

**26TH ANNUAL
REPORT
2015-2016**



INDIAN TONERS & DEVELOPERS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	Shri Sushil Jain Shri Vikram Parkash Shri Sanjeev Goel Shri Arun Kumar Garg Shri Kewal Krishan Dhiman Smt. Neena Jain	Chairman & Managing Director Director Director Director Director Director
COMPANY SECRETARY	Shri. S. C. Singhal	
BANKERS	State Bank of India	
AUDITORS	K. N. Gutgutia & Co. Chartered Accountants 11-K, Gopala Towers, 25, Rajendra Place, New Delhi –110 008.	
REGISTERED OFFICE & WORKS	10.5 KM, Rampur - Bareilly Road, Rampur - 224 901 (U.P) Tel.: 09219410588	
CORPORATE OFFICE	1223, DLF Tower - B, Jasola, New Delhi-110025. Tel : (011) 45017000 (30 Lines) Fax No. (011) 45017043 E-Mail : info@indiantoners.com Website : http://www.indiantoners.com	

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NOTICE

INDIAN TONERS & DEVELOPERS LIMITED

Notice is hereby given that the 26th Annual General Meeting of the Shareholders of INDIAN TONERS & DEVELOPERS LIMITED will be held on Tuesday, the 30th August, 2016, at 2.30 p.m. at the Registered Office of the Company at 10.5 K.M. Rampur – Bareilly Road, Rampur – 244901 (Uttar Pradesh) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2016, the Directors' Report and the Auditors' Report thereon and
 - (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2016.
2. To appoint a Director in place of Shri Kewal Krishan Dhiman (DIN No. 05131602) who retires by rotation, and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Statutory Auditors of the Company M/s. K. N. Gutgutia & Co. Chartered Accountants, (Firm Registration No. 304153E) who were appointed in the 24th Annual General Meeting until the conclusion of 26th Annual General Meeting, for the financial year 2016-2017 at such remuneration as may be determined by the Board of Directors of the Company.

By Order of the Board
for INDIAN TONERS & DEVELOPERS LTD.

PLACE : New Delhi
DATED : 25th May, 2016

(S.C. SINGHAL)
COMPANY SECRETARY

IMPORTANT NOTES:

1. The Register of Members and the Share Transfer Books of the Company will remain closed from 27th August, 2016 to 30th August, 2016 (both days inclusive)
2. A MEMBER ENTITLED TO ATEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HELRSELF. SUCH A PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution / authority, as applicable.

3. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible, Members are also advised not to leave their demat account(s) dormant for long. Periodic

statement of holdings should be obtained from the concerned Depository Participant and holding should be verified.

4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
5. Details under Regulation 36(3) of SEBI (LODR) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
6. Electronic copy of the Annual Report for the year 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2015-16 is being sent in the permitted mode.
7. Electronic Copy of the Notice of the 26th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting and e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 26th Annual General Meeting of the Company inter alia indicating the process and manner of e – voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
8. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report for 2016 will also be available on the Company's website www.indiantoners.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investors@indiantoners.com
9. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means. The cut-off date for determining the eligibility to vote by electronic means or by ballot in the general meeting shall be 23rd August, 2016. The members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting in terms of notification issued by the Ministry of Corporate Affairs dated 19.03.2015.

10. Voting through electronic means (remote e-voting)

- I A. In case a Member receives an E-mail from NSDL [for members whose email IDs are registered with the Company / Depository Participants(s)]:
- (i) Open email and open PDF file viz; "ITDL E-voting.pdf" with your Client ID or Folio No. as pass word. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-voting : Active Voting Cycles.
 - (vii) Select "EVEN" of Indian Toners & Developers Ltd.
 - (viii) Now you are ready for e-voting as Cast Vote Page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are requested to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csvhari@gmail.com or investors@indiantoners.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below / at the bottom of the Attendance Slip for the AGM

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN
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 - (ii) Please follow all steps from Sl No. (ii) to Sl. No. (xii) above, to cast vote.
- II In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and remote e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III If you are already registered with NSDL for e-voting then you can use your existing user ID and password / PIN for casting your vote.
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- IV You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s)
 - V The remote e-voting period commences on 27.8.2016 (9.00) (IST) and ends on 29.8.2016 (17.00) (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23.8.2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for remote e-voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VI The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut – off date of 23.8.2016.
 - VII Mr. Varanasi Hari (CP No. 8244), a practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting and voting process in a fair and transparent manner.
 - VIII The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the remote e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - IX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.indiantoners.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
11. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 23rd August, 2016, may obtain the User ID and password in the manner as mentioned below:
- If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.nsdl.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password. Member may send an e-mail request to evoting@nsdl.co.in.
- If the member is already registered with NSDL e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.
13. Members, who hold shares in de-materialized form, are requested to bring their client ID and DP ID Nos. for easier Identification of attendance at the Meeting.

INDIAN TONERS & DEVELOPERS LIMITED

14. 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.

15. Members, desirous of availing electronic form of delivery of balance sheet and other related documents are requested to update their E – mail address with the Registrar and Transfer Agents or with the Company by a written request.

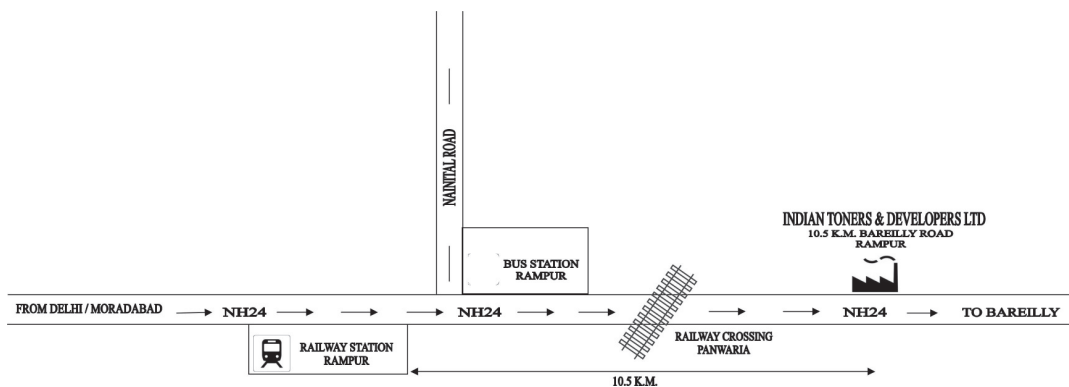
All the material documents referred to in the accompanying Notice shall be open for inspection by the Members at the Registered Office of the Company on all working days between 11.00 a.m. to 05.00 p.m. excluding public holidays.

By Order of the Board
for INDIAN TONERS & DEVELOPERS LTD.

PLACE : New Delhi
DATED : 25th May 2016

(S.C. SINGHAL)
COMPANY SECRETARY

ROUTE MAP OF THE VENUE FOR ANNUAL GENERAL MEETING



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

25th May, 2016

Dear Shareholder,

DESPATCH OF DOCUMENTS TO YOU THROUGH THE ELECTRONIC MODE

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

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

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

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

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

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

Thanking you,

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

DIRECTORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

To

The Members,

Your Directors have pleasure in presenting the 26th Annual Report alongwith the Accounts for the year ended March 31, 2016.

Working Results

Rs. in Lacs

	For the year ended 31st March 2016		For the year ended 31st March 2015	
	Standalone	Consolidated	Standalone	Consolidated
Turnover (net of Excise Duty)	3504	10913	3426	9556
Operating Gross Profit	842	2554	560	2210
Add/ Financial Charges	(7)	(24)	(7)	(18)
(Less): Depreciation & Other Amortizations	(129)	(306)	(136)	(270)
Profit/(Loss) before Tax and exceptional items	706	2224	417	1922
Add/(Less) :				
Exceptional & Extraordinary Items	18	18	203	203
Profit before tax	724	2242	620	2125
Provision for tax-				
Current Year & MAT Cr. Ent.	(155)	(493)	(162)	(519)
Previous Year Tax Adjustment	13	12	(4)	(6)
Net profit before Deferred Tax	582	1761	454	1600
Deferred Tax Assets (Liabilities)	7	(93)	13	8
Surplus Available for appropriation	589	1668	467	1608
Less : Minority Interest		(604)		(559)
Transfer to General Reserve	589	1064	467	1049

OPERATIONS

The turnover of your Company during the year was higher by Rs. 78 Lacs than the previous year. More than 99.37% of sales amounting to Rs. 3482 Lacs were from exports. However, exports were higher by 15.53% against the previous year exports of Rs. 3014 Lacs. Net profit after deferred tax during the year was Rs. 589 Lacs as against Rs. 467 Lacs in the preceding year i.e. higher by 26.12%.

The consolidated financial results during the year including that of its Subsidiary Company were better i.e. sales Rs. 10913 Lacs, profit before tax Rs.2243 Lacs and profit after tax Rs.1668 Lacs as compared to Rs. 9485 Lacs, Rs.2125 Lacs and Rs. 1608 Lacs respectively for the previous year.

DIVIDEND

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

FUTURE OUTLOOK AND PLANS

Your Company foresees a good scope for the export of its products. In order to give a boost to the exports, your Company has decided to incorporate a Wholly Owned Subsidiary of the Company in Florida (USA). It will mainly cater to the needs of North and South America as these have been the untapped markets so far. However, frequent and wide fluctuations in foreign currency and tough competition in the international market continues to be a challenge for your Company.

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

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

AMALGAMATION OF ITDL IMAGETEC LIMITED (A SUBSIDIARY CO.) AND OTHER GROUP COMPANIES WITH INDIAN TONERS & DEVELOPERS LTD.

During the year, the Management of your Company approved the proposal for amalgamation of its Subsidiary Company – ITDL IMAGETEC LIMITED and other Group Companies with your company namely INDIAN TONERS & DEVELOPERS LTD. The scheme of arrangement was approved by the Board in its meeting held on 23.03.2016 and thereafter the same was filed with BSE LTD. where the shares of the Company are listed for its No-Objection. The Company has complied with all the formalities of the Stock Exchange and is hopeful of getting their approval / NOC in due course. The scheme is subject to the approval of Hon'ble High Courts and members of the respective companies.

The rationale for the scheme of arrangement is that INDIAN TONERS & DEVELOPERS LTD., the Transferee Company is engaged in the manufacturing of compatible toners for copiers, printers, digital multi-function devices and white format printing. The Company majorly focuses on the exports. The Subsidiary, ITDL IMAGETEC LIMITED is also engaged in similar manufacturing. However, it mainly concentrates on the domestic market. The international market of the product is highly competitive and hence it is not growing rapidly, while in the domestic market, the group has niche.

The amalgamation of ITDL IMAGETEC LIMITED with INDIAN TONERS & DEVELOPERS LTD. would provide a competitive edge to the Transferee Company, as now it would be focusing on the international as well as domestic market. Additionally, the amalgamation shall also add to the financial strength of the Transferee Company and shall provide flexibility. The amalgamation of all the other Transferor Companies shall bring out the consolidated structure of the Group, where in post the amalgamation, the group shall be having clean corporate structure.

This scheme of amalgamation shall also improve the financial strength and flexibility for the Transferee Company which would result in maximizing overall shareholder value and will improve the competitive position of the combined entity, eliminating intra group competition, achieve greater efficiencies operations with optimum utilization of resources, better administration and reduced cost.

WHOLLY OWNED SUBSIDIARY

In order to cover the untapped markets of North and South America, your Company has decided to incorporate a Wholly Owned Subsidiary of the Company in the State of Florida (USA) with an investment of upto \$2,50,000- only. The necessary steps are being taken in this direction.

EXPANSION PROGRAMME IN ITDL IMAGETEC LIMITED

ITDL IMAGETEC LIMITED – a Subsidiary Company in Sitarganj (Uttarakhand) with the manufacturing capacity of 1800 MT of toner is doing very well and giving satisfactory results. The last expansion in the Subsidiary Company was completed in the year 2015 by increasing its manufacturing capacity from 1200 MT to 1800 MT. Now once again it has decided to further expand its manufacturing capacity from 1800 MT to 2400 MT by 31st March, 2017. With this expansion, the performance of your Subsidiary Company will be better in the coming years.

RESEARCH AND DEVELOPMENT ACTIVITIES

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

INDIAN TONERS & DEVELOPERS LIMITED

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

During the year the Company has incurred R & D expenses of Rs. 55.41 Lacs in various heads in addition to Rs.30.97 Lacs for purchase of capital items. Your Company has exhaustive programme of R & D activities in the coming years.

SUBSIDIARY COMPANIES:

The Company has one subsidiary viz. M/s. ITDL Imagetec Limited and having its manufacturing facility at D-11, Phase-II, Eldeco-Sidcul Industrial Park, Sitarganj-262405, Distt. Udham Singh Nagar (Uttarakhand).

CODE OF CONDUCT:

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

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

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

EXTRACT OF ANNUAL RETURN:

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

NUMBER OF BOARD MEETINGS HELD

The Board of Directors duly met 5 times during the financial year from 1st April, 2015 to 31st March, 2016. The dates on which the meetings were held are as follows:

21st May, 2015, 7th August, 2015, 5th November, 2015, 9th February, 2016 and 23rd March, 2016.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis;
- e) the directors have laid down internal financial controls in the company that are adequate and were operating effectively.

- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

REMUNERATION POLICY

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

PREVENTION OF INSIDER TRADING:

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

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

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

STATUTORY AUDITORS & AUDITORS' REPORT

M/s. K. N. Gutgutia & Co. Chartered Accountants, (Firm Registration No. 304153E) were appointed as Statutory Auditors of the Company at the 24th Annual General Meeting held on 30.08.2014 for a period of three years subject to ratification by members at every Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

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

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

SECRETARIAL AUDIT REPORT

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

INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and other applicable provisions, if any, the Board of Directors on the recommendations of the Audit Committee have appointed M/s B.K. Shroff & Co., Chartered Accountants, 3/7-B, Asaf Ali Road, New Delhi – 110 002, as Internal Auditors of the Company for the year 2016-17.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

RELATED PARTY TRANSACTIONS:

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

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

PROCEDURE

1. All Related Party Transactions (RPTs) of the company as prescribed under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015 will be approved by the audit committee of the Board from time to time.
2. Each Director who is a Related Party with respect to a particular Related Party Transaction shall disclose all material information to the Committee concerning such Related Party Transaction and his or her interest in such transaction.
3. Management shall present to the Audit Committee the following information, to the extent relevant, with respect to actual or potential Related Party Transactions:
 - a. A general description of the transaction(s), including the name of the related party and nature of relationship, duration of the contract and particulars of the contract or arrangement, the material terms and conditions.
 - b. The Related Party's interest in the transaction(s), including the Related Party's position or relationship with, or ownership of, any entity that is a party to or has an interest in the transaction(s).
 - c. The manner of determining the pricing and other commercial terms.
 - d. any advance paid or received for the contract or arrangement, if any and the approximate value of the transaction(s) and the approximate value of the Related Party's interest in the transaction(s).
 - e. In the case of a lease or other transaction providing for periodic payments or installments, the aggregate amount of all periodic payments or installments expected to be made in the financial year.
 - f. In the case of indebtedness, the aggregate amount of principal to be outstanding and the rate or amount of interest to be payable on such indebtedness.
 - g. Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors and any other material information regarding the transaction(s) or the Related Party's interest in the transaction(s).
4. Consent of the Board and the Shareholders would also be taken in respect of all RPTs, provided that such consent would not be required in the following cases:
 - a. The transactions are entered into by the company in its ordinary course of business and are on an arms' length basis; and

- b. The transaction / transactions to be entered into individually or taken together with previous transactions during a financial year does not exceed 5% of the annual turnover or 20% of the net worth of the company (i.e. Indian Toners & Developers Limited), as per the last audited financial statements of the company, whichever is higher.
5. Where Board consent / shareholders' approval is required as per para 4 above, a) the agenda of the Board meeting at which the resolution is proposed to be moved and b) explanatory statement to be annexed to the notice of such general meeting, shall disclose all such details / information about the contract as are prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014.
6. Where RPTs require approval of the Board and the shareholders through special resolution as per para 4 above, (a) any director who is interested in any contract or arrangement with a related party, shall not be present at the meeting during discussions on the subject-matter of the resolution relating to such contract or arrangement and b) such Related Party(ies) shall abstain from voting on such resolutions of the shareholders.
7. If a Related Party Transaction will be ongoing, the Committee may establish guidelines for the Company's management to follow in its ongoing dealings with the Related Party. Thereafter, the Committee shall periodically review and assess ongoing relationships with the Related Party. Any material amendment, renewal or extension of a transaction, arrangement or relationship previously reviewed under this Policy shall also be subject to subsequent review under this Policy.
8. The Audit Committee periodically shall review this Policy and may recommend amendments to this Policy from time to time as it deems appropriate. In addition to guidelines for ongoing Related Party Transactions, the Audit Committee may, as it deems appropriate and reasonable, establish from time to time guidelines regarding the review of other Related Party Transactions.
9. This Policy on Related Party Transactions shall be governed by the Companies Act, 2013 read with Rules made thereunder, as may be in force for the time being as well as Regulation 23 of SEBI (LODR) Regulations, 2015 or such other Rules / Regulations, as may be notified by SEBI from time to time.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of SEBI (LODR) Regulations, 2015, the Board of Directors of a listed Company are required to constitute Risk Management Committee. However, the provisions of this regulation are applicable to top 100 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year. Our Company does not fall under this category.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

As part of its initiatives under "Corporate Social Responsibility" (CSR), the company has contributed entire funds (calculated in terms of section 198 of the Act) to the Prime Minister's National Relief Fund.

