70.59	27.16
4. Mat Credit Entitlement		(121.86)	(196.04)
IX Profit (Loss) for the year	(VII-VIII)	785.07	756.06
X Minority Interest		258.27	301.67
Profit after Tax and Minority Interest	(IX-X)	526.80	456.39
Balance available for Appropriation		526.80	456.39
XII Earning Per equity share:			
1. Basic		9.74	9.41
2. Diluted		9.74	9.41

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

As per our Report of Even Date Attached For K.N. GUTGUTIA & COMPANY	For and on Behalf of the Board of Directors
Chartered Accountants ICAI's FRN 304153E	(S.C. SINGHAL) (N.S. SHARMA)
(B.R. GOYAL)	(SANJEEV GOEL)
Partner	Executive Director
Membership No. 12172	& Company Secretary
11K, Gopala Tower - 25, Rajendra Place, New Delhi	Chairman & Managing Director
The 29th Day of May 2012	

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 March 2012**NOTE-1 - SIGNIFICANT ACCOUNTING POLICIES****GENERAL INFORMATION**

Indian Toner & Developers Limited (hereinafter referred to as 'the Company') is a manufacturer of Toner and at trading office at USA.

1.1 BASIS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS.

The accompanying consolidated financial statements include the accounts of ITDL (USA) Inc. and ITDL Imagelec 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 mandatory Accounting standards issued by the Institute of Chartered Accountants of India a relevant provisions of the Companies Act, 1956. The financial statements have been prepared on the historical cost convention and on accrual basis. The accounting policies have been consistently applied by the group and are consistent with those used during the previous year. The consolidated accounts has been done on line to line basis.

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

ITDL (USA) Inc is 100% owned subsidiary of the Company and its country of incorporation is India. The activities of the Company are to trade in Toner and developers.

ITDL Imagelec Ltd. is subsidiary of the Company and it is incorporated in India and the plant (Sitarang), Uttarakhand has started commercial production from 10.04.2009. The Company has shareholding interest in the Company. The plant manufactures the product 'Toner'.

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 Accounting Standards issued by the Institute of Chartered Accountant of India as applicable to All the Assets and Liabilities have been classified as current or non-current as per the Companies Act, 1956. The normal operating cycle and other criteria set out in Schedule VI of the Companies Act, 1956. 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 FIXED ASSETS:

a) Fixed Assets are stated at cost less Depreciation provided for.

b) i) Depreciation is provided on straight line method treating the Plant as continuous production Plant (except R & D Plant), at rates and in the manner as per Schedule XIV to the Companies Act, 1956 as amended vide notification dated 16th December, 1993. Depreciation on additions/deducted during the year is charged proportionate with reference to the additions / deductions.

ii) Depreciation on R & D plant is charged, treating the same as non-continuous, in the manner as mentioned above.

c) In case of ITDL (USA) Inc. depreciation have been charged on straight line method over a period of 5 years, which is higher than the rates specified vide Schedule XIV to the Companies Act, 1956.

d) 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.

1.3 IMPAIRMENT OF ASSETS

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

1.4 RESEARCH & DEVELOPMENT

Capital expenditure on Research & Development is treated in the same manner as Fixed Assets. Revenue expenditure on R & D (other than on product development) is charged off in the year

which the same are incurred. However, expenditure on development of new product is recognized as intangible asset to the extent it is expected that such asset will generate future economic benefits.

1.5 EMPLOYEE BENEFITS

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

1.6 INVESTMENTS

- (a) All Long Term Investments are stated at cost. All the current investments are stated at cost or market rate whichever is lower as at the date of annual accounts. However, provision of diminution in value is made for decline other than temporary in nature.
- (b) Income / Loss on investments in Growth and / or Dividend plans of Mutual Funds is 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.

1.7 INVENTORY VALUATION:

- a) Finished goods: Lower of cost or net realizable value.
- b) Raw Materials, Stores & Spares, Power & Fuel and packing Materials: At or below cost.
- c) Stock in process: Lower of cost or net realizable value.
- d) Raw material and stores & spares and packing materials cost are computed on Weighted Average basis.
- e) Finished goods and work in process include cost of conversion and other costs incurred in bringing the inventories to their present locations and condition.

