

22ND
**ANNUAL
REPORT
2011-2012**



INDIAN TONERS & DEVELOPERS LIMITED

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT**

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

ITEM NO. 5.

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

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

Mr. Kewal Krishan Dhiman aged 50 Years is M. Com, MBA-Finance, PGDM (DUAL) - Production and materials management, Diploma In Export Management and Diploma in Central Excise and Custom. He has accumulated 30 Years of extensive working experience in diverse industries such as Bulk drugs, textile and auto ancillary. He was also on the Board of Director of M/s. Bhandari Hosley Exports Limited from August, 2003 to March, 2005. He is, presently, the General Manager Plant of the "ITDL Imagetec Ltd.", a subsidiary of the Company.

The Board recommends passing of the resolution.

ITEM NO. 6.

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

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

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

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

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

The Board recommends passing of the resolution.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. Proxies in order to be effective, must be received at the Registered Office / Head Office of the Company not less than Forty Eight Hours before the Meeting. A Proxy form is appended with the attendance slip.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 11th August, 2012 to 16th August, 2012 (both days inclusive).
3. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during Office hours on all working days except Saturday and Holiday between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
4. Members, who hold shares in de-materialised form are requested to bring their client DP ID Nos. for easier identification of attendance at the Meeting.
5. Members are requested to notify immediately any change in their addresses to the Company or to their respective depository participants without any delay.
6. In all correspondence with the Company members are requested to quote their Account Folio Numbers and in case their Shares are held in the dematerialized form they must quote their Client ID No. and their DP ID No.
7. Members, desirous of availing electronic form of delivery of balance sheet and other documents are requested to update their E-mail address with the Registrar and TPA Agents or with the Company by a written request.

PLACE : New Delhi
Dated : 29th May 2012

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

CORPORATE INFORMATION**BOARD OF DIRECTORS**

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

**EXECUTIVE DIRECTOR
& COMPANY SECRETARY
BANKERS
AUDITORS**

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

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

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

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CORPORATE OFFICE****CONTENTS**

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NOTICE

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

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

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

INDIAN TONERS & DEVELOPERS LTD.

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

29th May, 2012

Dear Shareholder,

DESPATCH OF DOCUMENTS TO YOU THROUGH THE ELECTRONIC MODE

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

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

The MCA has clarified that service of documents on shareholders through e-mail will constitute sufficient compliance with Section 53 of the Companies Act, 1956.

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

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

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

Thanking you,

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

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DIRECTORS' REPORT

INDIAN TONERS & DEVELOPERS LIMITED

To
The Members,

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

Working Results

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

OPERATIONS

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

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

FUTURE OUTLOOK AND PLANS

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

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

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

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

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

RESEARCH AND DEVELOPMENT ACTIVITIES

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

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

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

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

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

FIXED DEPOSITS

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

DIRECTORS

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

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

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

AUDITORS

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

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

OTHER INFORMATION

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

PERSONNEL

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

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

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

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

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

DISCLOSURES UNDER LISTING AGREEMENT

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

DEMATERIALISATION OF SECURITIES

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

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

CORPORATE GOVERNANCE

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

ACKNOWLEDGEMENT

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

ANNEXURE "A" TO DIRECTORS' REPORT

ANNEXURE "A" TO DIRECTORS' REPORT

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

(A) Conservation of Energy

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

(B) Technology Absorption

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

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

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

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

3. Further plan of action

Development of more toner formulations as well as their packaging

Re-sourcing of raw materials from other economical sources.

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

Development of Colour Toner formulations as well as their packaging

Charged under the respective head of accounts.

Technology Absorption, Adaption and Innovation

1. Efforts in brief

The technology & know-how given by the collaborator has been absorbed. The Company is in continuous touch with the developments taking place in the international field.

2. Benefits derived

Efficient plant operation, achieving international product quality, self development of products and their packaging, substituting raw materials from economical sources.

3. In case of imported Technology

(imported during the last 5 years

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

(a) Technology import

(b) Year of import

(c) Has technology been fully absorbed?