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

BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the Chairman and the working of its Audit, Nomination & Remuneration, Corporate

Social Responsibility and Stakeholders Committees. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

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

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

- (i) The percentage increase in remuneration of each Director, Chief Executive Officer, Company Secretary and Chief Financial Officer during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

SL. No.	Name	Designation	Remuneration Paid in FY 2015-16 (Rs. in Lacs)	Remuneration Paid in FY 2014-15 (Rs. in Lacs)	% Increase in Remuneration from Previous Year	Ratio/Time Per Media of Employee Remuneration	Comparison of the Remuneration of KMP against the Performance of the Company
1.	Sh. Sushil Jain	Chairman & Managing Director CEO (KMP)	123.74	109.56	12.94	123.74 : 1.95	Profit before tax decreased by 16.86% and Profit after tax decreased by 26.23% in FY 2015-16
2.	Sh.S.C.Singhal	Company Secretary (KMP)	20.65	17.46	18.27	N.A.	
3.	Sh.N.K.Maheshwari	Chief Financial Officer (KMP)	8.34	5.29	N.A.*	N.A.	

* remuneration for the FY 2014-15 relates to 8 months, hence not comparable with current financial year.

- ii) The median remuneration of employees of the Company during the financial year was Rs.1.95 Lacs.
- iii) In the financial year, there was an increase of 21.43% in the median remuneration of employees;
- iv) There were 92 permanent employees on the rolls of the Company as on March 31, 2016;
- v) Relationship between average increase in remuneration and company performance:- The Profit before Tax for the financial year ended March 31, 2016 increased by 16.86% whereas the increase in median remuneration was 21.43%. The average increase in median remuneration was in line with the performance of the Company.
- vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
The total remuneration of Key Managerial Personnel increased by 15.43% from Rs.132.31 Lacs in 2014-15 to Rs.152.73 Lacs in 2015-16 whereas the Profit before Tax increased by 16.86% to Rs.723.92 Lacs in 2015-16 (Rs. 619.49 in 2014-15).
- vii) a) Variations in the market capitalization of the Company : The market capitalization as on March 31, 2016 was Rs.111.45 Crores (Rs.72.41 Crores as on March 31, 2015).
- b) Price Earnings ratio of the Company was 7.31 as at March 31, 2016 and was 5.79 as at March 31, 2015.

- c) Percent increase over decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year - The closing share price of the Company at BSE Limited on 31st March, 2016 being Rs.157.60 per equity share of face value of Rs.10 each has grown 16 times since the last public offer by the Company, which was made in the year 1992.
- viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2015-16 was 10.65% whereas the increase in the managerial remuneration for the same financial year was 12.94%.
- ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

Sh. Sushil Jain, Sh. S.C. Singhal and Sh. Naresh Kumar Maheshwari are the Chief Executive Officer (CEO), Company Secretary and Chief Financial Officer (CFO) of the Company respectively.

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

The Company has received declaration from all the Independent Directors confirming that they meet with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013.

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 the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report. However, the information is not being sent alongwith the Annual Report as per proviso of the above rule. Any shareholder interested in obtaining such particulars may write to the Company at its Corporate/Registered Office.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

Additional information to the extent applicable on conservation of energy, technology absorption, foreign exchange earning and outgo is required to be disclosed in terms of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given as Annexure 'A' and forms part of this report.

MANAGEMENT'S DISCUSSIONS AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review as stipulated under Regulation 34 of SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

DISCLOSURES UNDER LISTING AGREEMENT

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

DEMATERIALISATION OF SECURITIES

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

CORPORATE GOVERNANCE

In terms of Regulation 4 of SEBI (LODR) Regulations, 2015, a Report on Corporate Governance alongwith a certificate from the Auditors of the Company on the compliance of the conditions of Corporate Governance is provided elsewhere in this Annual Report.

ACKNOWLEDGEMENT

Your Directors acknowledge the cooperation and assistance extended by various agencies of the Central and State Governments, State Bank of India and valued Customers. Your Directors also thank the shareholders for their continued support. Your directors thank all the dedicated employees including executives for all their services rendered to the company.

For & on behalf of the Board

PLACE : New Delhi
DATE : 25th May, 2016

(SUSHIL JAIN)
CHAIRMAN & MANAGING DIRECTOR

ANNEXURE "A " TO DIRECTORS' REPORT

ANNEXURE "A " TO DIRECTORS' REPORT

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

(A) Conservation of Energy

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

(B) Technology Absorption

- | | | |
|----|---|---|
| 1. | Specific areas in which R&D carried out by the Company. | :: Development & Introduction of new Toners compatible for the upcoming Photocopiers, digital machines & laser printers. |
| 2. | Benefits derived as a result of the above R&D. | :: Availability of extended range of products resulting in procurement & servicing of orders for additional products in the export & domestic markets. |
| 3. | Further plan of action | :: Development of more toner formulations as well as their packaging.

:: Re-sourcing of raw materials from other economical sources.

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

:: Development of Colour Toner formulations as well as their packaging. |
| 4. | Expenditure on R&D | :: Charged under the respective head of accounts Rs. 55.41 lacs and Rs. 30.97 lacs on capital items. |

Technology Absorption, Adaption and Innovation

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

(C) Foreign Exchange Earnings / Outgo

1. Activities Relating to Exports

Exports were higher by 10.78% during the year ending 31st March, 2016 as compared to 31st March, 2015.

2. Total Foreign Exchange used and earned

	Rs. in Lacs	
	2015-16	2014-15
a) Total Foreign Exchange used		
i) Import of Raw Materials	1504.23	1428.82
ii) Import of Stores & Spares and Packing material	1.98	5.18
iii) Foreign Travel	39.30	31.46
iv) Consultancy Charges	NIL	28.34
v) Others (Exhibition, Advt.)	19.67	24.32
TOTAL	1563.20	1518.12
b) Total Foreign Exchange earned (on FOB basis)	2979.66	2990.40

ANNEXURE “1” to Directors’ Report**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31.03.2016**

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

I REGISTRATION AND OTHER DETAILS:

i)	CIN	L74993UP1990PLC015721
ii)	Registration Date	09.01.1990
iii)	Name of the Company	Indian Toners & Developers Ltd.
iv)	Category / Sub-Category of the Company	Limited by Shares
v)	Address of the Registered office and Contact Details	10.5 km, Milestone, Rampur- Bareilly Road, Rampur – 244901 (U.P), India. Phone - 09219410588
vi)	Whether Listed Company Yes/ No.	Yes BSE Ltd.
vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any	Alankit Assignments Limited, 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi - 110 055. Phone : 011-43541234, 42541234

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

1) Share holding Pattern (Equity Share Capital Breakup as percentage of total equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares Held at the beginning of the year 01.04.2015				No. of Shares held at the end of the year 31.03.2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1178406	0	1178406	14.622	1178406	0	1178406	14.622	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	2828924	0	2828924	35.103	2828924	0	2828924	35.103	0
e) Bank / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total(A)(1) :	4007330	0	4007330	49.725	4007330	0	4007330	49.725	0
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Bank / FI	0	0	0	0	0	0	0	0	0
e) Any Other...	0	0	0	0	0	0	0	0	0
Sub-Total(A)(2) :	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	4007330	0	4007330	49.725	4007330	0	4007330	49.725	0

INDIAN TONERS & DEVELOPERS LIMITED

B. Public Shareholding

1. Institutions									
a) Mutual Funds	0	3200	3200	0.040	0	3200	3200	0.040	0
b) Banks/ FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	10000	0	10000	0.124	0.124
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1) :-	0	3200	3200	0.040	10000	3200	13200	0.164	0.124
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	562744	12800	575544	7.142	587219	12800	600019	7.445	0.303
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal Share Capital upto Rs. 1 lakh	1669848	1099681	2769529	34.366	1510516	1061731	2572247	31.918	(-)2.448
ii) Individual Shareholders holding Share Capital in excess of Rs. 1 lakh	548905	0	548905	6.811	588949	0	588949	7.308	0.497
c) Other (Specify)									
1. Directors	2520	0	2520	0.031	2520	0	2520	0.031	0
2. Non Resident Indian	26733	0	26733	0.332	78210	0	78210	0.971	0.639
3. Clearing Members	12256	0	12256	0.152	24833	0	24833	0.308	0.156
4. Hindu Undivided Families	112883	0	112883	1.401	171592	0	171592	2.129	0.728
Sub-total(B)(2)	2935889	1112481	4048370	50.235	2963839	1074531	4038370	50.110	(-)0.125
Total Public of Shareholding (B)=(B)(1)+(B)(2)	2935889	1115681	4051570	50.275	2973839	1077731	4051570	50.275	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	
Grand Total (A+B+C)	6943219	1115681	8058900	100.00	6981169	1077731	8058900	100.000	

(ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2015			Shareholding at the end of the year 31.03.16			% change in share holding during the year	
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total Shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares		
1.	Sushil Jain/ Nandita Jain	6300	0.078	NIL	689106	8.550	NIL	+8.473	
2.	Devanshi Jain	100	0.001	NIL	100	0.001	NIL	0	
3.	Sushil Jain	682806	8.473	NIL	0	0.000	NIL	-8.473	
4.	Akshat Jain/ Sushil Jain	100	0.001	NIL	0	0.000	NIL	-0.001	
5.	Sushil Jain (HUF)	182600	2.266	NIL	182600	2.266	NIL	0	
6.	Aashima Jain	40000	0.496	NIL	40000	0.496	NIL	0	
7.	Nandita Jain	134000	1.663	NIL	134000	1.663	NIL	0	
8.	Akshat Jain	132500	1.644	NIL	132600	1.645	NIL	+0.001	
9.	Mahavir Phototech Pvt. Ltd.	915561	11.361	NIL	915561	11.361	NIL	0	
10.	Triveni Securities Pvt. Ltd.	631509	7.836	NIL	631509	7.836	NIL	0	
11.	Alankar Securities Pvt. Ltd.	807854	10.024	NIL	807854	10.024	NIL	0	
12.	ABC Commercial Co. Ltd.	474000	5.882	NIL	474000	5.882	NIL	0	
	Total	4007330	49.725	NIL	4007330	49.725	NIL	0.000	

*transfer of shares on account of consolidation of shareholding of the Promoter and Promoter Group on the basis of PAN and folio no. as per SEBI Circular No. CIR/CFD/CMD/13/2015 dated 30.11.2015.

INDIAN TONERS & DEVELOPERS LIMITED

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

S.No.	Shareholding at the beginning of the year 01.04.2015	Shareholding at the end of the year 31.03.16
Shareholder's Name	No. of Shares % of total shares of the company	No. of Shares % of total shares of the company

There is no change in the Promoter's Shareholding		
---	--	--

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

S.No.	Shareholding at the beginning of the year 01.04.2015	Shareholding at the end of the year 31.03.16
For each of the top 10 Shareholders	No. of Shares % of total shares of the company	No. of Shares % of total shares of the company
1. Sangeetha S IN301313-20493057	152890 1.897	141460 1.76
2. Savitha S IN301313-20493065	45790 0.568	45790 0.568
3. Sathya S IN301313-20493049	70000 0.868	65590 0.81
4. Siddhartha Bhaiya 47500-1204750000009836	32688 0.405	31878 0.40
5. Deo Hirawat (HUF) 11800-1201180000011710	32500 0.403	39000 0.48
6. Amit Bhaiya IN303028-51011236	26000 0.322	26000 0.322
7. Dotch Sales Pvt. Ltd. 1207100000058032	79500 0.98	68000 0.84
8. Mahender Aggarwal IN300966 10704094	— —	29400 0.36
9. Dinero Wealth Pvt. Ltd. IN302269 14503262	— —	245539 3.05
10. Shaktiman Steel Casting Pvt. Ltd. IN302927 10182317	— —	35000 0.43

INDIAN TONERS & DEVELOPERS LIMITED

(v) Shareholding of Directors and Key managerial Personnel:

S.No.	For each of the Director & KMP	Shareholding at the beginning of the year 01.04.2015		Shareholding at the end of the year 31.03.16	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<u>Shareholding of Key Managerial Personnel</u>					
1.	Shri Sushil Jain				
	At the beginning of the year.	689106	8.550	689106	8.550
	At the end of the year	689106	8.550	689106	8.550
<u>Shareholding of Directors</u>					
2.	Shri Sanjeev Goel				
	At the beginning of the year.	2500	0.031	2500	0.031
	At the end of the year	2500	0.031	2500	0.031
3.	Shri Kewal Krishan Dhiman				
	At the beginning of the year.	20	0.0002	20	0.0002
	At the end of the year	20	0.0002	20	0.0002

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No.	Particulars of Remuneration	Name of MD/MTD/ Manager	Total Amount
1.	Gross Salary	Sh. Sushil Jain	
(a)	Salary as per provisions contained in section 17(1) of the Income – Tax Act, 1961	11267773	11267773
(b)	Value of perquisites u/s 17(2) Income – Tax Act, 1961	582000	582000
(c)	Profits in lieu of salary under section 17(3) Income – Tax Act, 1961	0	0
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission	—	—
	- As % of profit	—	—
	- Others, specify...	—	—
5.	Others, please specify (Employer's P.F. Contribution)	523874	52374
	Total (A)	12373647	12373647
	Ceiling as per the Act		*

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

INDIAN TONERS & DEVELOPERS LIMITED
B. Remuneration to other Directors:

S.No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	Sh. Vikram Prakash	Sh. Sanjeev Goel	Sh. Arun Kr. Garg	Smt. Neena Jain	
	Fee for attending Board/ Committee meetings	115000	125000	120000	60000	420000
	Commission	—	—	—	—	—
	Other, Please specify	—	—	—	—	—
	Total (1)	115000	125000	120000	60000	420000
	Other Non- Executive Directors				Sh. Kewal Kishan Dhiman	
	Fee for attending Board/ Committee meetings	—	—	—	—	20000
	Commission	—	—	—	—	—
	Other, Please specify	—	—	—	—	—
	Total (2)	—	—	—	—	20000
	Total (B)=(1+2)	115000	125000	120000	60000	440000
	Total Managerial Remuneration				12373647	
	Overall Ceiling as per the Act					*

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

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1.	Gross Salary	CEO	Company Secretary	CFO*	
	(a) Salary as per provisions contained in section 17(1) of the Income – Tax Act, 1961	11267773	1932726	800214	14000713
	(b) Value of perquisites u/s 17(2) Income	582000			582000
	(c) Profits in lieu of salary under section 17(3) Income – Tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission	—	—	—	—
	- as % of profit	—	—	—	—
	- others, specify...	—	—	—	—
5.	Others, please specify (Employer's P.F. Contribution)	523874	132120	33840	689834
	Total	12373647	2064846	834054	15272547

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
C. Other Officers in Default					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

Annexure – “2” to Directors’ Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2016

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

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

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company Indian Toners & Developers Limited and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner read with the reporting made hereinafter:

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

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

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

- (i) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (where the shares of the Company is listed)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with following observations:

Observations

- (1) The Company has its subsidiary Company named ITDL IMAGETEC LIMITED, and the Company has properly prepared the Consolidated Final Accounts of the Company to be laid down to the shareholders.
- (2) The Company has properly complied with the Prohibition Insider Trading Regulations issued by the SEBI and properly closed the Trading Window before the board meetings.
- (3) The Company has properly reported the change in the directorship of the Company to the concerned departments in time.
- (4) The Company has duly passed the resolution for keeping the records of the company at New Delhi.
- (5) The Company has duly accepted request for transfer/transmission of shares and transferred it within the prescribed time period.

INDIAN TONERS & DEVELOPERS LIMITED

- (6) No Showcause Notice has been received by the Company under the Act and all the applicable Laws to the Company.
- (7) The Company has regularly complied with the Listing Agreements/ LODR-2015 and filed all the disclosures to the stock Exchanges on time.
- (8) The Company is duly complying with the Retirement Benefits Laws and Company is duly contributing towards the Provident fund for the benefit of the employs.
- (9) The Company is properly maintaining the Statutory Registers and Minutes Book and any changes regarding these are entered in time.
- (10) Related Party Transactions duly approved by the Audit Committee and Board of directors and were entered by the Company Secretary of the Company in the respective Statutory Book.
- (11) There were no transactions that is covered under the Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (12) The Company duly complied with the provisions of Foreign Exchange Management Act, 1999 and rules & regulations made thereunder while entering into related transaction/transactions.
- (13) There were no transactions that is covered under Depositories Act, 1996 and the Regulations and bye laws framed there under.
- (14) The Company has duly constituted the CSR Committee and duly spend the amount required to spend under CSR.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has

- (i) Not done any Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Not done Redemption / buy-back of securities
- (iii) Passed the Special Resolution under section 180(l)(a), section 186(3) and adopted Articles as per Companies Act, 2013 through Postal Ballot.
- (iv) The board of directors has approved the merger of the ITDL Imagetec Ltd, ABC Commercial Co. Ltd, Alankar Securities (P) Ltd, Triveni Securities (P) Ltd, Mahavir Phototech Private Limited (Transferor Companies) with the company, subject to approval of shareholders and all other regularity authorities.
- (v) not taken any major decision that is required to be reported in this report.

for Mukesh Agarwal & Company

Place : New Delhi
Date : 18.05.2016

Mukesh Kumar Agarwal
MNo-F5991
C P No.3851

Annexure to the Secretarial Audit Report

To,
The Members
Indian Toners & Developers Limited

Our report of even date is to be read along with this letter.