1.8 FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currency are recorded at the exchange rate prevailing on / or closely approximating to the date of transaction. Current Assets and Liabilities are restated at the rate prevailing at the period end or at the forward rate where forward cover for specific asset / liability has been taken. The difference between the period end rate and the exchange rate at the date of the transaction is recognized as income or expense in the Statement of profit & loss. In respect of forward exchange contracts, the difference between the contract rate and the rate on the date of transaction is recognized as income or expense in the Statement of profit & loss over the life of the contract. The company has opted to account for exchange difference arising on reporting of long term foreign currency monetary items in line with the companies (Accounting Standard) Rules as amended on 31st March, 2009 in respect of Accounting Standard 11 (AS-11). Accordingly, exchange difference on long term foreign borrowings has been capitalized / de-capitalized by adding / deducting to the cost of depreciable capital assets.

In case of ITDL (USA) Inc. for conversion of accounts into Indian Currency, the assets and liabilities (except fixed assets & capital) are restated at rates prevailing on the closing date of the year and revenue items are translated at average rates of the year and resultant difference is taken to Exchange Fluctuation Reserve.

Representative offices

In translating the financial statements of representative offices, the monetary assets and liabilities are translated at the rate prevailing on the balance sheet date; non monetary assets and liabilities are translated at exchange rates prevailing at the date of the transaction and income and expense items are converted on the date of transfer.

1.9 TAXATION:

- (a) 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, there is unsubstantiated 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 recognized at each balance sheet date and is written – down or written-up to reflect the amount reasonably / virtually certain (as the case may be) to be realized.

- (b) Current tax is provided at the rates in force, on the taxable profits arrived at with reference provisions of Income Tax Act, 1961.
- (c) Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent a convincing evidence that the company will pay normal income tax during the specified period, the year in which MAT credit becomes eligible to be recognized as an asset in accordance with Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is by way of a Credit to Statement Profit & Loss and shown as MAT Credit Entitlement (d) Taxation of ITDL (U.S.A.) Inc. is provided as per U.S.A. law.

1.10 BORROWING COST:

Borrowing Costs are charged to Statement of profit & loss, except when funds are specifically 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.

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

1.12 PROVISIONS AND CONTINGENT LIABILITY

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

1.13 REVENUE RECOGNITION

Sale of Goods:
Revenue from sale of goods is recognized when the significant risks and rewards of ownership goods are transferred to the customer and is stated gross of excise duty and net of sales return sales tax.

Dividend:

Revenue is recognized when the right to receive is established.

1.14 USE OF ESTIMATES

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts 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 may differ from those estimates. Any revision to accounting estimates is recognized in the period in which it is determined.

1.15 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.

1.16 LEASES

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership, leased items, are classified as operating leases. Lease payment in respect of such leases are recognized as an expenses in the Statement of profit & loss on a straight line basis over the lease term extended term.

1.17 Government Grant

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

Notes to the financial statements for the year ended 31st March 2012

Note No. '2'

Share Capital

AUTHORISED CAPITAL

17000000 Equity Shares of Rs. 10/- each

As at 31st March 2012 1700.00 As at 31st March 2011 1700.00

ISSUED CAPITAL

8058900 Equity Shares of Rs. 10/- each

As at 31st March 2012 805.89 As at 31st March 2011 805.89

SUBSCRIBED & PAID UP CAPITAL

8058900 Equity Shares of Rs. 10/- each, fully paid

As at 31st March 2012 805.89 As at 31st March 2011 805.89

TOTAL

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

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. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of the shareholdings.

