

9th ANNUAL REPORT 1998-1999



INDIAN TONERS & DEVELOPERS LTD.



The TONER Specialist

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Sushil Jain Chariman & Managing Director
 Shri P.K. Kanoria
 Shri J.S. Varshneya
 Shri Vikram Parkash
 Dr. M.R.Jain
 Shri N.S. Sharma

SR. GENERAL MANAGER (F & A) & COMPANY SECRETARY

Shri Ashok K. Agarwal

BANKERS

State Bank of India

AUDITORS

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

REGISTERED OFFICE & WORKS

10.5 KM, Rampur-Bareilly Road,
 Rampur 224 901 (U.P)
 Tel. : 0595 - 634148, 634174.

CORPORATE OFFICE & SHARE DEPARTMENT

5-E, Gopala Tower,
 25, Rajendra Place,
 New Delhi 110 008
 Tel : 5751420, 5742509
 5748160, 5763993
 Fax : 91-11-5751422
 E-Mail : itdl@glasdl01.vsnl.net.in
 itdl@vsnl.com

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NOTICE**INDIAN TONERS & DEVELOPERS LIMITED**

NOTICE is hereby given that the Ninth Annual General Meeting of the Shareholders of **INDIAN TONERS & DEVELOPERS LIMITED** will be held on Friday, 30th July, 1999 at 12.00 P.M. at the Registered Office of the Company at 10.5 KM. Rampur-Bareilly Road, Rampur 244 901 (U.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended March 31, 1999 and the Balance Sheet as at March 31, 1999 and the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Shri Vikram Prakash who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri J.S.Varshneya who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration and the mode of payment.

M/s K.N. Gutgutia & Co. Chartered Accountants, are the retiring Auditors.

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, or any statutory modification or re-enactment thereof, to mortgaging and/or charging by the Board of Directors of the Company (by way of first, second or other subservient charge as may be agreed to between the Company and the lenders) all the immovable and movable properties, present and future, pertaining to the Company's Undertaking and the whole or substantially the whole or any one or more of the said undertaking of the Company, with the right to take over the management and concern of the undertaking (s) whose properties are agreed to be mortgaged and/or charged in certain events, to or in favour of any Financial Institutions, Banks and other lending Institutions or Funds, to secure their respective Rupee and Foreign Currency Loans or other financial assistance lent, granted and advanced or agreed to be lent, granted or advanced to the Company or any other person, of such amount or amounts outstanding at any time not exceeding Rs. 4000 Lakhs in the aggregate on account of principal, together with interest thereon at the

respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment or on redemption, remuneration of the trustees, costs, charges and other monies payable by the Company to the respective Financial Institutions, Bank and other lending Institutions entered into/ to be entered into by the Company in respect of the said Term Loans."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to finalise with the Financial Institutions, Banks and other lending institutions, the document for creating mortgage(s) and /or charges as aforesaid and to do all such acts, deeds, matters and things as may be necessary for giving effect to the above resolution approve the documents for creating the aforesaid mortgages and/or charges and to do all such acts and things and to authorise for execution of all documents/papers as may be necessary for giving effect to the above resolution"

6. To consider and if thought fit to pass with or without modification (s), the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT in suppression to the resolution passed by the company at the General Meeting held on 20-09-1997 limiting the borrowing power of the Board of Directors up to Rs. 3000 Lakhs (Rupees Three Thousand Lakhs) the consent of the Company be and is hereby granted and accorded to the Board of Directors pursuant to Section 293 (1) (d) and other applicable provisions of the companies Act, 1956, for borrowing monies in any manner and from time to time for the purposes of the business of the company up to a limit not exceeding in the aggregate Rs. 4000 Lacs (Rupees four Thousand Lacs only) exclusive of interest notwithstanding that the monies to be borrowed together with the monies already borrowed by the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the company and its free reserves that is to say reserves not set apart for any specific purpose and the Directors are hereby authorised to execute such deeds, documents, papers, instruments or writings as they may think fit in this regard".