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

Place : New Delhi
Date : 18.05.2016

for Mukesh Agarwal & Company

Mukesh Kumar Agarwal
MNo-F5991
C P No.3851

Annexure – “3” to Directors’ Report**Form No. AOC-2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

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

1. Details of contracts or arrangements or transactions not at arm’s length basis NIL
 - (a) Name(s) of the related party and nature of relationship :
 - (b) Nature of contracts/arrangements/transactions :
 - (c) Duration of the contracts / arrangements/transactions :
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any :
 - (e) Justification for entering into such contracts or arrangements or transactions :
 - (f) Date(s) of approval by the Board :
 - (g) Amount paid as advances, if any :
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 :
2. Details of material contracts or arrangement or transactions at arm’s length basis :
 - (a) Name(s) of the related party and nature of relationship : ITDL Imagetec Limited (Subsidiary)
 - (b) Nature of contracts/arrangements/transactions : Purchase & Sale of Raw Material and Sharing of Expenses
 - (c) Duration of the contracts / arrangements/transactions : 12 months (1.4.2015 to 31.3.2016)
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:

Expenses Recovered = Rs. 60.88 Lacs	
Expenses Reimbursed = Rs. 0.00 Lacs	
Purchase of Raw Material = Rs. 1.45 Lacs	
Sale of Raw Material = Rs. 50.36 Lacs	
Sale of Focus License = Rs. 30.81 Lacs	
 - (e) Date(s) of approval by the Board, if any: 07.08.2015, 5.11.2015, 9.2.2016 and 25.5.2015*
 - (f) Amount paid as advances, if any : NIL

*on the recommendation of Audit Committee.

For Indian Toners & Developers Ltd.

(SUSHIL JAIN)
Chairman & Managing Director

Annexure – “4” to Directors’ Report

Annexure to Boards Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

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

To pursue these objectives we will continue:

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

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

Web Link:

<http://indiantoners.com/company-code-and-policies.aspx>

2. **Composition of CSR committee**

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

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

Average net profit: Rs.488.25 Lakhs

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

The company was required to spend Rs.9.77 Lakhs during this year.

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

- a) Total amount spent for the financial year : Rs.9.77 Lakhs
- b) Amount unspent if any : Nil
- c) Manner in which the amount spent during the financial year: Contribution to Prime Minister National Relief Fund.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

INDUSTRY AND OUTLOOK

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

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

ITDL Imagetec Limited (subsidiary of ITDL) which set up a project of 1200 MT capacity and increased its capacity last year to 1800 MT in Sitarganj (Uttarakhand) for the manufacturer of Toners & Developers is showing good results. This subsidiary of the Company has once again decided to increase its manufacturing capacity from 1800 MT to 2400 MT by 31st March, 2017.

RISKS & CONCERNS

More than 90% of the Company's sales is through exports and hence the growth and profitability of the Company depends upon the demand of Company's products in the international market and stability of the foreign currency. Since more than 95% raw materials of the Company is imported, Foreign Exchange fluctuations, increase in oil prices and international freight etc. may have adverse impact on the cost of manufacture of the Co.'s products. The Company's ability to pass on the cost increase by corresponding increase in the selling prices of its products is constrained due to tough competition in the international market.

OPPORTUNITIES

The Company is maintaining its status of an Export House awarded by the Directorate General of Foreign Trade which has made the Company eligible for various benefits as are available to an export house.

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

In order to cover the untapped markets of North and South America, your Company has decided to incorporate a Wholly Owned Subsidiary of the Company in the State of Florida (USA) with an investment of upto \$2,50,000 only. The necessary steps are being taken in this direction.

FINANCIAL PERFORMANCE

The sales (net of Excise Duty) for the year were Rs. 3504 Lacs. The Company earned a profit before tax of Rs. 724 Lacs. This does not include the sales and profit of the subsidiary Company. However, the consolidated sales and profit before tax for the year are Rs. 10913 lacs and Rs.2242 lacs respectively. The nearly debt free status of both the holding and subsidiary Companies and improved liquidity resulted in significantly lowering the finance cost.

INTERNAL CONTROL SYSTEM

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

HUMAN RESOURCES

Industrial relations remained cordial during the year. The total number of employees as on 31.03.2016 were 92 Nos.

CORPORATE GOVERNANCE REPORT

(ANNEXURE TO THE DIRECTORS' REPORT)

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

A. MANDATORY REQUIREMENTS

1. Company's Philosophy on Corporate Governance

Corporate Governance to Indian Toners & Developers Limited means not only compliance with the provisions of Company Law, allied Acts and listing agreement but also directors' responsibility to work with morality, ethics, transparency and accountability towards all the stakeholders 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 transparent and accountable manner and its policies are aimed towards creation of Shareholders value in terms of long term sustainability of the Company's business including its subsidiary Company.

2. Composition of Board of Directors as on 31st March, 2016

a). The Board of Directors has a mix of Executive and Non-Executive Directors. The Board comprises of 1 Executive Director, 1 Non-Executive Director, 4 Non-Executive Independent Directors including a woman director. Accordingly, the composition of the Board meets the stipulated requirements.

Name of the Directors	Category	No. of Equity Shares held as on 31.03.2016	Attendance Particulars		No. of other Directorship and Committee Memberships / Chairmanships		
			Board Meeting	Last AGM	Other Director Ships*	Committees Member Ships	Chairman Ships
Sh. Sushil Jain	CMD#	689106	5	Present	5	--	--
Sh. Vikram Prakash	NED-I	NIL	5	Not Present	4	2	3
Sh. Sanjeev Goel	NED-I	2500	5	Present	2	--	--
Sh. Arun Kumar Garg	NED-I	NIL	5	Not Present	6	--	--
Ms. Neena Jain	NED-I	NIL	5	Not Present	1	--	--
Sh. Kewal Krishan Dhiman	NED	20	2	Present	--	--	--

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

Chairman & Managing Director

NED Non Executive Director

NED-I Non Executive Director - Independent

During the Year 2015 - 2016 the Board of Directors met 5 times on 23rd May, 2015, 7th August, 2015, 5th November, 2015, 9th February, 2016 and 23rd March, 2016.

3. **Committees of the Board**

A. Audit Committee

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

Shri Sanjeev Goel is the Chairman of the Audit Committee. The other members of the Committee are Shri Vikram Prakash and Shri Arun Kumar Garg.

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

1. Regular review of accounts, accounting policies, disclosures, etc. and to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation for Appointment and fixation of remuneration of Statutory and Internal Auditors.
3. Review of the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
4. To review Qualifications, if any, in the draft audit report.
5. Establishing and reviewing the scope of the independent audit including the observations of the auditors and review of the quarterly, half yearly and annual financial statements before submission to the Board.
6. Conducting post audit discussions with the independent auditors to ascertain any area of concern.
7. Establishing the scope of and frequency of internal audit, reviewing the findings of the internal auditors and ensuring the adequacy of internal control systems.
8. To look into the matters pertaining to the Directors' Responsibility Statement with respect to compliance with Accounting Standards and accounting policies.
9. Compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
10. To review the 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 at arm's length.
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 such as whistle blower policy or complaints thereunder.

The Audit Committee met 5 times during the year on 23.05.2015, 07.08.2015, 05.11.2015, 09.02.2016 and 23.03.2016 to deliberate on the aforesaid matters. The Minutes of the meetings are placed before the Board at the succeeding Board Meeting for information.

Details of the attendance of Directors are given below:

Sr.No	Name of Members	Audit Committee	
		Held	Attended
1	Sh. Sanjeev Goel	5	5
2	Sh. Vikram Prakash	5	5
3	Dr. Arun Kumar Garg	5	5

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

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

Brief Description of Terms of reference.

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

INDIAN TONERS & DEVELOPERS LIMITED

Composition and Attendance at the Meeting

The Nomination and Remuneration Committee comprises of three independent Directors viz Shri Sanjeev Goel, Shri Vikram Prakash and Shri Arun Kumar Garg. Shri Sanjeev Goel is the Chairman of the Nomination and Remuneration Committee.

Sh. S.C. Singhal, Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

The Committee met one time during the year on 23.04.2015 where all the members were present. The Remuneration paid to Executive Directors and relatives of Directors, if any is reviewed / recommended by the Nomination and Remuneration Committee, approved by the Board and is within the limits set by the shareholders at Annual General Meetings and/or as approved by the Central Government under the provisions of the Companies Act, 2013. The remuneration package of Chairman and Managing Director comprises of salary, perquisites and allowances and contributions to Provident and other Funds. The Remuneration Policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. Non-Executive Directors are not paid any remuneration except sitting fees.

Remuneration to Chairman & Managing Director is subject to review and recommendation by the Nomination and Remuneration Committee to the Board and thereafter approved by shareholders in General Meeting.

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

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (LODR) Regulations, 2015, a separate exercise was carried out to evaluate the performance of the Board by every director. The performance evaluation of all the Directors individually was carried out by the entire Board. The performance evaluation of the Chairman was carried out by the Independent and Non-independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration, Corporate Social Responsibility and Stakeholders Relationship Committees. The Directors expressed their satisfaction with the evaluation process.

Details of remuneration to Directors paid / payable during the period from 01.04.2015 to 31.03.2016:

Amount in Rs.

Name of Directors	Salary including Personal Pay	HRA	Arrear	Commis-sion	Perquisites + PF	Sitting Fee (Meeting)		Total
						Board	Committee	
Sh. Sushil Jain*	8648405	2619368	—	—	1105874	—	—	12373647
Sh. Vikram Prakash	—	—	—	—	—	60000	55000	115000
Sh. Sanjeev Goel	—	—	—	—	—	60000	65000	125000
Sh. Arun Kumar Garg	—	—	—	—	—	60000	60000	120000
Ms. Neena Jain	—	—	—	—	—	60000	—	60000
Sh. Kewal K. Dhiman	—	—	—	—	—	20000	—	20000

* Chairman & Managing Director

5. Stakeholder's Relationship Committee

Terms of Reference

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

During the year 2015-2016, only one meeting of the committee was held on 31.3.2016.

During the Year 2015-2016, one complaint was received from Shareholders/Investors which were replied suitably to their satisfaction. There was no complaint pending as at 31.03.2016.

All valid share transfers received during the year 2015-2016 have been acted upon by the Company. There were no transfers pending as on 31st March, 2016.

Constitution, Meeting & Attendance thereof :-

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

Name of Members	Category	Committee Meetings	
		Held	Attended
Shri Sanjeev Goel	NED I*	1	1
Shri Sushil Jain	ED (CMD)**	1	1

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

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

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	Committee Meetings	
		Held	Attended
Shri Sushil Jain	CMD	25	25
Shri S. C. Singhal	Co. Secretary	25	25
Shri Kewal K. Dhiman	Director	25	22

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

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

7. Corporate Social Responsibility (CSR) Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board constituted the Corporate Social Responsibility (CSR) Committee on 21.05.2014 comprising of Shri Sanjeev Goel as the Chairman and Shri Sushil Jain and Shri Arun Kumar Garg as other members.

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

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

During the year 2015-2016, only one meeting of the committee was held on 10.02.2016.

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

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

8. Independent Directors Meeting:

During the year under review, the Independent Directors met on 10.02.2016, inter alia, to discuss:

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

All the Independent Directors were present at the meeting

9. General Body Meetings

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

Financial Year	Date	Time
2014 – 2015	31.08.2015	2.30 P.M.
2013 – 2014	30.08.2014	2.30 P.M.
2012 – 2013	05.08.2013	2.30 P.M.

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

Following Special Resolutions were passed by the shareholders in the last three Annual General Meetings of the Company:-

INDIAN TONERS & DEVELOPERS LIMITED

23rd Annual General Meeting held on 5th August, 2013

- (1) Approval for re-appointment of Sh. Sushil Jain as Chairman & Managing Director

24th Annual General Meeting held on 30th August, 2014

- (1) Approval for payment of remuneration to Sh. Sushil Jain, Chairman & Managing Director
(2) Approval to borrow money in excess of the aggregate of the paid-up capital and free reserves of the Company pursuant to Section 180 (1) (c) of the Companies Act, 2013.

25th Annual General Meeting held on 31st August, 2015

- (1) Approval for entering into contracts with related parties
(2) Approval for keeping the Registers and Returns required to be maintained by the Company under Section 88 & 92 of the Companies Act, 2013 at a place other than Registered Office of the Company.

During the year, following special resolutions were passed through postal ballot.

- Adoption of new set of Articles of Association of the Company inter-alia pursuant to the Companies Act, 2013
- Authority to create mortgage of properties of the Company u/s 180 (1) (a) of the Companies Act, 2013
- To make loan(s) to any person or other body corporate and/or give any guarantee(s)/provide any security(ies) in connection with loan(s).

The details of the voting pattern in respect of Resolutions through postal ballot were as under:

1. Adoption of new set of Articles of Association of the Company inter-alia pursuant to the Companies Act, 2013

Type of Voting	Votes in favour			Votes in against		
	Number of member voting	Number of votes cast by them	% of total number of valid vote cast	Number of members voting	Number of votes cast by them	% of total number of valid votes cast
Voting through Postal Ballot	30	970	90.654	1	100	9.346
Voting through Electronic Means	37	4054483	99.997	1	116	0.003
Total	67	4055453	99.995	2	216	0.005

The above resolution was duly approved with requisite majority by the members of the Company as Special Resolution.

2. Authority to create mortgage of properties of the Company u/s 180 (1) (a) of the Companies Act, 2013

Type of Voting	Votes in favour			Votes in against		
	Number of member voting	Number of votes cast by them	% of total number of valid vote cast	Number of members voting	Number of votes cast by them	% of total number of valid votes cast
Voting through Postal Ballot	29	870	81.308	2	200	18.692
Voting through Electronic Means	34	4053683	99.977	4	916	0.023
Total	63	4054553	99.972	6	1116	0.028

The above resolution was duly approved with requisite majority by the members of the Company as Special Resolution.

3. To make loan(s) to any person or other body corporate and/or give any guarantee(s)/provide any security(ies) in connection with loan(s)

Type of Voting	Votes in favour			Votes in against		
	Number of member voting	Number of votes cast by them	% of total number of valid vote cast	Number of members voting	Number of votes cast by them	% of total number of valid votes cast
Voting through Postal Ballot	27	720	67.290	4	350	32.710
Voting through Electronic Means	30	4052835	99.956	8	1764	0.044
Total	57	4053555	99.948	12	2114	0.052

The above resolution was duly approved with requisite majority by the members of the Company as Special Resolution.

INDIAN TONERS & DEVELOPERS LIMITED

The Board had appointed Mr. Varanasi Hari, Practicing Company Secretary as Scrutinizer for conducting the postal ballot and e- voting process in a fair and transparent manner.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require special resolution through postal ballot.

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

Mr. Kewal Krishan Dhiman aged 54 Years is M. Com, MBA-Finance, PGDM (DUAL) - Production and Materials Management, Diploma in Export Management and Diploma in Central Excise and Custom. He has accumulated 34 Years of extensive working experience in diverse industries such as Bulk drugs, textile and auto ancillary. He was also on the Board of Director of M/s. Bhandari Hosiery Exports Limited from August, 2003 to March, 2005. He is, presently, the Senior General Manager Plant of the "ITDL Imagetec Ltd.", a subsidiary of the Company.

He holds 20 shares of the Company in his name.

11. Materially Non – listed Subsidiary : The Company has one materially non – listed subsidiary, namely M/s. ITDL Imagetec Ltd. Mr. Sanjeev Goel, Independent Director of the Company has been appointed a director there also to comply with Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The minutes of the subsidiary is also put at the Board Meeting of this Company.

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

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

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

Details of Related Party Transactions are disclosed in Note No. 41 of notes to the Financial Statements.

13. 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 Regulation 33 of SEBI (LODR) Regulations, 2015.
- The approved financial results are forthwith sent to the Listed Stock Exchanges and are published in the newspapers namely Financial Express & Jansatta within forty - eight hours of approval thereof.
- The results being sent to the BSE Limited where the Shares of the company are listed, for putting, in their own web-site.
- No formal presentations were made to the institutional investors and analysts during the year under review.
- Management discussion and Analysis forms part of the Annual Report, which is posted to the Shareholders of the Company.

14. CEO / CFO Certificate

Certificate from CEO / CFO for the Financial Year ended March 31, 2016 has been provided elsewhere in the Annual Report.