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

Name of the shareholders

	As at 31st March 2012	% of Holding	As at 31st March 2011	% of Holding
ABC Commercial Co. Ltd. 474000 shares (p.y. 474000 shares) @ 10 each	11.4	5.9	11.4	5.9
Mahavir Phototech Pvt. Ltd. 915561 shares (p.y. 915561 shares) @ Rs. 10 each	10.0		10.0	
Alankar Securities Pvt. Ltd. 807854 shares (p.y. 807854 shares) @ Rs. 10 each	7.8		7.8	
Triveni Securities Pvt. Ltd. 631509 shares (p.y. 631509 shares) @ Rs. 10 each				

Note No. '3'

Reserve & Surplus

	As at 31st March 2012	As at 31st March 2011
Surplus	3489.07	3045.71
Opening Balance	526.80	456.39
Add : Net profit for the year	(9.80)	(9.80)
Proposed Dividend	(3.24)	(3.24)
Dividend Distribution Tax	(5.36)	(5.50)
Exchange Fluctuation Reserve on Consolidation	3397.46	3483.56
TOTAL		(Rs. in lacs)

Note No. '4'

Long Term Borrowings

	As at 31st March 2012	As at 31st March 2011
Other Loans & Advances	15.94	25.41
Loan term maturity of Finance lease obligation (Secured)	15.94	25.41
TOTAL		

Aggregating to Rs. 15.94 lac (p.y. 25.41 lac) are secured by hypothecation of specific vehicle. Repayment in 60 monthly instalments commencing from Nov. 2009

Note No. '5'

Deferred Tax Liabilities (net)

Deferred Tax Liability on account of :
Accelerated Depreciation
Gratuity W/Back

	As at 31st March 2012	As at 31st March 2011
Deferred Tax Asset on account of : Provision for leave Encashment	438.49	3
TOTAL	432.19	3

Note No. '6'

Long Term Provisions

	As at 31st March 2012	As at 31st March 2011
Employee Benefits	20.35	
Leave Encashment (Refer Note No. 40)	20.35	
TOTAL		

Note No. '7'

Short Term Borrowings

Working Capital Limit (Cash Credit - Secured)

Working Capital facilities from State Bank of India are Secured against hypothecation of raw materials in transit, finished goods, stock in process, chemicals, spares and stores and book debt and second charge over all the immovable assets both present and future of the company.

Note No. '8'

Trade Payable

	As at 31st March 2012	As at 31st March 2011
Trade Payable	692.36	6
Others (For micro and small enterprises Refer Note No. 35)	42.53	
TOTAL	734.89	7

Note No. '9'

Other Current Liabilities

	As at 31st March 2012	As at 31st March 2011
Current Maturities for finance lease obligation (refer Note No. 3)	12.28	
Security Deposits From Dealers & Distributors	84.62	
Advance against Sales	98.74	
Statutory Dues Payable	54.11	
Others	65.58	
Accrued Salaries & Benefits Payable	56.09	
Expenses Payable	20.50	
Others	391.92	
TOTAL		

Note No. '10'

Short Term Provisions

	As at 31st March 2012	As at 31st March 2011
Employee Benefit	12.97	
Leave Encashment (Refer Note No. 40)	20.00	
Others	3.24	
Provision for Dividend on Equity Shares	310.10	
Provision for Taxation	346.31	
TOTAL		

Note No. '11' Fixed Assets as at 31st March, 2012

(Rs. in lacs)