(d) If not fully absorbed area where this not taken place reason therefore

and future plans of action

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

(c) Foreign Exchange Earnings / Outgo

1. Activities Relating to Exports

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

2. Total Foreign Exchange used and earned

a) Total Foreign Exchange used

i) Import of Raw Materials

ii) Import of Stores & Spares and Packing material

iii) Foreign Travel

iv) Consultancy Charges

v) Others

TOTAL

b) Total Foreign Exchange earned (on FOB basis)

Rs.
20

2011-2012
1067.84
2.36
32.34
13.91
20.59
1137.04

2679.49

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

INDUSTRY AND OUTLOOK

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

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

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

RISKS & CONCERNS

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

OPPORTUNITIES

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

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

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

FINANCIAL PERFORMANCE

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

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

INTERNAL CONTROL SYSTEM

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

HUMAN RESOURCES

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

CORPORATE GOVERNANCE REPORT

(ANNEXURE TO THE DIRECTORS' REPORT)

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

A. MANDATORY REQUIREMENTS

1. Company's Philosophy on Corporate Governance

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

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

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

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

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

Directorship in Private Limited Companies are included in the above table

** Chairman & Managing Director

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

upto 30.01.2012

*** Appointment w.e.f. 29.10.2011

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

3 Committees of the Board

A. Audit Committee

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

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

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

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

Details of the attendance of Directors are given below:

Sr.No	Name of Members	Held	Audit Committee	Attended
1	Sh. Sanjeev Goel	4		4
2	Sh. Vikram Prakash	4		4
3	Dr. M. R. Jain	4		4

4 Remuneration Committee (Non-Mandatory)

Brief Description of Terms of reference

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

Composition and Attendance at the Meeting

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

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

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

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

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

* Chairman & Managing Director, ** Executive Director

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

5. Shareholder's / Investors' Grievances Committee

Terms of Reference

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

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

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

31.03.2012

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

Consultation, Meeting & Attendance thereat :-

The Shareholders' / Investors Grievance Committee Comprise of following Members

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

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

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

6. Share Transfer Committee

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

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

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

7. General Body Meetings

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

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

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

Postal Ballot

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

8. Reappointment of Directors

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

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

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

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

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

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

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

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

9. Materially Non-listed Subsidiary :

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

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

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

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

11. Means of Communication

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

12. CEO / CFO Certificate

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

13. General Shareholders' Information

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

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

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

[Source: www.bseindia.com]

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

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

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

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

Shareholding Pattern as on 31st March 2012

Category	Category of Shareholder	Number of Shares	Total No. of Shares	% of Total Shares	Category of Shareholder	Number of Shares	Total No. of Shares	% of Total Shares
(A) Shareholding of Promoter & Promoter Group								
(1) Indian								
(a) Individuals/Hindu Undivided Family		7	860552	10.92				
(b) Central Govt / State Government(s)								
(c) Bodies Corporate		4	2838924	35.10				
(d) Financial Institutions - Banks								
(e) Any other (Specify)								
Sub - Total (A)(1)		11	3709486	46.02				
(2) Foreign								
(a) Individuals (Non Resident)								
(b) Bodies Corporate								
(c) Institutions								
(d) Any Other (Specify)								
Sub - Total (A)(2)								
Total Shareholding of Promoter and Promoter Group		11	3709486	46.02				
(B) Public Shareholding								
(1) Institutions		2	3200	0.03				
(a) Mutual Funds/UTI								
(b) Financial Institutions - Banks								
(c) Central Govt / State Govt (s)								
(d) Venture Capital Funds								
(e) Insurance Companies								
(f) Foreign Institutional Investor								
(g) Foreign Venture Capital Investors								
(h) Any Other (Specify)								
Sub - Total (B)(1)		2	3200	0.03				
(2) Non-Institutions		127	673155	8.35				
(a) Bodies Corporate								
(b) Individuals								
i) Individual Shareholders holding nominal Share Capital		13581	2963428	36.77				
ii) up to Rs. 1 lakh								
iii) Individual shareholders holding nominal shares capital in excess of Rs. 1 lakh		19	580905	7.33				
(c) Others		2	2700	0.03				
(1) Directors								
(2) N. P. I.		18	36697	0.45				
(3) Clearing Members		4	858	0.01				
(4) H.U.F.		119	78171	0.97				
Sub - Total (B)(2)		13870	4340214	53.93				
Total Public Shareholding		13872	4340414	53.97				
(B) = (B)(1) + (B)(2)		13883	8058900	100.00				
TOTAL (A)+(B)								
Shares held by Custodians and against which Depository Receipts have been issued								
(1) Promoter and Promoter Group		0	0	0.00				
(2) Public		0	0	0.00				
GRAND TOTAL (A)+(B)+(C)		13883	8058900	100.00				