15. The Name and designation of the Compliance Officer is Sh. S. C. Singhal, Company Secretary ; e-mail ID : investors@indiantoners.com

16. General Shareholders' information

- a). Next Annual General Meeting : As indicated in the Notice to our Shareholders, the Annual General Meeting of the Company will be held on **30th August, 2016**. The time and venue of the meeting is as indicated in the notice.
- b). Financial Year : April 1st, 2015 to March 31st, 2016
- c). Date of Book Closure : 27.08.2016 to 30.08.2016
- d). Dividend payment : NIL
- e). Listing on Stock Exchanges :
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023
Annual Listing Fee for the year 2016-17 has been paid to BSE Limited.
- f). Stock Code
Bombay Stock Exchange Limited, Mumbai 523586
ISIN Number for NSDL / CDSL INE826B01018

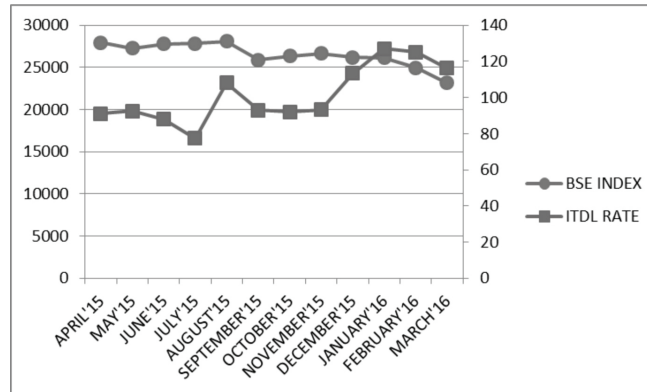
INDIAN TONERS & DEVELOPERS LIMITED

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

Month	BSE Limited	
	High (Rs.)	Low (Rs.)
April, 2015	108.30	80.15
May, 2015	96.00	81.10
June, 2015	90.00	71.00
July, 2015	109.00	72.70
August, 2015	130.00	82.50
September, 2015	99.70	80.00
October, 2015	104.90	87.00
November, 2015	113.20	85.00
December, 2015	146.40	113.30
January, 2016	164.40	113.00
February, 2016	132.50	91.50
March, 2016	160.90	115.70

[Source: www.bseindia.com]

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



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

Share Transfer Agents: Alankit Assignments Limited, 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi - 110 055. Ph. No. (011) 43541234, 42541234, Fax No. (011) 42541967

INDIAN TONERS & DEVELOPERS LIMITED

- i). Distribution Schedule : The distribution of Company's shareholding as on 31st March, 2016 was as follows:

No. of Equity Shares held			Shareholders No. (%)		No. of Shares	% of Total Shares
1	to	250	11730	87.368	1218932	15.125
251	to	500	928	6.912	382482	4.746
501	to	1000	377	2.808	319174	3.961
1001	to	2000	186	1.385	278668	3.458
2001	to	3000	62	0.462	157751	1.957
3001	to	4000	34	0.253	120126	1.491
4001	to	5000	25	0.186	119205	1.479
5001	to	10000	38	0.283	288906	3.585
10001	&	Above	46	0.343	5173656	64.198
			13426	100.000	8058900	100.000

Shareholding Pattern as on 31st March, 2016

Category of Shareholder	Number of Shares	% age of Total Shares
Promoter and Promoter Group (A)	4007330	49.73
Public Shareholding (B)		
Mutual Funds/ UTI	3200	0.04
Foreign Institutional Investors	10000	0.12
Bodies Corporate	600019	7.44
Individuals	3163716	39.26
Any Other		
- NRIs	78210	0.97
- Clearing Members	24833	0.31
- HUF	171592	2.13
Total Public Shareholding (B)	4051570	50.27
Total Shareholding (A + B)	8058900	100.00

- j). Dematerialization of Shares : Approximately 86.62 % of the total paid up share capital of the Company has been dematerialized upto March, 31, 2016
- k). Prevention of Insider Trading : The Company has taken necessary steps to prevent Insider Trading in terms of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time to ensure protection of general Shareholders rights and interests. The Company Secretary is the Compliance officer in this regard.
- l). Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity : The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.
- m). Plant Location : 10.5 K.M. Rampur-Bareilly Road, Rampur-224 901. Uttar Pradesh.
- n). Plant Location of subsidiary : D – II, Phase – II, Eldeco – Sidcul Industrial Park, Sitarganj – 262405, Distt. Udham Singh Nagar, Uttarkhand
- o). Address for correspondence: Sh. S. C. Singhal, Company Secretary, 1223, DLF Tower 'B', Jasola, New Delhi – 110 025. Ph. No. (011) 45017000

17. Disclosure of web links for Company's Policies pursuant to Listing Regulations :

- i) The company has familiarized the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes. The details of such familiarisation programmes have been disclosed on the Company website at www.indiantoners.com under the heading "Familiarisation Programmes for Independent Directors" on the page "Investor Relations".

INDIAN TONERS & DEVELOPERS LIMITED

- ii) The Company has formulated a policy for determining 'material subsidiaries and such policy has been disclosed on the Company website at www.indiantoners.com under the heading "Company Codes & Policies" on the page "Investor Relations".
- iii) The Company has disclosed the policy on materiality of Related Party Transactions on its website at www.indiantoners.com under the heading "Company Codes & Policies" on the page "Investor Relations".
- B. Non-Mandatory Requirements :
The Executive Chairman of the company maintains an office at his residence for which company reimburses him.
- C. Code of Conduct: The Code of Conduct for Directors and Senior Management Personnel was approved and adopted by the Company in the Board Meeting held on 31.10.2005 and annual compliance certificate from all the Directors and Senior Management Personnel of the Company is obtained.

CERTIFICATE

The Annual Compliance Confirmation for compliance of the Code of Conduct for the year ending 31.03.2016 has been received from all the Directors and Senior management Personnel of the Company.

Place : New Delhi

Date : 25.05.2016

Sushil Jain

Chairman & Managing Director

- D. Compliance Certificate from the Auditors :** The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of SEBI (LODR) Regulations, 2015. 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, 2016, as stipulated in Schedule V of SEBI (LODR) Regulations, 2015 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 the efficiency nor effectiveness with which the management has conducted the affairs of the company.

FOR K.N.GUTGUTIA & CO.,
(B.R.GOYAL)
PARTNER

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

DATE: 25th, May 2016

PLACE: New Delhi

CEO / CFO Certificate

We certify to the Board that :

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

(Sushil Jain)
Chairman & Managing Director

(N. K. Maheshwari)
Chief Financial Officer

DATE: 25.05.2016
PLACE : New Delhi

INDEPENDENT AUDITORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

TO THE MEMBERS OF INDIAN TONERS AND DEVELOPERS LIMITED

Report on the Financial Statements

1. We have audited the accompanying Standalone financial statements of INDIAN TONERS & DEVELOPERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.
Management's responsibility for the Financial Statements
2. The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design the audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Place : New Delhi
Date: 25th May, 2016

6. In our opinion and to the best of our information and according to the explanations given to us, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- (ii) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirement

7. As required by the Companies (Auditor's Report) Order, 2016 ("Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the said Order.
8. As required by Section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper Books of Accounts as required by the law have been kept by the Company, so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts;
 - d. In our opinion, the aforesaid Financial Statements dealt with by this report comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013;
 - e. on the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2016 from being appointed as director in terms of section 164(2) of the Companies Act, 2013 ;
 - f. With respect to the adequacy of the Internal Financial Controls over the financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statement Refer Note 28 to the financial statement.
 - ii. The Company did not have any foreseeable losses on long term contracts and had no derivative contracts outstanding as at 31st March 2016; and
 - iii. The Company did not have any dues on account of Investor Education and Protection Fund.

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

(B.R.GOYAL)
PARTNER

Membership No. 12172

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure "A" referred to in paragraph 7 of our report of even date to the members of Indian Toners & Developers Limited on the Financial Statements for the year ended 31st March, 2016.

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of fixed assets has been carried out by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable, having regard to- the size of the Company and nature of its business.
- (c) Title deeds of immovable properties of the company are held in the name of the Company.
- ii) (a) The inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion, no material discrepancies were noticed on physical verification of stocks.
- iii) According to the information and explanations given to us during the year, the Company has not granted any loans, secured or unsecured to companies firm, Limited liability partnerships firms or other parties covered in the register maintained under section 189 of the companies Act, 2013 in respect of investment & guarantees.
- iv) According to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of investments & guarantees
- v) The Company has not accepted any deposits during the year and hence paragraph 3(v) of the Order is not applicable to the Company.
- vi) The Central Government has not prescribed maintenance of cost accounts for the type of activities of the Company pursuant to the rules made by the Central Government of India for the maintenance of cost records under clause (d) of Sub Section (1) of Section 148 of the Companies Act, 2013
- vii) (a) According to the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues wherever applicable.

According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as on the last date of the financial year for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there were no dues in respect of Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory duties which have not been

deposited on account of disputes. However, in respect of income tax, there is demand of Rs. 25,66,329 related to the Assessment year 2013-14 and the appeal is pending with Commissioner of Income Tax.

- viii) Based on our audit procedures and according to the information given by the management, the company has not defaulted repayment in respect of any loans or borrowings from any financial institution, bank, government or dues to debentures holders during the year.
- ix) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the financial year and has not done any initial public offer or further public offer (including debt instrument) or term loans and hence paragraph 3 (ix) of the Order is not applicable to the Company.
- x) Based upon the audit procedures performed and to the best of our knowledge and according to the information and explanations given to us by the management, we report that no fraud by the Company or any fraud on the company by its officer or employees has been noticed or reported during the course of our audit
- xi) The Company has paid managerial remuneration in compliance with the provisions of Section 197 and 200 read with schedule V to the Companies Act, 2013 and obtained necessary approval of the Central Government to comply with the aforesaid provision.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence paragraph 3 (xii) of the Order is not applicable to the Company.
- xiii) As explained to us and as per the records of the company, in our opinion the transactions with the related parties are in Compliance with Section 177 and Section 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable Accounting Standards.
- xiv) According to the records of the company, it has not made any preferential allotment of shares or private placement of shares or fully/partly convertible debentures during the year under report. Accordingly paragraph 3 (xiii) of the Order is not applicable to the Company.
- xv) During the year, the Company has not entered into any non-cash transaction with Director or person connected with him. Hence paragraph 3 (xv) of the Order is not applicable to the Company.
- xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and hence paragraph 3 (xvi) of the Order is not applicable to the Company.

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

(B.R.GOYAL)
PARTNER

Place : New Delhi
Date: 25th May, 2016

Membership No. 12172

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INDIAN TONERS & DEVELOPERS LIMITED

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

We have audited the internal financial controls over financial reporting of Indian Toners & Developers Limited (“the Company”) as at 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial Controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2016, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”

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

(B.R.GOYAL)
PARTNER

Membership No. 12172

Place : New Delhi
Date: 25th May, 2016

Balance Sheet As At 31st March 2016

(Rs. in Lacs)

Particulars	Note No.	As at 31st March 2016	As at 31st March 2015
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	805.89	805.89
(b) Reserves and Surplus	3	5,130.56	4,541.33
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	4	172.39	179.56
(b) Long Term Provisions	5	26.06	21.89
(3) Current Liabilities			
(a) Trade Payables	6	381.92	338.93
(b) Other Current Liabilities	7	117.00	135.12
(c) Short-Term Provisions	8	171.33	174.23
TOTAL :		6,805.15	6,196.96
II. ASSETS:			
(1) Non Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		1,059.29	1,148.35
(ii) Intangible Assets		0.46	-
(iii) Capital Work in progress		-	7.32
(b) Non-Current Investments	10	2,543.93	3,161.48
(c) Other Non Current Assets	11	50.71	35.53
(2) Current Assets			
(a) Current Investments	12	1,375.00	-
(b) Inventories	13	668.34	517.92
(c) Trade Receivables	14	304.31	587.52
(d) Cash and Bank Balances	15	482.39	487.75
(e) Short-term Loans and Advances	16	236.92	211.64
(f) Other Current Assets	17	83.80	39.45
TOTAL		6,805.15	6,196.96
Significant Accounting Policies	1		
The Notes form an integral part of these Financial statements	01-43		

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

Chartered Accountants
ICAI's FRN 304153E

(B.R.GOYAL)

Partner

Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 25th Day of May 2016

(S.C. SINGHAL)
Company Secretary

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

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Chairman &
Managing Director

For and on Behalf of the Board of Directors

Statement of Profit & Loss Account for the year ended 31st March, 2016

(Rs. in Lacs)

S.No.	Particulars	Note No.	For the year ended 31st March 2016	For the year ended 31st March, 2015
I	Revenue from Operations (Net)	18	3,503.51	3,425.53
II	Other Income	19	248.34	52.00
III	Total Revenue (I +II)		3,751.85	3,477.53
IV	Expenses:			
	Cost of Materials Consumed	20	1,579.33	1,479.10
	Others Manufacturing Expenses	21	537.91	537.83
	Changes in Inventories of Finished goods & Work-in-Process	22	(99.39)	21.24
	Employee Benefit Expenses	23	562.33	483.92
	Finance Costs	24	6.64	6.59
	Depreciation and Amortization Expenses	9	129.47	135.98
	Others Expenses	25	329.93	396.19
	Total Expenses (IV)		3,046.22	3,060.85
V	Profit before Exceptional items and tax (III-IV)		705.64	416.68
VI	Exceptional items	26	18.28	167.67
VII	Profit before extraordinary items and tax (V-VI)		723.92	584.34
VIII	Extraordinary Item	27	-	35.14
IX	Profit before tax (VII-VIII)		723.92	619.49
X	Tax expense:			
	(1) Current tax		(155.00)	(162.00)
	(2) Taxes in respect of earlier years		13.14	(3.66)
	(3) Deferred tax (charge)/Credit		7.18	12.96
XI	Profit for the year (IX-X)		589.23	466.79
XII	Earning per share @Rs.10 per share			
	(1) Basic		7.31	5.79
	(2) Diluted		7.31	5.79

Significant Accounting Policies

1

The Notes form an integral part of these Financial statements

01-43

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

ICAI's FRN 304153E

(B.R.GOYAL)

Partner

Membership No. 12172

11K, Gopala Tower,

25, Rajendra Place, New Delhi

The 25th Day of May 2016

(S.C. SINGHAL)
Company Secretary**(N.K.MAHESHWARI)**
C.F.O.**(SANJEEV GOEL)**
Director**(SUSHIL JAIN)**
Chairman &

Managing Director

For and on Behalf of the Board of Directors

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**NOTE '1' SIGNIFICANT ACCOUNTING POLICIES****GENERAL INFORMATION**

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

1.1 BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on an accrual basis and under historical cost convention and in compliance with all material aspect, with the applicable accounting principles in India, the applicable accounting standards notified under Section 133 and the other relevant provisions of the Companies Act 2013 and the rules made under.

All the Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent the Company has ascertained its operating cycle to be less than 12 months.

1.2 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.

1.3 TANGIBLE AND INTANGIBLE FIXED ASSETS

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

1.4 DEPRECIATION AND AMORTIZATION OF FIXED ASSETS**TANGIBLE ASSETS**

- a) Depreciation is provided on tangible assets on straight line method on all assets based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- b) Plant & Machinery is depreciated treating it as continuous process Plant (except R & D Plant), at rates and in the manner as per Part-C of Schedule II to the Companies Act, 2013 (as amended). Depreciation on assets added / deducted during the year is charged proportionate with reference to the date of additions / deductions.
- c) Depreciation on R&D Plant & Machinery is charged, treating the same as non-continuous, in the same manner as mentioned above.
- d) Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100 percent.

INTANGIBLE ASSETS

- a) Softwares are amortized on straight line method over a period of three years.

1.5 IMPAIRMENT OF ASSETS

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

1.6 LEASES

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

1.7 RESEARCH & DEVELOPMENT

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

Capital expenditure on Research & Developments is treated in the same manner as Fixed Assets. The Revenue expenditure on R&D is charged off in the year in which the same are incurred.

1.8 EMPLOYEE BENEFITS

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

1.9 INVESTMENTS

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

1.10 INVENTORY VALUATION

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

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

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

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

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

1.11 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.

1.12 TAXATION

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

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and is written - down or written- up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

1.13 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.

1.14 Excise Duty Provision on closing stocks of Finished Goods. 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.

1.15 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.