S.No.	Particulars	Gross Block				Depreciation				Net Block	
		Balances as at 01.04.2011	Additions during the Year	Disposals during the Year	Balances as at 31.03.2012	Upto 01.04.2011	Additions during the Year	Disposals during the Year	Upto 31-3-2012	Balances as at 31.03.2012	Balances as at 31.03.2011
I	Tangible Assets										
1.	Land	330.79	-	-	330.79	-	-	-	-	330.79	330.79
2.	Building	750.06	5.20	-	755.26	122.15	25.07	-	147.23	608.03	627.91
3.	Plant and Equipments*	4497.57	11.59	33.24	4475.92	2219.25	133.07	0.13	2352.18	2123.73	2278.32
4.	Furniture & Fixtures	60.17	1.96	-	62.13	24.01	3.51	-	27.52	34.61	36.15
5.	Vehicles	163.73	-	4.56	159.17	31.13	11.93	4.05	39.01	120.16	132.60
6.	Office Equipment	121.00	5.74	-	126.74	74.49	15.60	-	90.09	36.65	46.50
7.	Electric Installation	131.99	2.00	-	133.99	41.01	6.28	-	47.29	86.70	90.98
8.	Computer	6.01	0.08	-	6.10	1.38	0.98	-	2.36	3.74	4.64
	SUB TOTAL (A)	6061.32	26.57	37.80	6050.19	2513.42	196.44	4.18	2705.66	3344.41	3547.89
II	Intangible Assets										
	Computer Software	7.70	5.45	-	13.15	5.23	6.97	-	12.20	22.65	20.91
	SUB TOTAL (B)	42.54	5.45	-	48.00	6.65	11.35	-	18.01	29.99	27.18
III	Capital Work in progress										
	Building	3.34	-	-	3.34	-	-	-	-	3.34	6.71
	Office Equipment	-	0.29	-	0.29	-	-	-	-	0.29	-
	SUB TOTAL (C)	3.34	0.29	-	3.63	-	-	-	-	3.63	6.71
	Total [A+B+C]										
	(Current Year)	6107.20	32.31	37.80	6101.72	2520.08	207.79	4.18	2723.69	3378.03	3583.78
	(Previous Year)	5834.31	323.63	54.08	6103.86	2289.99	259.84	29.76	2520.08	3563.78	3638.34

*1. Capital Subsidy of Rs. 30 lacs received for the company's investment in its manufacturing facility at Sitarganj, (Uttarakhand).

2. Building, Plant & Machinery and Electrical includes Rs. 28.18 lacs, Rs. 363.40 lacs & Rs. 10.09 lacs respectively towards assets for R&D purpose.

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Note No. '12' Non Current Investment (at Cost)

(Rs. in lacs)

Non Trade Investment in Associates (Unquoted, Trade)	No. of Shares (in lacs)	As at 31st March 2012
Alankar Securities Private Limited	1.23	36.90
(Equity Shares of Rs. 10 each)		
Trirent Securities Private Limited	1.00	30.00
(Equity Shares of Rs. 10 each)		
Equity Shares in Mahavir Phototech Pvt. Ltd.	0.97	29.10
(Equity Shares of Rs. 10 each)		
TOTAL		96.00

Note No. '13' Long Term Loans & Advances

As at 31st March 2012

(Rs. in lacs)

I) Capital Advances	87.37
Unsecured, considered goods	
II) Security Deposit	43.49
Security Deposit-Others (Unsecured considered goods)	0.77
III) Loan & Advance to Employee (Unsecured considered goods)	
Others:	
Margin money held with bank*	39.66
Deposit with banks	42.07
TOTAL	213.36

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

(Rs. in lacs)

Note No. '14' Other Non Current Assets

As at 31st March 2012

(Rs. in lacs)

Note No. '15' Current Investment (at the lower cost and fair value)

As at 31st March 2012

(Rs. in lacs)

1. Investment in Mutual Funds (unquoted)	
Units of Rs. 10 each, unless otherwise specified	
a) UTI Treasury Advantage Fund - Daily Dividend Plan	17453
b) UTI Treasury Advantage Fund - Growth	7891
c) UTI Treasury Advantage Fund - Institutional Growth	3616
d) UTI Floating Rate Fund	13523
TOTAL	887.74

Note No. '16' Inventories (For Valuation, Refer Note No. 1.7)

As at 31st March 2012

(Rs. in lacs)

1. Raw Material (including in transit Rs. 24.73 lacs)	405.92
(previous year 104.77 lacs)	
2. Work in Progress (Toners)	119.30
3. Finished Goods (Toners)	79.98
4. Stores & Spares	53.54
5. Oil & Lubricants	46.29
6. Packing Material	65.66
7. Packing Material	770.69
TOTAL	102.79
(For valuation, refer Note No. 1.7)	
Details of Raw Materials Inventory	
1. Resin	39.82
2. Magnelitte	263.31
3. Others	405.92
TOTAL	405.92