INDIAN TONERS & DEVELOPERS LIMITED

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective, must be received at the Regd. Office/Head Office of the company not less than forty eight hours before the meeting. A proxy form is appended with the attendance slip.
2. The explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of items 5 & 6 in annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26.7.1999 to 30.7.99 (both days inclusive).
4. Members are requested to notify immediately any change in their addresses to the Secretarial Department of the Company situated at 5E Gopala Tower, 25, Rajendra Place, New Delhi 110 008
5. All documents referred to the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturday & Holidays, between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting.
6. In terms of Section 109 (A) of the Companies Act, 1956 the Shareholder of the Company may nominate a person to whom the shares held by him shall vest in the event of death. In case shareholder wish to avail the nomination facility in respect of shares held by them, please write to the Company to obtain the nomination form.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT**

(PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956)

ITEM NO. 5

The Company in its ordinary course of business has to obtain loans from Financial Institutions, Banks etc. for which the Company may have to mortgage/charge its properties both movable and immovable, present and future. Section 293 (1) (a) of the Companies Act, 1956, provides, inter alia, that the Board of Directors of a public Company shall not, without the consent of such public company in General Meetings, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

Since the mortgaging by the Company of its immovable and movable properties as aforesaid in favour of the Financial Institutions/Banks can be considered to be disposal of the Company's properties, it is necessary for the members to pass a resolution under section 293 (1) (a) of the Companies Act, 1956 before creation of the said mortgage/charge.

The Board recommends the resolution for your approval.

None of the Directors is in any way concerned or interested in the resolution.

ITEM NO. 6

At the General Meeting of the Company held on 20.09.97 the Members have passed a resolution authorising the Board of Directors to borrow upto Rs. 3000 lacs in accordance with the requirement of Section 293(1)(d) of the Companies Act, 1956, which prescribes the limit of the aggregate of the paid up capital and free reserve of the Company for borrowing by the Board of Directors of the Company. For the purpose of expansion/modernisation, present and future, and to augment the long term resources of the Company, the Company may be required to borrow beyond Rs. 3000 lacs. In order to enable the Board of Directors to borrow from Financial Institutions/Banks, it is necessary to enhance the limit of borrowing powers of the Directors from Rs. 3000 lacs to Rs. 4000 lacs. The Board recommends the resolution for your approval.

None of the Directors is interested in the resolution.

By Order of the Board

For INDIAN TONERS & DEVELOPERS LTD.

(ASHOK K. AGARWAL)

SR. GENERAL MANAGER (F&A)
& COMPANY SECRETARY

PLACE : New Delhi

DATED : The 31st day of May 1999

DIRECTOR S' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

To the Members,

Your Directors have pleasure in presenting their 9th Annual Report alongwith the Accounts of the Company for the year ended March 31, 1999

Working Results

	Rs.in lacs			
	For the year ended 31st March, 1999		For the year ended 31st March, 1998	
Turnover	2000		1738	
Operating Gross Profit	530		423	
Less : Financial Charges	382		398	
Depreciation & Other Amortisations	112	494	112	510
Profit/(Loss)before tax	36		(87)	
Less : Provision for tax				
Net Profit/(Loss)	36		(87)	
Add : Adjustment relating to Earlier Years.	1			
Surplus Available for Appropriation	37		(87)	

OPERATIONS

The year under review also continued to be marked with general slow-down of the economy, though for us at a slightly reduced level. The production during the year came up at 262.155 M.T. as against 234.360 M.T. in the previous year. The turnover increased to Rs. 2001 lacs during this year against Rs. 1738 lacs in the previous year. Though we have been able to increase our sales in terms of quantity, however the per unit sales price has fallen, thereby reducing the margins. Your company could earn a net profit of Rs. 37.28 lacs during the year under review as against a net loss of Rs. 86.63 lacs during the previous year.

FUTURE OUTLOOK

The economic conditions prevailing in the country are still causing concern. The Indian economy continues to face a tough time with uncertain demand behaviour, uncertain political scenario, threat of war from the neighbouring country and ultimately the volatile foreign exchange market. Being at the door step of next millennium and having been encouraged by the fruitful results of the plans implemented, your company shall intensify the efforts on the same lines for improving its share of the domestic as well as of the export markets.

Company's plan of restructuring of its debts, could not be implemented because of certain reasons but is likely to materialize shortly.

INDIAN TONERS & DEVELOPERS LIMITED

FIXED DEPOSITS

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

DIRECTORS

Shri J. S. Varshneya and Shri Vikram Prakesh, Directors of the Company will retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

M/s. K.N. Gutgutia & Co., Chartered Accountants, New Delhi, Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for reappointment. The requisite certificate under Section 224 (1) (b) of the Companies Act, 1956, has been received from them.

OTHER INFORMATION

Other information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the

Report of the Board of Directors) Rules, 1988 is given in Annexure - "A" of this report.

PERSONNEL

Cordial Industrial relations continued 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, cooperation and outstanding contribution to the growth of the Company during the year.

The Company has no employee in the category specified under section 217 (2A) of the companies Act, 1956.

ACKNOWLEDGEMENT

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

For & on behalf of the Board

Place : New Delhi

Dated : The 31st Day of May 1999

(SUSHIL JAIN)

Chairman & Managing Director