1.16 REVENUE RECOGNITION

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

1.17 EARNINGS PER SHARE

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

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

Notes to the financial statements for the year ended 31st March 2016**Note No. '2'****(Rs. in lacs)****Share Capital****As at 31st March 2016** As at 31st March 2015**AUTHORISED CAPITAL**

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

ISSUED & SUBSCRIBED & PAID UP

8058900 Equity Shares of Rs. 10/- each, fully paid	805.89	805.89
Paid up Share Capital		
(P.Y. 8058900 equity shares of Rs. 10/- each)		
TOTAL	805.89	805.89

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

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

2.3 Details of shareholders holding more than 5% shares as at March 31, 2016 & March 31, 2015 is set out below:

Particulars	As at 31st March 2016	As at 31st March 2015
Name of the shareholders	% of Holding	% of Holding
ABC Commercial Co Ltd	5.9	5.9
474000 shares (p.y. 474000 shares)		
Mahavir Phototech Pvt Ltd.	11.4	11.4
915561 shares (p.y. 915561 shares)		
Alankar Securities Pvt Ltd	10.0	10.0
807854 shares (p.y. 807854 shares)		
Triveni Securities Pvt Ltd	7.8	7.8
631509 shares (p.y. 631509 shares)		
Sushil Jain	8.6	8.6
689106 shares (p.y. 689106 shares)		

Note No. '3'**(Rs. in lacs)****Reserve & Surplus****As at 31st March 2016** As at 31st March 2015**Surplus**

Surplus		
Opening Balance	4,541.33	4,121.22
Less: Adjustments on account of depreciation (net of DTA)		(46.68)
Add: Net profit for the year	589.23	466.79
Closing Balance	5,130.56	4,541.33
Total	5,130.56	4,541.33

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Note No. '4'	(Rs. in lacs)	
Deferred Tax Liabilities (net)	As at 31st March 2016	As at 31st March 2015
Deferred Tax Liability on account of :		
Accelerated Depreciation/Amortisation	186.40	190.63
Deferred Tax Asset on account of :		
Provision for leave Encashment	(14.01)	(11.07)
Net Deferred tax liability	<u>172.39</u>	<u>179.56</u>

Note No. '5'	(Rs. in lacs)	
Long Term Provisions	As at 31st March 2016	As at 31st March 2015
Employee Benefits		
Provision for Leave Encashment (Refer Note No. 36)	26.06	21.89
TOTAL	<u>26.06</u>	<u>21.89</u>

Note No. '6'	(Rs. in lacs)	
Trade Payables	As at 31st March 2016	As at 31st March 2015
Trade Payables	381.92	338.93
(For micro and small enterprises Refer Note No. 29)		
TOTAL	<u>381.92</u>	<u>338.93</u>

Note No. '7'	(Rs. in lacs)	
Other Current Liabilities	As at 31st March 2016	As at 31st March 2015
Trade Advances	0.21	0.68
Statutory Dues Payable	10.85	10.64
Accrued Salaries & Benefits Payable	68.22	43.21
Others Payable	37.72	80.59
TOTAL	<u>117.00</u>	<u>135.12</u>

Note No. '8'	(Rs. in lacs)	
Short Term Provisions	As at 31st March 2016	As at 31st March 2015
Employee Benefits		
Provision for Leave Encashment (Refer Note No. 34)	16.33	12.23
Provision for Income Tax & Wealth Tax	155.00	162.00
TOTAL	<u>171.33</u>	<u>174.23</u>

Notes to the financial statements for the year ended 31st March 2016

Note No. '9'

Fixed Assets

(Rs. in lacs)

S.No.	Particulars	Gross Block				Depreciation				Net Block	
		Balance as at 01.04.2015		Additions during the Year		Deduction during the Year		Upto 31-3-2016		Balance as at 31.03.2016	
		Rs.		Year		Year		Year			
I Tangible Assets											
1	Land	2.62	-	-	2.62	-	-	-	-	2.62	2.62
2	Building	258.32	3.73	-	262.05	111.18	7.85	-	119.03	143.03	147.14
3	Plant and Equipments	2,939.39	41.28	19.13	2,961.54	2,285.02	56.78	10.89	2,330.91	630.63	654.37
4	Electrical Instalations	319.45	-	-	319.45	106.84	28.13	-	134.97	184.48	212.62
5	Furnitures & Fixtures	12.87	-	-	12.87	5.47	0.93	-	6.40	6.46	7.40
6	Vehicles	126.45	-	17.83	108.63	67.99	21.99	14.37	75.61	33.01	58.47
7	Office Equipments	12.94	5.05	-	17.99	6.28	1.75	-	8.03	9.97	6.66
8	Computer	15.53	1.99	-	17.52	10.26	4.28	-	14.54	2.98	5.27
9	Improvement of Leasehold	69.16	-	-	69.16	15.37	7.68	-	23.05	46.11	53.80
Property Jasola											
SUB TOTAL (A)		3,756.73	52.05	36.96	3,771.83	2,608.41	129.39	25.26	2,712.54	1,059.29	1,148.35

II Intangible Assets

1	Software	23.04	0.54	-	23.58	23.04	0.08	-	23.12	0.46
	SUB TOTAL (B)	23.04	0.54	-	23.58	23.04	0.08	-	23.12	0.46
III	Capital Work In Progress	7.32	28.86	36.18	-	-	-	-	-	7.32

Total [A + B]

(Current Year)	3,779.77	52.58	36.96	3,795.41	2,631.45	129.47	25.26	2,735.66	1,059.75	1,148.34
(Previous Year)	3,729.29	59.40	8.92	3,779.77	2,442.68	196.38	7.61	2,631.45	1,148.34	1,295.31

Note : Building, Plant & Machines, Electrical Installations, Office Equipments, Computers and Furniture includes Rs. 29.65, Rs. 391.66, Rs. 10.09, Rs. 11.35, Rs.4.41 and Rs. 1.15 lacs respectively which includes Office Equipments, Plant & Machiney & Computers of Rs 4.14, 26.15 & .68 lacs purchased respectively during the year towards, assets for R & D purposes.

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Note No. '10' Non-Current Investment (at cost)		(Rs. in lacs)	
	No.	As at 31st March, 2016	As at 31st March, 2015
1 Investment in Mutual Funds (unquoted) (Units of Rs. 10 each, unless otherwise specified)			
a UTI Floating Rate Fund - STP - RP-DDR (NAV Rs. 1076.8777 Units: 52126.009)		-	561.33
b UTI Floating Rate Fund-STP-Institutional Growth Option (NAV Rs. 1562.6568 Units: 4929.8860)		-	56.22
c UTI Treasury Advantage Fund Institutional Growth Plan (NAV Rs.2064.1906 Units: 2919.642)		45.50	45.50
d UTI Floating rate Fund -Short Term Plan -Regular plan Growth (NAV Rs.2447.2070 Units: 101684.623)		2,037.13	2,037.13
e UTI-Fixed Income Interval Fund-VI Quarterly Interval Plan-Retail Option-Direct Plan-Growth (NAV Rs. 18.6526 Units: 334813.208)		50.00	50.00
f UTI-Treasury Advantage Fund - Institutional Plan-Growth (NAV Rs. 2073.9138 Units: 20096.542)		340.00	340.00
2 Investment in Subsidiaries (Unquoted, Trade)			
ITDL Imagetec Limited - Subsidiary Company (Equity shares of Rs. 10 each)	510,000	51.00	51.00
3 Others			
NHAI Taxable Bond (Series XV)		20.30	20.30
TOTAL		<u>2,543.93</u>	<u>3,161.48</u>

Note No. '11' Other Non Current Assets		(Rs. in lacs)	
	As at 31st March 2016	As at 31st March 2015	
Security Deposit			
Security Deposit-Others (Unsecured considered good)	50.71	35.53	
TOTAL	<u>50.71</u>	<u>35.53</u>	

Note No. '12' Current Investments (At the lower of cost and fair value)		(Rs. in lacs)	
	No.	As at 31st March 2016	As at 31st March 2015
1 Investment in Mutual Funds (unquoted) (Units of Rs. 10 each, unless otherwise specified)			
a SBI ARBITRAGE OPP.FUND-RP DVD (NAV Rs. 13.1159 Units: 8057355.833)		1,060.00	-
b KOTAK EQUITY ARBITAGE FUND (NAV RS.10.7494 Units:2932036.391)		315.00	-
TOTAL		<u>1,375.00</u>	<u>-</u>

Note No. '13' Inventories		(Rs. in lacs)	
	As at 31st March 2016	As at 31st March 2015	
1 Raw Material (Including in transit Rs.93.98 lacs (previous year 25.15 lacs)	360.11	305.28	
2 Work-in-Progress (Toners)	145.81	82.38	
3 Finished Goods (Toners)	90.57	54.61	
4 Oil & Lubricants	11.64	12.54	
5 Stores & Spares (Including in transit Rs. 61381/- previous year Nil)	36.87	38.36	
6 Packing Material	23.34	24.75	
TOTAL	<u>668.34</u>	<u>517.92</u>	

(For valuation, refer Note No. 1.9)

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Note No. '14' Trade receivables

(Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
1 Outstanding for a period exceeding six months from the date they are Due for payment Unsecured, Considered Good :	-	-
2 Others receivable Unsecured, Considered Good : (including related party refer note 41)	304.31	587.52
TOTAL	304.31	587.52

Note No. '15' Cash & Bank Balances

(Rs. in lacs)

	As at 31st March 2015	As at 31st March 2014
1 Cash & Cash Equivalent		
Cash -on-Hand		
Cash Balance	3.60	5.47
Sub Total (A)	3.60	5.47
2 Bank Balance		
Current account	53.39	51.54
EEFC account	210.85	153.30
Bank Deposits #	100.00	180.00
Sub Total (B)	364.24	384.84
3 Other Bank Balances		
Balance with Banks to the extend held as Margin Money*	114.55	97.44
Sub Total (C)	114.55	97.44
Total [A + B]	482.39	487.75

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

*Fixed deposits with banks with maturity period more than 3 months but upto 12 months

Note No. '16' Short Terms Loans and Advances

(Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
1 Advances To Employees (Unsecured,considered good)	0.75	1.69
2 Balances with Govt. Authorities		
Balance with Excise/ Sales Tax	25.62	33.66
Service Tax Recoverable	19.36	6.45
3 Others		
Advance to Suppliers (Unsecured considered good)	3.16	-
Advance Income Tax (including TDS)	151.23	154.84
Prepaid Expenses	25.11	9.10
Others	11.69	5.90
TOTAL	236.92	211.64

Note No. '17' Other Current Assets

(Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
1 Interest Accured on Fixed Deposits & Others	8.66	12.53
2 Focus Licence	75.14	26.92
TOTAL	83.80	39.45

Note No. '18' Revenue from Operations

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
1 Sale of Products		
Manufactured goods (Comprises of Toners)	3,327.59	3,326.44
Less : Trade Discount	0.07	0.33
Less :Excise Duty	3.43	30.34
	3,324.09	3,295.77

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2. Other Operating Revenue		
Export Incentives	177.95	129.15
Scrap sale	<u>1.47</u>	<u>0.61</u>
	<u>179.42</u>	<u>129.76</u>
TOTAL	<u>3,503.51</u>	<u>3,425.53</u>

Note No. '19' Other Income

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
1 Interest Income:	14.64	17.33
2 Dividend income		
on current investments	60.75	21.33
from subsidiary	153.00	-
3 Other Income Including Insurance Claim Received	11.33	7.03
4 Foreign Exchange Fluctuations Gain (Net)	8.62	5.46
5 Profit on Sale of Fixed Assets		0.85
TOTAL	<u>248.34</u>	<u>52.00</u>

Note No. '20' Cost of Material Consumed

(Rs. in lacs)

RAW MATERIALS

	For the year ended 31st March 2016	For the year ended 31st March 2015
Opening stock	280.13	188.17
Add: Purchases	1,565.33	1,571.06
Less: Closing Stock	<u>266.13</u>	<u>280.13</u>
Consumed	<u>1,579.33</u>	<u>1,479.10</u>

Imported & Indigenous Raw Material Consumed

(Rs. in lacs)

	For the year ended 31st March 2016 (Rs.)	% of total consumption	For the year ended 31st March 2015 (Rs.)	% of total consumption
1. Imported	1520.74	96.29%	1436.17	97.10%
2. Indigenous	<u>58.59</u>	<u>3.71%</u>	<u>42.93</u>	<u>2.90%</u>
	<u>1579.33</u>	<u>100.00%</u>	<u>1479.10</u>	<u>100.00%</u>

Details of Raw Material Consumed

(Rs. in lacs)

	For the year ended 31st March 2016 (Rs.)	For the year ended 31st March 2015 (Rs.)
1. Resin	991.95	970.92
2. Magnetite	297.43	296.25
3. Others	<u>289.95</u>	<u>211.93</u>
TOTAL	<u>1,579.33</u>	<u>1,479.10</u>

Note No. '21' Other Manufacturing Expenses

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
1 Packing Material Consumed	131.05	140.00
2 Stores and Spares Consumed	17.25	23.82
3 Power & Fuel	333.06	323.74
4 Repair & Maintenance of Plant & Machinery	41.63	39.01
5 Repair & Maintenance of Building	4.42	1.49
6 Security Expenses	<u>10.50</u>	<u>9.77</u>
Total	<u>537.91</u>	<u>537.83</u>

Imported & Indigenous Stores, Spares & packing Material Consumed

(Rs. in lacs)

	For the year ended 31st March 2016 consumption	% of total	For the year ended 31st March 2015 consumption	% of total
Imported	1.98	1.34%	4.59	2.80%
Indigenous	<u>146.32</u>	<u>98.66%</u>	<u>159.23</u>	<u>97.20%</u>
	<u>148.30</u>	<u>100.00%</u>	<u>163.82</u>	<u>100.00%</u>

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Note No. '22' Change in Inventories

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
1 Inventories at the end of the year		
Finished Goods (toners)	90.57	54.60
Work-in-Process (toners)	145.81	82.38
	236.38	136.98
2 Inventories at the beginning of the year		
Finished Goods (toners)	54.61	57.27
Work-in-Process (toners)	82.38	100.95
	136.99	158.22
Decrease/Increase during the year :	<u>(99.39)</u>	<u>21.24</u>

Note No. '23' Employee Benefit Expenses

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
1 Salaries, Wages, Bonus etc.	532.40	457.05
2 Contribution to Provident & Other Fund	24.10	21.24
3 Staff Welfare Expenses	5.83	5.63
TOTAL	<u>562.33</u>	<u>483.92</u>

Note No. '24' Finance Cost

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
1 Interest Expenses	6.64	6.59
TOTAL	<u>6.64</u>	<u>6.59</u>

Note No. '25' Other Expenses

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
1 Rent Account*	15.96	15.86
2 Rates & Taxes	6.50	3.47
3 Insurance Expenses	12.07	7.92
4 Repair & Maintenance of Computers	2.10	2.68
5 Repair & Maintenance Office	1.23	0.99
6 Advertisement & Sales Promotion	29.03	37.51
7 Communication Expenses*	18.49	23.05
8 Travelling Expenses (Including Foreign Travelling) & Conveyance	51.28	42.63
9 Vehicle Running & Maintenance Account*	19.06	17.21
10 Staff Recruitment Expenses	0.21	0.99
11 Printing & Stationery Account	5.56	8.61
12 Electricity & Water Expenses*	3.27	3.24
13 <u>Auditors Remuneration</u>		
As Audit fees	1.50	1.50
As Tax Audit fees	0.50	0.50
For Other Services	-	0.25
14 Legal & Professional Expenses	18.55	58.00
15 Director Siting Fees	4.46	3.23
16 Freight Outward	78.46	96.78
17 Discount and Commission	0.04	10.72
18 Bank Charges	21.75	23.03
19 Office Maintenance	6.87	14.44
20 Loss on Sale of Fixed Assets	3.81	
21 Corporate Social Responsibility	9.77	9.29
22 General Expenses	19.46	14.28
Total	<u>329.93</u>	<u>396.19</u>

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

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Details Of Research & Development Expenses

	For the year ended 31st March 2016	For the year ended 31st March 2015
1. Raw Materials Consumed	2.98	3.91
2. Employees Benefits Expenses	19.85	17.87
3. Other Manufacturing Expenses	10.17	11.56
4. Other Expenses (Including Dep.)	22.41	24.34
Total	55.41	57.68

Note No. '26' Exceptional Items

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Profit / Loss on sale of long term Investment	23.48	167.67
Expenses related to Merger	(5.20)	-
TOTAL	18.28	167.67

Note No. '27' Extraordinary Items

(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Profit on compulsory acquisition of Land by NHAI	-	35.41
TOTAL	-	35.41

Notes to the Financial Statements for the year ended 31st March 2016

(Rs. in lacs)

28.	Contingent liabilities not provided for in respect of:	As at 31st March 2016	As at 31st March 2015
a)	Letters of credit established in favour of the suppliers	556.58	509.64
b)	Guarantee issued by SBI on behalf of Company	—	0.65
c)	Income-tax demand related to AY 2013-14 against which appeals have been preferred	30.19	NIL
d)	Export obligation against advance licenses	334.65	380.22
29.	a) Trade payable includes (i) Rs. Nil (Previous Year Nil) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME).		
	b) No interest is paid/payable during the year to enterprises registered under MSME.		
	c) The above information's have been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under MSME.		
30.	a) Accounting Standard as to Segment Reporting AS -17 is not applicable to the Company as it is engaged in the business of Toners which is the single reportable segment.		
	However, disclosure as to secondary segment is as under:		(Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Geographical Segment:		
i) Domestic Sale (including Excise Duty):	23.50	312.67
ii) Export Sales (including Export benefits):	3481.97	3143.20
	3505.47	3455.87

INDIAN TONERS & DEVELOPERS LIMITED

	(Rs. in lacs)
	For the year ended 31st March 2016
	For the year ended 31st March 2015
b) Details of sales : (including Export Benefit on Export Sales) :	
Sales	3505.47
Excise Duty	(-) 3.43
NET SALES	<u>3502.04</u>
	<u>3455.87</u>
	<u>(-) 30.34</u>
	<u>3425.53</u>

31. a) Estimated benefits aggregating to Rs. 161.18 lacs (Previous Year Rs. 94.74 lacs) against exports effected during the year has been taken into account for the year as incentive accounting in respect of duty free imports of Raw Material under Advance Licence Scheme and corresponding amount has been added to the cost of Materials.
- b) Service Tax amounting to Rs. 19.36 lacs (Previous Year Rs. 6.45 lacs) have been treated as recoverable and are subject to claim yet to be filed with Department.
32. Amount of Exchange difference debited to the statement of Profit & Loss Account amounted to Rs. 29.62 lacs (previous year Rs. 22.49 lacs) and credited to the statement of Profit & Loss Account amounted to Rs. 38.24 lacs (Previous Year Rs. 27.95 lacs)
33. R & D expenses included under various heads Rs. 55.41 Lacs Including Raw Material Consumption Rs. 2.98 Lacs & Depreciation Rs. 19.13 Lacs (Previous year Rs. 57.68 Lacs Raw Material Consumption Rs. 3.92 Lacs & Depreciation of Rs. 20.34 Lacs) respectively.
34. The Company has calculated the various benefits provided to employees as under:
- A) Defined Contribution Plans
- Provident Fund

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

	For the year ended 31st March 2016	For the year ended 31st March 2015
	(Rs. In. Lacs)	
Employers Contribution to Provident Fund State Plans	22.43	21.06
B) State Plans		
Employee State Insurance (ESI)		

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

	For the year ended 31st March 2016	For the year ended 31st March 2015
	(Rs. In. Lacs)	
Employers Contribution to Employee State Insurance	0.06	0.17
C) Defined Benefit Plans		
a) Gratuity		
b) Leave Encashment		

The discount rate assumed is 8% (Previous Year 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:

INDIAN TONERS & DEVELOPERS LIMITED

Particulars	(Rs. in lacs)					
	Gratuity (Funded)*			Leave Encashment (Unfunded)*		
	Current Year	Current Year	Previous Year	Previous Year	Current Year	Previous Year
	(Policy No. 103000250)	(Policy No. 304782)	(Policy No. 103000250)	(Policy No. 304782)		
The principal assumptions used in actuarial valuation as per below:						
· Discount rate	8.00%	8.35%	8.75%	9.00%	8%	8%
· Expected rate of return on assets	—	—	—	—	5%	5%
· Expected rate of future salary increase	—	—	—	—	5%	5%
Change in present value of obligations						
· Present value of obligations as at 01.04.2015	0.61	75.18	0.11	56.13	34.13	25.95
· Interest cost / Contribution	0.07	6.37	0.01	5.29	2.72	2.33
· Current service cost	0.61	6.85	0.50	15.81	5.88	4.79
· Benefits paid/transferred	(0.02)	(2.36)	(0.01)	(2.05)	—	—
· Actuarial Gain on Obligations	—	—	—	—	(0.04)	1.06
· Present value of obligation as at 31.03.2016	1.27	86.04	0.61	75.18	42.69	34.13
Changes in fair value of plan assets						
	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Liability recognized in the Balance Sheet						
· Present value of obligations as at 31.03.2016					42.69	34.13
· 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					42.69	34.13
Expenses recognized in Statement of Profit and Loss						
· Current service cost	0.61	6.85	0.50	15.81	5.88	4.79
· Interest cost	—	—	—	—	2.73	2.34
· Expected return on plan assets	—	—	—	—	—	—
· Net Actuarial (Gain) / Loss recognized during the year	—	—	—	—	(0.04)	1.06
· Total Expense recognized in Statement of Profit and Loss	0.61	6.85	0.50	15.81	8.57	8.18

*Funded with L.I.C.