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Note No. '17' Trade receivables

(Rs. in lacs)

As at 31st March 2012 As at 31st March 2011

- 1 Outstanding for more than six months
- a) Secured, Considered Goods
- b) Unsecured, Considered Goods
- c) Doubtful
- 2 Others
- a) Secured, Considered Goods
- b) Unsecured, Considered Goods
- c) Doubtful
- TOTAL

	247.68	107.98
	-	-
	-	-
	88.45	117.36
	548.37	488.43
	-	-
	884.50	713.77

Note No. '18' Cash & Cash Equivalents

(Rs. in lacs)

As at 31st March 2012 As at 31st March 2011

- (1) Cash in Hand
- Cash Balance
- Sub Total (A)
- (2) Bank Balance
- With SBI, East Patel Nagar (Emp. Trust A/c)
- Cheque on Hand
- Sub Total (B)
- (3) Other Bank Balance
- Balance with banks to the extend held as Margin Money
- (4) With Fixed Deposit with bank having maturity upto 12 months
- Total (A+B)

	7.32	5.12
	7.32	5.12
	337.62	296.77
	0.63	0.01
	-	5.00
	338.24	301.78
	-	0.00
	55.38	52.47
	45.00	40.00
	445.94	399.37

Note No. '19' Short Term Loans and Advances

(Rs. in lacs)

As at 31st March 2012 As at 31st March 2011

- (1) Loan & Advances to Employees (Unsecured, considered goods)
- (2) Balance with Govt. Authorities
- Customer Claim Receivables
- Vat Credit
- Balance with Excise / Sales Tax
- Service tax Recoverable
- Balance with Govt. Authorities
- (3) Security Deposit
- Security Deposit Others (Unsecured considered goods)
- (4) Others
- Advance Income Tax (Includin TDS)
- Prepaid Expenses
- Advance to Suppliers
- TOTAL

	4.05	4.05
	1.72	2.77
	115.51	118.97
	13.20	27.40
	20.75	20.51
	0.69	-
	280.35	648.70
	10.95	10.01
	42.82	58.91
	496.79	901.91

Note No. '20' Other Current Assets

(Rs. in lacs)

As at 31st March 2012 As at 31st March 2011

- 1 Interest Accrued on Fixed Deposits
- 2 Interest Accrued on Car Loan
- 3 Focus Scheme Licence in hand & EPCG (ED) Receivable
- 4 Insurance Claim Receivables
- TOTAL

	7.25	5.07
	0.06	0.12
	1.72	18.64
	9.03	5.37
	29.20	29.20

Note No. '21' Revenue from Operations

(Rs. in lacs)

As at 31st March 2012 As at 31st March 2011

- Sale of Products
- Manufacturing Goods (Components of Toners)
- Less: Sale Return
- Less: Excise Duty
- Less: Discounts & Allowances
- Other Operating Revenue
- Export Incentives etc.
- Scrap Sales
- TOTAL

	6394.60	6039.10
	14.87	-
	0.24	2.36
	242.32	-
	65.16	67.30
	1.44	0.81
	6203.77	6104.85

Note No. '22' Other Income

(Rs. in lacs)

As at 31st March 2012 As at 31st March 2011

- 1 Interest Income
- 2 Dividend Income
- 3 Recovery Against Keyman Policy
- 4 Provision no longer required
- 5 Insurance Claim Received
- 6 Foreign Exchange Fluctuation Gain
- 7 Custom Duty Refund of earlier year
- 8 Short Term Capital Gain on Mutual Fund
- 9 Other Non Operating Income
- 10 Sundry Balance written back
- 11 Cash Discount
- TOTAL

	12.47	18.19
	39.43	14.51
	31.51	-
	15.43	20.60
	2.53	10.40
	52.43	-
	0.10	-
	18.40	25.84
	14.71	12.27
	5.00	3.93
	192.01	109.79

Note No. '23' Cost of Material Consumed

(Rs. in lacs)