35. Particulars of unhedged foreign currency expenses as at 31.03.2016:			(Rs. in lacs)
	For the year ended 31st March 2016	For the year ended 31st March 2015	
Creditors for import of Goods in USD	748356	459270	
Creditors for import of Goods in JPY	9390000	4680000	
Debtors for export of Goods in USD	426992	749480	
36. VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS:			(Rs. in lacs)
	For the year ended 31st March 2016	For the year ended 31st March 2015	
i) Raw Materials	1507.21	1428.82	
ii) Stores & Spares and packing materials	1.98	5.18	

INDIAN TONERS & DEVELOPERS LIMITED

37. Expenditure in foreign currency : (Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
(i) Foreign Travels	21.61	14.06
(ii) Consultancy Charges	Nil	28.34
(iii) Others (Exhibition, Advertisement etc.)	19.67	24.32

38. Earning in Foreign Exchange : (Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
FOB Value of Exports	2991.02	2990.40

39. Calculation of Earning Per Share : (Rs. in lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
1. No. of Shares at the beginning of the year	8058900	8059000
2. No of Shares at the close of the year	8058900	8059000
3. Net Profit after Tax (Rs. in lacs)	589.23	466.78
4. E. P. S. Rs.	7.31	5.79

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

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

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

Particulars	Subsidiary Companies	Key Management Personnel	Relative of Key Management Personnel	Enterprises referred in (1)(d) above
Remuneration	—	136.91	64.65	—
Paid	—	(120.30)	(53.95)	—
Rent Received	42.18	—	—	—
	(42.18)	—	—	—
Expenses	18.70	—	—	—
Recovered	(17.32)	—	—	—
Divident/ Interim Divident	102.00	—	—	—
Received from Subsidiary co.	(51.00)	—	—	—

Note :-

- i) Figures in the bracket are for the previous year.
- ii) In addition to above during the year Company entered into an agreement of High Seas Sale with Subsidiary company (ITDL Imagetec Ltd.), total Sales on High seas basis is Rs. 35.75 Lacs (previous Year Rs- Nil) . Local Sale & Purchase Rs. 12.62 Lacs (Previous year Rs. 43.45 Lacs) & Rs. 1.45 Lacs (Previous Year Rs. 29.41 Lacs) respectively from subsidiary company. Also the company has sold Licenses under Focus scheme to subsidiary company of amounting Rs. 30.81 Lacs (Previous Year Rs. Nil Lacs)

41. **Corporate Social Responsibility**

As per the requirements of Section 135 of Companies Act, 2013 company is liable to spend 2% of its average net profits of three preceding years as an Expense on Corporate Social Responsibility. Average Net profits (calculated as per the provisions of Sec. 198 of Companies Act 2013) of Last three years is Rs.488.25 Lacs and 2% of which is Rs. 9.77 Lacs and this whole amount was donated to Prime Minister National Relief Fund as a CSR initiative.

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

43. Scheme of Amalgamation:

The Board in its meeting held on 23rd March, 2016 passed a resolution for the scheme of Arrangement for Amalgamation of ITDL Imagetec Limited (its Subsidiary) ABC commercial Co. Ltd., Alankar Securities (P) Ltd, Triveni Securities (P) Ltd and Mahavir Phototech (P) Ltd with the company with effect from 1st April, 2016. Pursuant to the said resolution, the company has filed an application for Amalgamation. The Scheme is subject to approval by the members of the respective Companies and also of the respect Hon'ble High Courts. As the scheme is effective from 01.04.2016 hence, there is no affect of such scheme on the financial statements for 2015-16.

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

Chartered Accountants

ICAI's FRN 304153E

(B.R.GOYAL)

Partner

Membership No. 12172

11K, Gopala Tower,

25, Rajendra Place, New Delhi

The 25th Day of May 2016

(S.C. SINGHAL)
Company Secretary

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

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Chairman &
Managing Director

For and on Behalf of the Board of Directors

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016 (Rs. in Lacs)

S.NO. PARTICULARS	2015-16	2014-15
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	723.92	619.50
Adjustment for :		
Depreciation & Amortisation	129.47	135.98
Loss/(profit) on sale of Fixed Assets	3.81	(35.99)
Loss/(profit) on sale of Investments	(23.48)	(167.67)
Interest Expenses	6.64	6.59
Interest income	(14.64)	(17.33)
Provision for Leave Encashment	8.26	8.18
Liabilities / provisions no longer required written back/		
Sundry Balances write off/ back	(5.80)	0.00
Unrealised Foreign Exchange (Gain) / Loss	(0.25)	(5.46)
Income from Current Investment (Non Trade) Dividend	(213.75)	(21.33)
Operating Profit before Working Capital Changes	614.18	522.47
Adjustment for :		
(Increase)/Decrease in Inventories	(150.41)	(49.87)
(Increase)/Decrease in Trade Receivables & Other Receivables	212.06	26.44
Increase/(Decrease) in Trade Payables & Other Payables	30.92	(49.94)
Cash Generated from Operations	706.75	449.10
Direct Taxes Paid/Refund (Net)	(147.32)	(155.03)
Net Cash Inflow/(Outflow) from Operating Activities (A)	559.43	294.07
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets / Capital Advances & Capital Work-in-Progress	(45.27)	(57.96)
(Purchase) / Sale of Investments	(733.97)	(293.30)
Proceeds from Sale of Fixed Assets	7.88	37.28
Movement in Other Bank Balances	(32.30)	4.29
Interest Received	14.64	17.33
Dividend Received	213.75	21.33
Net Cash Inflow/(outflow) from Investing Activities (B)	(575.27)	(271.03)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Paid (6.64)	(6.64)	(6.59)
Net cash Inflow/(outflow) from financing activities (C)	(6.64)	(6.59)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(22.48)	16.45
Add: Cash and Cash Equivalents at the Beginning of the year	390.31	373.86
Cash and Cash Equivalents at the Closing of the year	367.83	390.31

Notes:

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

As per our Report of Even Date attached

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

Chartered Accountants

ICAI's FRN 304153E

(B.R.GOYAL)

Partner

Membership No. 12172

11K, Gopala Tower,

25, Rajendra Place, New Delhi

The 25th Day of May 2016

(S.C. SINGHAL)
Company Secretary**(N.K.MAHESHWARI)**
C.F.O.**(SANJEEV GOEL)**
Director**(SUSHIL JAIN)**
Chairman &
Managing Director

For and on Behalf of the Board of Directors

AUDITORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

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

Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated financial statements of INDIAN TONERS & DEVELOPERS LIMITED (the Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's responsibility for the Consolidated Financial Statements

- 2 The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the Consolidated Financial position, consolidated financial performance and Consolidated Cash Flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the company is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

- 3 Our responsibility is to express an opinion on these consolidated financial statements based on our audit while conducting the audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design the audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the Holding company Board of the Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2016, and their consolidated profit and their consolidated cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirement

8. As required by Section 143 (3) of the Act, we report that :

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
- b) in our opinion proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
- c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the Directors of the Holding Company as on March 31, 2016, taken on record by the Board of Directors of the Holding Company the report of the statutory auditors of and its subsidiary company in corporate in India none of the Directors of the Group companies incorporated in India is disqualified as on March 31, 2016, from being appointed as a Director of the company in terms of Sub section 2 of section 164 of the Act.
- f) With respect to the adequacy of the Internal Financial Controls over the financial reporting of the Group and operating effectiveness of such controls, refer to our separate Report in "Annexure - A"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of

our information and according to the explanations given to us:

- i. The Consolidated Financial Statements disclose the possible impact of pending litigations on the consolidated financial position of the Group Refer Note 31 (c) to the Consolidated Financial Statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there any material foreseeable losses.
- iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

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

(B.R.GOYAL)
PARTNER

Membership No. 12172

Place of Signature: New Delhi
Date: 25th May, 2016

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INDIAN TONERS & DEVELOPERS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of

Section 143 of the Companies Act, 2013 (“the Act”)

In Conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the Internal financial controls over financial reporting of Indian Toners & Developers Limited (“the Holding Company”) and its subsidiary companies which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

Place of Signature : New Delhi
Date: 25th May, 2016

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information & according to the explanation given to us, company & its subsidiary company, incorporated in India, have in all material respects an adequate internal financial system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”

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

(B.R.GOYAL)
PARTNER

Membership No. 12172

Consolidated Balance Sheet As At 31st March 2016 (Rs. in lacs)

S.No.	Particulars	Note No.	As at 31st March 2016	As at 31st March 2015
I EQUITY AND LIABILITIES				
(1) Shareholders' Fund				
(a)	Share Capital	2	805.89	805.89
(b)	Reserves and Surplus	3	7,613.09	6,636.47
(2) Minority Interest				
			2,964.22	2,360.10
(3) Non-Current Liabilities				
(a)	Deferred Tax Liabilities (Net)	4	535.06	442.11
(b)	Other Long Term Liabilities	5	72.20	71.87
(c)	Long Term Provisions	6	46.18	40.23
(4) Current Liabilities				
(a)	Trade Payables	7	1,289.87	1,051.30
(b)	Other Current Liabilities	8	377.10	313.03
(c)	Short-Term Provisions	9	526.77	615.36
TOTAL			14,230.38	12,336.37
II.ASSETS				
(1) Non-Current Assets				
(a)	Fixed Assets	10		
	(i) Tangible Assets		4,120.06	3,321.63
	(ii) Intangible Assets		0.45	-
	(iii) Capital Work in progress		-	865.40
(b)	Non-Current Investments	11	2,939.03	3,556.58
(c)	Long term Loans and Advances	12	26.77	71.32
(d)	Other Non Current Assets	13	830.22	805.27
(2) Current Assets				
(a)	Current Investments	14	2,305.00	-
(b)	Inventories	15	1,339.60	1,071.16
(c)	Trade Receivables	16	1,064.90	1,126.18
(d)	Cash and Bank Balances	17	812.09	902.27
(e)	Short-term Loans and Advances	18	684.92	569.20
(f)	Other Current Assets	19	107.34	47.36
TOTAL			14,230.38	12,336.37

Significant Accounting Policies

1

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

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

Partner
Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 25th Day of May 2016

(S.C. SINGHAL)
Company Secretary

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

For and on Behalf of the Board

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

INDIAN TONERS & DEVELOPERS LIMITED

Consolidated Statement of Profit & Loss Account for the period ended on 31st March, 2016
(Rs. in lacs)

Particulars	Note No.	For the year ended 31st March, 2016	For the year ended 31st March, 2015
REVENUE			
Revenue from Operations (Gross)	20	10,916.69	9,586.47
Less: Excise Duty		3.43	30.35
Revenue from Operations (Net)		10,913.26	9,556.12
Other Income	21	190.85	94.67
Total Revenue		11,104.11	9,650.79
EXPENSES:			
Cost of Materials Consumed	22	4,751.30	3,818.45
Other Manufacturing Expenses	23	1,414.70	1,241.40
Change in Inventories of Finished goods & Work-in-process	24	(136.61)	108.61
Employee Benefit Expenses	25	1,169.43	969.55
Finance Costs	26	24.04	17.87
Depreciation and Amortization Expense	10	306.22	269.50
Other Expenses	27	1,350.78	1,303.08
Total Expenses		8,879.86	7,728.46
Profit before Exceptional and Extraordinary items and Tax		2,224.25	1,922.33
Exceptional items	28	18.28	167.67
Profit before Extraordinary items and Tax		2,242.53	2,090.00
Extraordinary Items	29	-	35.14
Profit before Tax		2,242.53	2,125.14
Tax expense:			
(1) Current Tax		(504.62)	(519.19)
(2) Taxes in respect of earlier years		12.83	(6.40)
(3) Deferred Tax		(92.95)	8.30
(4) Mat Credit Entitlement		11.16	-
(5) Excess/ Short Provision adjusted		(0.49)	-
Profit for the year (Before adjustment for Minority Interest)		1,668.46	1,607.85
Minority Interest		604.12	559.11
Profit for the year (After adjustment for Minority Interest)		1,064.34	1,048.74
Earning Per equity share of Rs. 10/- each			
1. Basic (in Rs.)	44	13.21	13.01
2. Diluted (in Rs.)	44	13.21	13.01
Significant Accounting Policies	1		
The Accompanying Notes form an integral part of these financial statements 01-50			

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

Partner
Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 25th Day of May 2016

(S.C. SINGHAL)
Company Secretary

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

For and on Behalf of the Board

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

INDIAN TONERS & DEVELOPERS LIMITED (CONSOLIDATED)

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 March 2016

NOTE:-1 : SIGNIFICANT ACCOUNTING POLICIES**GENERAL INFORMATION**

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

1.1 BASIS OF PREPARATION & PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements include the accounts of ITDL Imagetec Limited. The financial year end of the Subsidiary is 31st March, 2016.

The accounts of the Group are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the other relevant provisions of the Companies Act, 2013 (including provisions of Companies Act, 1956 which continue to remain in force, to the extent applicable, pronouncements of the Institute of Chartered Accountants of India, and the guidelines issued by the Securities and Exchange Board of India ("SEBI") to the extent applicable. The Consolidated Financial Statements are presented as per Schedule III to the Companies Act, 2013 and in Indian rupees rounded off to the nearest Lacs.

The financial statements of the Company and its subsidiary companies have been combined substantially on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transaction and unrealized profits.

The consolidated Financial Statements have been prepared in accordance with the Accounting Standard 21 (AS-21) "Consolidated Financial Statements notified by the Central Government of India and using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's separate financial statements.

All the Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent the Company has ascertained its operating cycle to be less than 12 months.

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

1.2 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.

1.3 TANGIBLE AND INTANGIBLE FIXED ASSETS :

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

1.4 DEPRECIATION AND AMORTIZATION OF FIXED ASSETS

TANGIBLE ASSETS

- a) Depreciation is provided on tangible assets on straight line method on all assets based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- b) Plant & Machinery is depreciated treating it as continuous process Plant (except R & D Plant), at rates and in the manner as per Part-C of Schedule II to the Companies Act, 2013 (as amended). Depreciation on assets added / deducted during the year is charged proportionate with reference to the date of additions / deductions.
- c) Depreciation on R&D Plant & Machinery is charged, treating the same as non-continuous, in the same manner as mentioned above.
- d) Fixed assets individually costing up to rupees five thousand are depreciated at the rate of 100 percent.

INTANGIBLE ASSETS

- a) Softwares are amortized on straight line method over a period of three years.

1.5 IMPAIRMENT OF ASSETS

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

1.6 LEASES

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

1.7 RESEARCH & DEVELOPMENT

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

Capital expenditure on Research & Developments is treated in the same manner as Fixed Assets. The Revenue expenditure on R&D is charged off in the year in which the same are incurred.

1.8 EMPLOYEE BENEFITS

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

- The Company has opted for a group gratuity cum Life Assurance Scheme of the Life Insurance Corporation of India for employees and the annual contribution for it is charged to the statement of profit & loss on the accrual basis.
- All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits such as salaries, wages and bonus etc. and recognized in the statement of profit & loss in the period in which the employee renders the related service.

1.9 INVESTMENTS

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

1.10 INVENTORY VALUATION

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

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

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

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

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

1.11 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.

1.12 TAXATION

- a) Current tax is provided at the rates in force, on the taxable profits arrived at with reference to the provisions of Income Tax Act, 1961.
- b) Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax

liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and is written - down or written- up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

1.13 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.