As at 31st March 2012 As at 31st March 2011

- Raw Materials, Packing & Stores
- Opening Stock
- Add: Purchase
- Less: Closing Stock
- Consumed

	592.50	251.59
	2249.50	2672.61
	381.19	592.50
	2460.81	2331.70

Imported & Indigenous Raw Material Consumed

(Rs. in lacs)

For the year ended 31st March 2012 consumption For the year ended 31st March 2011 consumption

- Raw Material
- Imported
- Indigenous
- TOTAL

	2372.63	2283.40
	(96.42)	(97.89)
	89.18	48.30
	2460.81	2231.70

Details of Raw Material Consumed

(Rs. in lacs)

As at 31st March 2012 As at 31st March 2011

- Resin
- Magnetite
- Others
- TOTAL

	1471.73	118.75
	496.11	452.26
	492.97	760.89
	2460.81	2331.70

Note No. '24' Change in Inventories

(Rs. in lacs)

As at 31st March 2012 As at 31st March 2011

- Inventories at the end of the year
- Finished goods (Toners)
- Work-in-Process (Toners)
- Inventories at the beginning of the year
- Finished Goods (Toners)
- Work-in-Process (Toner)
- TOTAL

	79.98	107.98
	119.30	128.08
	199.28	235.98
	107.90	232.55
	128.08	69.77
	235.98	302.27
	36.70	66.30

Note No. '25' Manufacturing & Operating Costs

As at 31st March 2012

As at 31st March 2011

(Rs. in lacs)

1	Packing Material Consumed	278.99	253.26
2	Stores and Spares Consumed	75.16	67.36
3	Power & Fuel	587.92	595.66
4	Repair & Maintenance of Plant & Machinery	34.57	46.87
5	Repair & Maintenance of Building	11.47	4.85
6	Watch & Ward Expenses	13.76	14.41
	Total	1001.87	982.42

Imported & Indigenous Stores, Spares & packing Material Consumed

For the year ended	% of total	For the year ended	% of total
31st March 2012	consumption	31st March 2011	consumption

Raw Material	0.28	0.08	9.59
Imported	353.87	99.92	311.04
Indigenous	354.15	100	320.63
TOTAL			613.98

Note No. '26' Employee Benefit Expenses

As at 31st March 2012

As at 31st March 2011

(Rs. in lacs)

1	Salaries, Bonus, PF & ESIC	674.89	613.98
2	Director's Remuneration	27.34	26.33
3	Staff Welfare Expenses	16.71	23.23
	TOTAL	718.94	663.54

Note No. '27' Finance Cost

As at 31st March 2012

As at 31st March 2011

(Rs. in lacs)

1	Interest Expenses	13.49	29.24
TOTAL		13.49	29.24

Note No. '28' Other Expenses

As at 31st March 2012

As at 31st March 2011

(Rs. in lacs)

1	Rent Account	36.54	34.91
2	Rates & Taxes	11.04	10.46
3	Insurance Expenses	19.55	22.12
4	Repair & Maintenance to Computers	5.10	5.43
5	Repair & Maintenance Office	17.26	22.79
6	Director Sitting Fees	1.78	1.63
7	Freight Outward	184.23	217.36
8	Advertisement & Sales Promotion	57.21	62.67
9	Commission on sales	6.07	16.51
10	Discount & Incentive	236.84	256.25
11	Seminar Expenses	4.19	17.03
12	Staff Recruitment Expenses	2.09	15.58
13	Subscription Account	1.43	0.77
14	Printing & Stationery Account	11.86	10.34
15	Electricity & Water Expenses	9.54	7.87
16	Communication Expenses	25.91	27.05
17	Travelling Expenses (including Foreign Travelling & Conveyance)	163.50	161.92
18	Vehicle Running & Maintenance Account	33.36	30.79
19	Bank Charges	28.12	26.34
20	Auditors Remuneration	2.30	2.30
21	As Audit Fees	0.45	0.20
22	For Tax Audit Fees	0.28	0.22
23	Legal & Professional Expenses	49.26	56.24
24	Foreign Exchange Fluctuations	31.29	19.90

23	Bad Debts	5.93	
24	Loss on Sales of Mutual Funds	3.13	
25	Loss on Sale of Fixed Assets	15.88	
26	General Expenses		
27	Preliminary Expenses Amortised	966.16	
TOTAL			1

Note No. '29' Exceptional Items

For the year ended 31st March 2012

For the year ended 31st March 2011

(Rs. in lacs)

Real Amonies	23.30	
TOTAL	23.30	

Notes to the Financial Statements for the year ended 31st March, 2012.