- 1.14 Excise Duty Provision on closing stocks of Finished Goods. 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.

1.15 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.

1.16 REVENUE RECOGNITION

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

1.17 EARNINGS PER SHARE

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

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

Notes to the Consolidated financial statements as at 31st March 2016**Note No. '2'****(Rs. in lacs)****Share Capital****As at 31st March 2016** **As at 31st March 2015****AUTHORISED CAPITAL**

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

ISSUED, SUBSCRIBED & PAID UP CAPITAL

8058900 Equity Shares of Rs. 10/- each	805.89	805.89
(P.Y. 8058900 equity shares of Rs. 10/- each)		
TOTAL	805.89	805.89

- 2.1. During the current year and in the previous year, there have been no movements in the number of the equity shares outstanding.
- 2.2. The Company held has only one class of equity shares, having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.
- 2.3. The Details of shareholders holding more than 5% of the aggregate shares in the company.

<u>Name of the shareholders</u>	As at 31st March 2016 % of Holding	As at 31st March 2015 % of Holding
ABC Commercial Co Ltd	5.9	5.9
474000shares (p.y.474000shares)		
Mahavir Phototech Pvt Ltd.	11.4	11.4
915561shares (p.y. 915561shares)		
Alankar Securities Pvt Ltd	10.0	10.0
807854 shares (p.y. 807854 shares)		
Triveni Securities Pvt Ltd	7.8	7.8
631509 shares (p.y.631509 shares)		
Sushil Jain	8.6	8.5
689106 shares (p.y.689106 shares)		

Note No. '3'**(Rs. in lacs)****Reserve & Surplus****As at 31st March 2016** **As at 31st March 2015****1. Surplus**

Opening Balance	6,636.47	5,758.53
Add: Net profit for the year after Minority interest	1,064.34	1,048.73
Less: Adjustment on account of depreciation (net of DTA)*	-	50.30
Less: Propose/ Interim Dividend on Equity Shares for the year	47.00	100.00
Less: Dividend Distribution Tax	40.72	20.47
TOTAL	7613.09	6,636.47

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '4'	(Rs. in lacs)	
Deferred Tax Liabilities (net)	As at 31st March 2016	As at 31st March 2015
1. Deferred Tax Liability on account of : Accelerated Depreciation	558.05	461.13
2. Deferred Tax Asset on account of : Provision for leave Encashment	<u>(22.99)</u>	<u>(19.02)</u>
NET DEFERRED TAX LIABILITY	<u>535.06</u>	<u>442.11</u>

Note No. "5"	(Rs. in lacs)	
Other Long Term - Liabilities	As at 31st March 2016	As at 31st March 2015
Trade Deposits from Dealers & Distributors	72.20	71.87
TOTAL	<u>72.20</u>	<u>71.87</u>

Note No. '6'	(Rs. in lacs)	
Long Term Provisions	As at 31st March 2016	As at 31st March 2015
Employee Benefits		
Leave Encashment (Refer Note No. 39)	46.18	40.23
TOTAL	<u>46.18</u>	<u>40.23</u>

Note No. '7'	(Rs. in lacs)	
Trade Payables	As at 31st March 2016	As at 31st March 2015
Trade Payable	1289.87	1051.30
(For micro and small enterprises Refer Note No. 32)		
TOTAL	<u>1289.87</u>	<u>1051.30</u>

Note No. '8'	(Rs. in lacs)	
Other Current Liabilities	As at 31st March 2016	As at 31st March 2015
1. Trade Advances	29.45	32.70
2. Statutory Dues Payable	23.59	25.54
3. Bank Book Overdraft	40.99	22.13
4. Accrued Salaries & Benefits Payable	98.98	71.69
5. Others Payable	184.09	160.97
TOTAL	<u>377.10</u>	<u>313.03</u>

Note No. '9'	(Rs. in lacs)	
Short Term Provisions	As at 31st March 2016	As at 31st March 2015
Employee Benefit		
1. Leave Encashment (Refer Note No. 39)	22.15	17.30
Others		
1. Dividend on Equity Shares	-	100.00
2. Dividend Distribution Tax	-	20.47
3. Income & Wealth Tax	504.62	477.59
TOTAL	<u>526.77</u>	<u>615.36</u>

Notes to the Consolidated financial statements as at 31st March, 2016

Note No. '10'

Fixed Assets

(Rs. in lacs)

Gross Block					Depreciation			Net Block	
S.No.	Particulars	Balance as at 01.04.2015	Additions during the year	Deduction during the year	Balance as at 01.04.2015	Addition during the year	Deduction during the year	Balance as at 31-3-2016	Balance as at 31.03.2016
I Tangible Assets									
1	Land	329.90	-	-	-	-	-	-	329.90
2	Building	856.25	137.48	-	225.41	30.09	-	255.50	738.23
3	Plant and Machinery	4,569.00	826.97	34.18	2,771.93	165.01	15.88	2,921.06	2,440.73
4	Electrical Installations	398.27	89.10	-	136.28	46.73	-	183.01	304.36
5	Furniture & Fixtures	60.30	-	-	18.83	6.41	-	25.24	35.06
6	Vehicles	262.32	55.33	23.01	294.64	39.40	19.03	97.45	197.19
7	Office Equipments	35.51	10.19	4.76	40.94	4.89	4.52	22.41	18.53
8	Computer	29.74	8.09	1.85	35.98	21.88	1.76	26.04	9.94
9	Improvement of Leasehold Property	69.16	-	-	15.36	7.68	-	23.04	46.12
SUB TOTAL (A)		6,610.44	1,127.16	63.80	3,288.81	306.13	41.19	3,553.75	4,120.06
II Intangible Assets									
1	Software	34.50	0.54	-	34.50	0.09	-	34.59	0.45
SUB TOTAL (B)		34.50	0.54	-	34.50	0.09	-	34.59	0.45
III Capital Work-in-progress									
	Capital Work-in-progress	865.40	136.25	1,001.65	-	-	-	-	865.40
SUB TOTAL (C)		865.40	136.25	1,001.65	-	-	-	-	865.40
Total [A + B + C]									
(Current Year)		7,510.34	1,263.96	1,065.45	3,323.31	306.22	41.19	3,588.33	4,120.51
(Previous Year)		6,507.60	1,064.47	61.73	3,007.36	335.38	19.43	3,323.31	4,187.03
									3,508.95

Note : Building, Plant & Machineries, Electrical Installations, Office Equipments and Computers includes Rs. 29.65, Rs. 391.66 , Rs. 11.35, Rs. 4.41 and Rs. 1.15 lacs respectively which includes Office Equipments . Building & Computers of Rs 4.14,26.15 & .68 lacs purchased respectively during the year towards, assets for R & D purposes.

INDIAN TONERS & DEVELOPERS LIMITED
Note No. '11' Non Current Investment (At cost) (Rs. in lacs)

	No.	As at 31st March, 2016	As at 31st March, 2015
1. Investment in Mutual Funds (unquoted) (Units of Rs. 10 each, unless otherwise specified)			
a UTI Floating Rate Fund - STP - RP-DDR (NAV Rs. 1076.877 Units: 52126.009)			561.33
b UTI Floating Rate Fund-STP- Regular Plan Growth "(NAV Rs. 2393.6197 Units: 21453.108)"(P.Y NAV Rs.-1174.08 Lacs P.Y Units-56722.606)"		446.10	502.32
c UTI Treasury Advantage Fund Institutional Growth Plan (NAV Rs. 2019.1945 Units: 2919.642) (P.Y. NAV Rs.-403.81 Lacs P.Y Units-23256.642)		45.50	45.50
d UTI Floating rate Fund -Short Term Plan -Regular plan Growth (NAV Rs. 2393.6127 Units: 101684.623) (P.Y. NAV Rs.-166.12 Lacs P.Y Units-10462.808)		2,037.13	2,037.13
e UTI Fixed Term Income Fund Series XV-IX (366 Days) -Direct Growth Plan (P.Y. NAV Rs. 478.12 Lacs P.Y. Units: 4500000)		-	-
f UTI-Fixed Income Interval Fund-VI Quarterly Interval Plan-Retail Option-Direct Plan-Growth (NAV Rs. 18.2866 Units: 334813.208) (P.Y. NAV Rs. 52.96 Lacs P.Y. Units: 334813.208)		50.00	50.00
g UTI-Treasury Advantage Fund - Institutional Plan Direct Plan-Growth (NAV Rs.2027.9561 Units: 20096.542) (P.Y. NAV Rs. 349.61 Lacs P.Y. Units: 20096.542)		340.00	340.00
h NHAI Taxable Bond (Series XV)		20.30	20.30
TOTAL		2,939.03	3,556.58

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

	As at 31st March 2016	As at 31st March 2015
l) Capital Advances		
Unsecured, considered good		71.32
	26.77	
TOTAL	26.77	71.32

Note No. '13' Other Non Current Assets (Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
1 Mat Credit Entitlement	731.20	720.04
2 Security Deposit		
Security Deposit-Others (Unsecured Considered good)	99.02	85.23
TOTAL	830.22	805.27

Note No. '14' Current Investments (At the lower of cost and fair value) (Rs. in lacs)

	No.	As at 31st March 2016	As at 31st March 2015
1 Investment in Mutual Funds (unquoted) (Units of Rs. 10 each, unless otherwise specified)			
a Kotak Equity Arbitrage Fund NAV Rs.10.7494, Units- 2932036.391)		695.00	-
b SBI ARBITRAGE OPP.FUND-RP DVD (NAV Rs. 13.0963, Units: 12239246.565)		1,610.00	-
TOTAL		2,305.00	-

Note No. '15' Inventories (Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
1 Raw Material (Including in transit Rs 405.17 lacs p.y. Rs 213.58 lacs)	865.98	743.36
2 Work-in-Process (Toners)	167.05	93.57
3 Finished Goods (Toners)	135.55	72.42
4 Oil & Lubricants	22.07	25.46
5 Stores & Spares	84.39	72.98
6 Packing Material	64.56	63.37
TOTAL	1,339.60	1,071.16

(For valuation, refer note no 1.10)

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '16' Trade receivables

(Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
1 Outstanding for a period exceeding six months from the date they are		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	13.35	-
c) Doubtful not provided for		-
2 Other Receivables		
a) Secured, Considered Good :	72.20	18.28
b) Unsecured, Considered Good :	979.35	1,107.90
c) Doubtful	-	-
TOTAL	1,064.90	1,126.18

Note No. '17' Cash & Bank Balances

(Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
1 Cash & Cash Equivalent		
Cash Balance	6.58	7.02
Sub Total (A)	<u>6.58</u>	<u>7.02</u>
Balance with Bank		
Current account	105.96	72.22
EEFC account	303.76	153.30
Bank Deposits #	100.00	420.00
Cheque in hand	0.69	
Sub Total (B)	<u>510.41</u>	<u>645.52</u>
With SBI, Jasola (Emp. Trust A/C) (C)	<u>0.33</u>	<u>0.31</u>
2 Other Bank Balances		
Margin Money held with Bank having maturity more than 3 months but upto 12 months*	234.70	196.26
Fixed Deposit with Banks having maturity of more than 12 months #	<u>60.07</u>	<u>53.16</u>
Sub Total (D)	<u>295.10</u>	<u>249.73</u>
Total [A + B + C + D]	812.09	902.27

#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

(Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
1 Advances To Employees (Unsecured,considered good)	3.45	1.72
2 Balances with Govt. Authorities		
Balance with Excise/ Sales Tax	25.62	33.66
Service tax Recoverable	19.36	6.45
3 Others		
Advance to Suppliers	16.46	4.76
Advance Income Tax (including TDS)	556.80	498.07
Prepaid Expenses	51.54	18.63
Others	11.69	5.91
TOTAL	684.92	569.20

Note No. '19' Other Current Assets

(Rs. in lacs)

	As at 31st March 2016	As at 31st March 2015
1 Interest Accrued (but not due) on Fixed Deposits & others	17.31	20.44
2 Insurance Claims Receivable	0.34	-
3 Focus Licence in hand	89.69	26.92
TOTAL	107.34	47.36

INDIAN TONERS & DEVELOPERS LIMITED

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

	Year ended 31st March 2016	Year ended 31st March 2015
1 Sale of Products		
Manufactured goods (Comprises of Toners)	10,993.93	9,715.27
Less : Discount and Allowances	(258.19)	259.47
Less :Excise Duty	(3.43)	30.35
Sub Total (A)	<u>10,732.32</u>	<u>9,425.45</u>
2 Other Operating Revenue		
Export Incentives	177.96	129.15
Scrap sale	2.99	1.51
Sub Total (B)	<u>180.94</u>	<u>130.66</u>
Total (A+B)	<u>10,913.26</u>	<u>9,556.12</u>

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

	Year ended 31st March 2016	Year ended 31st March 2015
1 Interest Income	41.24	39.03
2 Dividend income		
on current investments	94.84	21.33
3 Provision no longer required written back	13.36	7.85
4 Other Non Operating Incomes	14.01	9.02
5 Sundry Balances written back	4.49	3.74
6 Cash Discounts	14.29	7.38
7 Foreign Exchange Fluctuation	8.62	5.46
8 Profit on sale of Fixed Assets		0.85
TOTAL	<u>190.85</u>	<u>94.65</u>

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

	Year ended 31st March 2016	Year ended 31st March 2015
Raw Materials		
Opening stock	643.59	322.51
Add: Purchases	4,568.12	4,139.53
Less: Closing Stock	460.41	643.59
RAW MATERIALS CONSUMED	<u>4,751.30</u>	<u>3,818.45</u>

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

	% of Consumption	For the year ended 31st March 2015	% of Consumption	For the year ended 31st March 2016
a) Imported	98.15	4709.02	98.69	3768.57
b) Indigenous	1.85	88.52	1.31	49.88
TOTAL	<u>100.00</u>	<u>4,797.54</u>	<u>100.00</u>	<u>3,818.45</u>

Details of Raw Material Consumed (Rs. in lacs)

a) Resin	2766.43	2,317.27
b) Magnetite	1264.85	905.25
c) Others	720.02	595.93
TOTAL	<u>4,751.30</u>	<u>3,818.45</u>

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

	For the year ended 31st March 2016	For the year ended 31st March 2015
1 Packing Materials Consumed	467.83	416.67
2 Stores and Spares Consumed	71.30	81.05
3 Power & Fuel	786.07	658.48
4 Repairs & Maintenance - Plant & Machinery	53.91	54.26
5 Repair & Maintenance - Building	12.07	9.31
6 Security Expenses	23.52	21.63
TOTAL	<u>1,414.70</u>	<u>1,241.40</u>

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

	% of Consumption	For the year ended 31st March 2016	% of Consumption	For the year ended 31st March 2015
a) Imported	0.36	1.99	1.03	5.11
b) Indigenous	99.67	537.14	98.97	492.61
TOTAL	<u>100.00</u>	<u>539.13</u>	<u>100.00</u>	<u>497.72</u>

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '24' Change in Inventories of Finished Goods & Work-in-Progress (Rs. in lacs)

Year ended 31st March 2016 Year ended 31st March 2015

1	<u>Inventories at the end of the year</u>		
	Finished Goods (toners)	135.55	72.42
	Work-in-Process (toners)	167.05	93.57
		<u>302.60</u>	<u>165.99</u>
2	<u>Inventories at the beginning of the year</u>		
	Finished Goods (toners)	72.42	142.97
	Work-in-Process (toners)	93.57	131.63
		<u>165.99</u>	<u>274.61</u>
	NET DECREASE/(INCREASE) DURING THE YEAR	<u>(136.61)</u>	<u>108.62</u>

Note No. '25' Employee Benefit Expenses (Rs. in lacs)

Year ended 31st March 2016 Year ended 31st March 2015

1	Salaries, Wages, Bonus etc.	1,101.40	909.37
2	Contribution to Provident & Other Fund	49.24	44.32
3	Staff Welfare Expenses	18.79	15.86
	TOTAL	<u>1,169.43</u>	<u>969.55</u>

Note No. '26' Finance Cost (Rs. in lacs)

Year ended 31st March 2016 Year ended 31st March 2014

1	Interest Expenses	24.04	17.87
	TOTAL	<u>24.04</u>	<u>17.87</u>

Note No. '27' Other Expenses (Rs. in lacs)

Year ended 31st March 2016 Year ended 31st March 2015

1	Rent	63.73	63.60
2	Rates & Taxes	9.72	12.23
3	Insurance	23.51	19.16
4	Repairs & maintenance - Computers	8.67	4.37
5	Repair & maintenance Office	18.84	26.93
6	Advertisement & Sales Promotion	76.95	73.36
7	Communication Expenses	28.91	33.61
8	Travelling Expenses (Including Foreign Travelling) & Conveyance	186.16	181.29
9	Vehicle Running & Maintenance	28.30	34.65
10	Staff Recruitment & Seminar Expenses	2.56	2.71
11	Printing & Stationery	20.06	23.50
12	Electricity & Water Expenses	6.61	6.04
13	<u>Auditors Remuneration</u>		
	As Audit fees	3.80	3.75
	As Tax Audit fees	0.79	0.78
	For Other Services	-	0.80
14	Legal, Professional & Consultancy Expenses	27.69	67.97
15	Director Sitting Fees	5.03	3.62
16	Freight, Clearing & Forwarding Expenses	218.72	244.76
17	Discount & Samples	404.11	370.18
18	Bank Charges	35.12	31.65
19	Office Maintenance	6.87	
20	Commission on Sales	37.21	19.06
21	Loss on Sale of Fixed Assets	10.12	3.23
22	Corporate Social Responsibility Expenses (Refer Note.47)	35.35	28.03
23	General Expenses	34.97	26.25
24	Foreign Exchange Fluctuations	56.98	21.54
	TOTAL	<u>1,350.78</u>	<u>1,303.08</u>