30. Capital Commitments: Estimated amounts of contracts remaining to be executed on capital a

31. Contingent liabilities not provided for in respect of: For the year ended 31st March 2012 For the year ended 31st March 2011

a) Letters of credit established in favour

b) Guarantee issued by SBI on behalf of Company

c) Sales Tax / Trade Taxes demands

d) Export obligation against advance licenses

e) Rent

32. One of the Subsidiary Company ITDL Imagelec Ltd. has opted for accounting the exchange c

arising on reporting of long term foreign currency monetary items in line with the Companies (A

Standard) Amendment Rules 2009 on AS 11 notified by the Ministry of Corporate Affairs on 3

2009. Accordingly during the year the company has adjusted exchange difference loss amount

NIL (Previous Year Rs. 9.36 lacs) (gain) to the cost of fixed assets.)

33. a) Accounting Standard as to Segment Reporting AS - 17 is not applicable to the Comp

engaged in the business of Toner and Developers which is the single reportable segm

However, disclosure as to secondary segment is as under:

For the year ended 31st March 2012 For the year ended 31st March 2011

(Rs. in lacs)

Geographical Segment:

i) Domestic Sale (including Excise Duty)

ii) Export Sales (including Export benefits)

b) Details of sales: (including Export Benefit on Export Sales):

Sales

Excise Duty

NET SALES

c) Provision for Excise Duty on closing stock of finished goods is Nil (Previous Year Nil)

34. MAT Credit Entitlement (including the previous year) amounting to Rs. 317.90 lacs has been

in the view of the company's current and future profitability projections.

35. a) Estimated benefits aggregating to Rs. 65.16 lacs (Previous Year Rs. 67.30 lacs) age

of duty free imports of Raw Material under Advance Licence Scheme and correspond

has been added to the cost of Materials.

b) Service Tax amounting to Rs. 13.20 lacs (Previous Year Rs. 27.39 lacs) have been

recoverable and is subject to claim yet to be filed with Department. The same has been

Advance Recoverable.

36. a) Trade payable includes (i) Rs. Nil (Previous Year Nil) due to micro and small enterprise

under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME),

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

The above information's have been determined to the extent such parties could be ide

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012
CASH FLOW ARISING FROM OPERATING ACTIVITIES

For the Year ended For the Year ended
31st March 2012 31st March 2011
(Rs. in lacs)

Net Profit before tax	207.78	259.84
Adjustment for:		
Depreciation & Amortisation	3.07	12.67
Loss / (Profit) on sale of Fixed Assets	13.49	34.55
Interest Expenses	(12.47)	(18.21)
Interest Income	4.97	7.09
Provision for leave encashment	5.93	1.69
Bad Debt / Irrecoverable Advances written off (Net of Write-in)	(30.14)	(31.95)
Liabilities / provisions no longer required written back	0.00	1.48
Preliminary Expenses	(0.10)	0.55
Short term capital gain on mutual fund	1.44	16.27
Unrealised Foreign Exchange (Gain)/Loss	39.43	(14.51)
Income from Current Investments (Non Trade) Dividend	1121.26	1080.28
Operating Profit Before Working Capitals Changes	348.35	(309.23)
Adjustments For:		
(Increase) / Decrease in Inventories	(170.10)	170.22
(Increase) / Decrease in Trade receivables	24.42	349.42
(Increase) / Decrease in other current assets	86.80	168.35
(Increase) / Decrease in Trade payables	(122.88)	(468.77)
(Increase) / Decrease in other current liabilities	(229.56)	(193.08)
Direct Taxes including Wealth Taxes	(1058.29)	797.18
Net Cash Inflow / (outflow) in course of Operating Activities (A)	(123.02)	(132.23)
B. CASH FLOW FROM INVESTING ACTIVITIES	(887.74)	29.74
Purchase of Fixed Assets / Capital Advances & CWIP	(68.46)	(0.14)
(Increase)/Decrease in Long term loans and advances	36.77	48.56
(Increase)/Decrease in loan & advance	30.00	0.00
Capital Subsidy received against Fixed Assets	0.10	(0.55)
Short term capital gain on mutual fund	0.54	6.38
Proceeds from sales of fixed assets	(7.91)	62.40
Movement in bank deposits (net) (having original maturity of more than three months)	10.35	18.21
Interest Received	39.43	14.51
Dividend Received	(969.94)	46.88
Net Cash Inflow / (outflow) in course of Investing Activities (B)	(947.12)	(867.26)
C. CASH FLOW FROM FINANCING ACTIVITIES	(13.12)	(13.12)
Proceeds from / (Payments of) long Terms Borrowing	(13.49)	(34.55)
Dividend paid	(9.21)	0.00
Interest paid	(45.29)	(914.93)
(Increase)/Decrease in Short Term Borrowings	43.06	(70.86)
Net Cash Inflow / (outflow) from Financing Activities (C)	301.89	372.74
Net Increase / (Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	344.95	301.89
Cash & Cash Equivalents at the beginning of the year	344.95	301.89
Cash & Cash Equivalents At closing of the year	689.90	603.78

Notes: (1) The Cash Flow Statement has been prepared under the "direct Method" set out in Accounting Standard - 3, Cash Flow Statement specified in the Companies (Accounting Standard) Rules, 2005.
(2) Previous period's figures have been regrouped / rearranged wherever considered necessary to make them comparable.
(3) Significant Accounting Policies: The notes form an integral part of these financial statements

As per our Report of Even Date Attached
For K.N. GUTGUTIA & COMPANY
Chartered Accountants
ICAI's FNN 304/153E
(B.R.GOYAL)
Partner
Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 25th Day of May 2012

PROXY
INDIAN TONERS & DEVELOPERS LIMITED

Regd. Office : 10.5 KM, Rampur Bareilly Road, Rampur- 244 901 (U.P.)
Corporate Office : 5-E, Gopala Tower, 25, Rajendra Place, New Delhi- 110 008

I/we _____ of _____
in the district of _____
being a member / members of the above-named Company, hereby appoint
Mr./Miss/Mrs. _____ in the district of _____
or failing him/her _____ in the district of _____
as my/our proxy to vote for me/us on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Thursday, the 16th August, 2012 at 1.30 p.m. and at any adjournment thereof.
Signed this _____ day of _____
No. of Shares held _____ L.F. NO./Client I. D. No. _____
DPID No. _____
Signature (s) _____
Address : _____

Note : The proxy must be deposited at the Registered Office/Head Office of the Company less than 48 hours before the time for holding the meeting.

NO GIFT WILL BE DISTRIBUTED DURING THE MEETING

TEAR HERE

ATTENDANCE SLIP
INDIAN TONERS & DEVELOPERS LIMITED

Regd. Office : 10.5 KM, Rampur Bareilly Road, Rampur- 244 901 (U.P.)

I hereby record my presence at the 22nd Annual General Meeting being held on Thursday, 16th August, 2012 at 1.30 P.M. at the Registered Office of the Company at 10.5 KM, Rampur Bareilly Road Rampur-244 901 (U.P.)

Name of the Shareholder _____
(In block letters)
Folio No./Client I. D. No. _____ D.P.I.D. No. _____

Signature of the Shareholder _____
Note : 1. Please complete this attendance slip and hand it over at the entrance venue of the meeting.
2. Please bring your copy of Balance Sheet at the time of Annual General Meeting.

NO GIFT WILL BE DISTRIBUTED DURING THE MEETING