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

Year ended 31st March 2016 Year ended 31st March 2015

1	Profit / (Loss) on sale of long term investment	23.48	167.67
	Expenses related to Merger	(5.20)	
	TOTAL	<u>18.28</u>	<u>167.67</u>

INDIAN TONERS & DEVELOPERS LIMITED

Note No. '29' Extraordinary Items

(Rs. in lacs)

	Year ended 31st March 2016	Year ended 31st March 2015
1 Profit on compulsory acquisition of Land by NHAI	-	35.14
TOTAL	-	35.14

Details of Research & Development Expenses

	Year ended 31st March 2016	Year ended 31st March 2015
1 Raw Materials Consumed	2.98	3.91
2 Employees Benefits Expenses	19.85	17.87
3 Other Manufacturing Expenses	10.17	11.56
4 Other Expenses (Including Dep.)	22.41	24.34
TOTAL	55.41	57.68

Notes to the Consolidated Financial Statements for the year ended 31st March, 2016 (in lacs)

30. Capital Commitments : Year ended 31st March 2016 Year ended 31st March 2015
- Estimated amount of contracts remaining to be executed on capital
Estimated amounts of contracts remaining to be executed on capital accounts & provided for (net of advance) 29.24 87.62
31. Contingent liabilities not provided for in respect of: Year ended 31st March 2016 Year ended 31st March 2015
- a) Letters of credit established in favour of the suppliers **1709.14** 1236.66
- b) Guarantee issued by SBI on behalf of Company **22.85** 0.65
- c) Income tax demand related to AY 2013-14 against which appeals have been preferred **30.19** NIL
- d) Export obligation against advance licenses **334.65** 380.22
- e) Export obligation in respect of Import Plant & Machinery **816.16** NIL
32. (a) Trade Payables includes (i) Rs. Nil (Previous Year Rs. Nil) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME)
(b) No interest is paid/payable during the year to any enterprises registered under MSME.
(c) The above information's have been determined to the extent such parties could be identified on the basis of the information available with the company regarding the status of supplies under MSME.
33. a) Accounting Standard as to Segment Reporting AS -17 is not applicable to the Company as it is engaged in the business of Toners, which is the single reportable segment.
However, disclosure as to secondary segment is as under : (Rs. in lacs)
- | | Year ended 31st March 2016 | Year ended 31st March 2015 |
|---|----------------------------|----------------------------|
| Geographical Segment: | | |
| i) Domestic Sale (including Excise Duty) : | 7431.72 | 6440.74 |
| ii) Export Sales (including Export benefits) : | 3481.97 | 3143.20 |
| | 10913.69 | 9583.94 |
| b) Details of sales : (including Export Benefit on Export Sales) : | | |
| Sales | 10913.69 | 9583.94 |
| Excise Duty | (-) 3.43 | (-) 30.34 |
| NET SALES | 10910.26 | 9553.60 |
34. a) Estimated benefits aggregating to Rs.161.18 Lacs (Previous Year Rs.94.74 Lacs) against exports effected during the year has been taken into account for the year as incentive in respect of duty free imports of Raw Material under Advance License Scheme and corresponding amount has been added to the cost of Materials.
b) Service Tax amounting to Rs.19.36 Lacs (Previous Year Rs.6.45 lacs) have been treated as recoverable and are subject to claim yet to be filed with Department.
35. Amount of Exchange difference debited to the Statement of Profit & Loss Account amounted to Rs. 86.60 Lacs (Previous year Rs.57.35 Lacs) and credited to the statement of Profit & Loss Account amounted to Rs.38.24 Lacs (Previous Year Rs.27.95Lacs)
36. R & D expenses included under various heads Rs. 55.41 Lacs Including Raw Material Consumption Rs. 2.98 Lacs & Depreciation Rs. 19.13 Lacs (Previous year Rs.57.68 Lacs Raw Material Consumption Rs.3.92 Lacs & Depreciation of Rs.20.34 Lacs) respectively.
37. MAT Credit Entitlement (including to the previous year Rs. 720.04 Lacs) amounting to Rs. 731.20 Lacs has been recognized in view of the company's current and future profitability provisions. During the year, the Company has added MAT credit Rs 11.16 Lacs.

INDIAN TONERS & DEVELOPERS LIMITED

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

39. Disclosure as per AS15 (Revised)

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

A) Defined Contribution Plans

Provident Fund

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

For the year ended 31st March 2016 For the year ended 31st March 2015

(Rs. In. Lacs)

Employers Contribution to Provident Fund	39.42	37.55
--	--------------	-------

B) State Plans

a) Employee State Insurance

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

For the year ended 31st March 2016 For the year ended 31st March 2015

(Rs. In Lacs)

Employers Contribution to Employee State Insurance	8.20	6.76
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C) Defined Benefit Plans

a) Gratuity

b) Leave Encashment

(Rs. in lacs)

The discount rate assumed is 7.83% (Previous Year 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	Gratuity (Funded)*			Leave Encashment (Unfunded)*		
	Current Year	Current Year	Previous Year	Previous Year	Current Year	Previous Year
The principal assumptions used in actuarial valuation as per below:						
· Discount rate	8.00%	8.35%	8.75%	9.00%	7.83%	8%
· Expected rate of return on assets	—	—	—	—	5%	5%
· Expected rate of future salary increase	—	—	—	—	5%	5%
Change in present value of obligations						
· Present value of obligations as at 01.04.2015	1.52	102.06	0.11	79.23	57.52	46.13
· Interest cost / Contribution	0.20	8.98	0.04	7.52	4.59	4.15
· Current service cost	1.51	15.11	1.39	17.87	10.79	9.54
· Benefits paid / transferred	(0.06)	(7.91)	(0.02)	(2.56)	—	—
· Actuarial loss on Obligations	—	—	—	—	(4.27)	(2.30)
· Present value of obligation as at 31.03.2016	3.17	118.24	1.52	102.06	68.63	57.52
Changes in fair value of plan assets	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Liability recognized in the Balance Sheet						
· Present value of obligations as at 31.03.2016					68.63	57.52
· Fair value of plan assets as at the end of the year					—	—
· Unfunded status					—	—
· Unrecognised Actuarial (Gain) / Loss					—	—
· Net (Assets) / Liability recognized in Balance Sheet					68.63	57.52
Expenses recognized in statement of Profit and Loss Account						
· Current service cost	1.51	15.11	1.39	17.87	10.79	9.54
· Interest cost	—	—	—	—	4.60	4.16
· Expected return on plan assets	—	—	—	—	—	—
· Net Actuarial (Gain) / Loss recognized during the year	—	—	—	—	(4.27)	(4.42)
*Funded with LIC						

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

(Rs. in Lacs)

Discount & Incentive

As at 31st March, 2016

As at 31st March 2015

	Rs.	Rs.
Opening Balance	10.58	9.74
Add Creations	15.91	10.44
Less : (a) Utilizations	9.05	1.74
(b) Written Back	0.88	7.86

INDIAN TONERS & DEVELOPERS LIMITED

Closing Balance	16.56	10.58
		(Rs. in Lacs)

41. Particulars of unhedged foreign currency expenses as at 31.03.2016:

	For the year ended 31st March 2016	For the year ended 31st March 2015
Creditors for import of Goods in USD	24370082.20	1316188
Creditors for import o Goods in JPY	9390000	4680000
Creditors for import of Goods in EURO	Nil	15720
Debtors for export of Goods in USD	426992	749480
42. Value of Import calculated on C.I.F Basis	For the year ended 31st March 2016	For the year ended 31st March 2015
i) Raw Material	4527.98	3860.61
ii) Stores, Spares & Packing Material	3.97	12.21
43. Expenditure in Foreign Currency	For the year ended 31st March 2016	For the year ended 31st March 2015
i) Foreign Travel	41.44	29.12
ii) Consultancy Charge	Nil	28.34
iii) Others (Exhibition, Advertisement etc.)	19.67	24.32
44. Earning in Foreign Exchange	For the year ended 31st March 2016	For the year ended 31st March 2015
FOB Value of Export	2991.02	2990.40
45. Calculating of Earning Per Share	For the year ended 31st March 2016	For the year ended 31st March 2015
1. No. of Shares at the beginning of the year	8058900	8058900
2. No of Shares at the close of the year	8058900	8058900
3. Net Profit after Tax Rs.	1064.34	1048.73
4. E. P. S. Rs.	13.21	13.01

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

- (i) Relationship :
- | | | |
|---|---|--|
| (a) Wholly and Subsidiary Company | - | ITDL Imagetec Limited |
| (b) Key Management Personnel | - | Shri Sushil Jain (CMD) |
| (c) Relative of Key Personnel | - | Shri Akshat Jain, (son of Sh. Sushil Jain) |
| Management | - | President |
| | - | Smt. Nandita Jain (Wife of Sh. Sushil Jain) |
| | - | Ms. Aashima Jain (Daughter of Sh. Sushil Jain) |
| (d) Enterprises over which Key | - | Jain Tube Company Limited |
| Management Personnel and/or | - | Shrilon India Ltd. |
| relative their who are able to exercise | - | Alankar Securities Private Limited |
| significant influence | - | Mahavir Phototech Private Limited |
| | - | Triveni Securities Private Limited |

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

Particulars	Key Management Personnel	Relative of Key Management Personnel	Enterprises referred in (1) (d) above
Remuneration Paid	136.91	74.19	—
	(120.30)	(62.75)	—
Dividend / Interim Divident Paid	50.09	96.91	—
	(3.34)	(6.46)	—

Note:-

- i) Figures in the bracket are for the previous year.

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

	Net Assets i.e. total Assets Minus Total Liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (in Lacs)	As % of Consolidated Profit or Loss	Amount (in Lacs)
Parent				
Indian Toners & Developers Ltd.	52.15%	5936.45	35.36%	589.23
Subsidiary				
ITDL Imagetec Ltd.	21.81%	2482.53	28.39%	473.11
Minority Interest in Subsidy	26.04%	2964.22	36.25%	604.12

Subsidiary of the Company

S.No.PARTICULARS	Amount (In Lacs)
1) Name of the subsidiary	ITDL Imagetec Limited
2) Reporting currency	INR
3) Share Capital	100.00
4) Reserve & Surplus	5,397.74
5) Total Assets	7,476.24
6) Total Liabilities	1,978.50
7) Investments	1,376.09
8) Turnover / Total Income	7,551.47
9) Profit before taxation	1,672.25
10) Provision for taxation	439.38
11) Profit after taxation	1,232.87
12) Proposed / Interim dividend	240.72
13) % of shareholding	51%

48. Corporate Social Responsibility : As per the requirements of Section 135 of Companies Act, 2013 company is liable to spend 2% of its average net profits of three preceding years as an Expense on Corporate Social Responsibility. Average Net profits (calculated as per the provisions of Sec. 198 of Companies Act 2013) of Last three years is Rs.1729.66 Lacs and 2% of which is Rs. 34.60 Lacs and this whole amount was donated to Prime Minister National Relief Fund as a CSR initiative.
49. Previous year's figures have been regrouped / rearranged whenever necessary to make them comparable with those of the current year.
50. Scheme of Amalgamation :
The Board in its meeting held on 23rd March, 2016 passed a resolution for the scheme of Arrangement for Amalgamation of ITDL Imagetec Limited (its Subsidiary) ABC commercial Co. Ltd., Alankar Securities (P) Ltd, Triveni Securities (P) Ltd and Mahavir Phototech (P) Ltd with the company with effect from 1st April, 2016. Pursuant to the said resolution, the company has filed on application for Amalgamation. The Scheme is subject to approval by the members of the respective Companies and also of the respect Hon'ble High Courts. As the scheme is effective from 01.04.2016 hence, there is no affect of such scheme on the financial statements for 2015-16.

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

For and on Behalf of the Board of Directors

Partner
Membership No. 12172
11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 25th Day of May 2016

(S.C. SINGHAL) **(N.K.MAHESHWARI)** **(SANJEEV GOEL)** **(SUSHIL JAIN)**
Company Secretary C.F.O. Director Chairman &
Managing Director

INDIAN TONERS & DEVELOPERS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016 (Rs. in lacs)

A. CASH FLOW ARISING FROM OPERATING ACTIVITIES	For the Year ended 31st March 2016	For the year ended 31st March 2015
Net Profit Before Tax	2,242.53	2,125.14
Adjustment for :		
Depreciation & Amortisation	306.22	269.50
Loss/(gain) on sale of Fixed Assets	10.12	(32.76)
Loss/(gain) on sale of Investments	(23.48)	(167.67)
Interest Expenses	24.04	17.87
Interest income	(41.24)	(39.03)
Provision for Leave Encashment	10.82	11.39
Liabilities / Provisions no longer required written back /Sundry Balances Write off/back	(23.65)	(11.58)
Unrealised Foreign Exchange (Gain) / Loss	(6.90)	(11.35)
Income from Current Investment (Non Trade)- Dividend	(94.84)	(21.33)
Operating Profit before Working Capital Changes	<u>2,403.62</u>	<u>2,140.18</u>
Adjustment for :		
(Increase)/Decrease in Inventories	(268.43)	(83.43)
(Increase)/Decrease in Trade Receivables & Other Receivables	(53.64)	69.80
Increase/(Decrease) in Trade Payables & Other Payables	333.50	138.18
Cash generated from operations	2,415.05	2,264.73
Direct Taxes (paid)/ Refund (Net)	(526.53)	(502.79)
Net Cash Inflow/(outflow) from Operating Activities (A)	<u>1,888.52</u>	<u>1,761.94</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets / Capital Advances & Capital Work-in-Progress	<u>(217.77)</u>	<u>(1,127.03)</u>
Purchase of Investments(net of sale proceeds including gain on sale of Investments Rs. 23.48 Lacs p.y. 167.67 Lacs)	(1,663.97)	(538.30)
Proceeds from sale of Fixed Assets	12.50	66.30
Movement in Other Bank Deposits (net)	(59.14)	31.62
Interest Received	41.24	39.03
Dividend Received	94.84	21.33
Net Cash Inflow/(Outflow) from Investing Activities (B)	<u>(1,792.30)</u>	<u>(1,507.05)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend Paid (including Dividend Distribution Tax)	(207.71)	-
Interest Paid	(24.04)	(17.87)
Net cash Inflow/(Outflow) from Financing Activities (C)	<u>(231.75)</u>	<u>(17.87)</u>
Net increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	<u>(135.53)</u>	<u>237.02</u>
Add: Cash and cash equivalents at the beginning of the year	652.85	415.82
Cash and cash equivalents at the close of the year	<u>517.32</u>	<u>652.84</u>

Notes :

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

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

(B.R.GOYAL)

Partner

Membership No. 12172

11K, Gopala Tower,
25, Rajendra Place, New Delhi
The 25th Day of May 2016

(S.C. SINGHAL)
Company Secretary

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

(SANJEEV GOEL)
Director

(SUSHIL JAIN)
Chairman &
Managing Director

For and on Behalf of the Board of Directors

INDIAN TONERS & DEVELOPERS LIMITED

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

(CIN NO. L74993UP1990PLC015721)

E-Mail ID – info@indiantoners.com, Website : www.indiantoners.com

Phone No. 0595-2356271 Fax No. 0595-2356273

ATTENDANCE SLIP

Folio/.DP-Client ID No.

No. of Shares held

Name of Shareholder / Proxy

I hereby record my presence at the 26th Annual General Meeting of the Company at **10.5 Km Milestone, Rampur Bareilly Road, Rampur-244901 (U.P.)** on Tuesday, the 30th August, 2016 at 2.30 P.M.

Signature of the Shareholder / Proxy present :

INDIAN TONERS & DEVELOPERS LIMITED

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

(CIN NO. L74993UP1990PLC015721)

E-Mail ID – info@indiantoners.com, Website : www.indiantoners.com

Phone No. 0595-2356271 Fax No. 0595-2356273

PROXY FORM

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

Folio/.DP-Client ID No.

Name of the member(s) & Registered Address:

E-Mail ID:

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

1. Name:Address.....

E-mail ID:Signature.....or failing him;

2. Name:Address.....

E-mail ID:Signature.....or failing him;

3. Name:Address.....

E-mail ID:Signature.....

(on a poll) for me / us and on my / our behalf at the 26th Annual General Meeting of the Company, to be held on Tuesday, the 30th August, 2016 at 2.30 p.m. at **10.5 Km Milestone, Rampur Bareilly Road, Rampur-244901 (U.P.)** and at any adjournment thereof in respect of such resolution as are indicated overleaf:

S.No.	Resolutions	For	Against
1.	Consider and adopt : (a) Audited Financial Statement, Reports of the Board of Directors and Auditors (b) Audited Consolidated Financial Statement		
2.	Re-appointment of Mr. Kewal Krishan Dhiman who retires by rotation.		
3.	Ratification of appointment of Statutory Auditors and fixing their remuneration		

Signed thisday of.....2016

Signature of Shareholder.....

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

Affix
Revenue
Stamp

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

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

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If Undelivered please return to :-
INDIAN TONERS & DEVELOPERS LIMITED
1223, DLF Tower-B, Jasola,
New Delhi - 110025