

**23_{RD} ANNUAL
REPORT
2012-2013**



INDIAN TONERS & DEVELOPERS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Sushil Jain Chairman & Managing Director
 Shri Pawan Kumar Kanoria Director
 Shri Vikram Parkash Director
 Dr. Mauji Ram Jain Director
 Shri Sanjeev Goel Director
 Shri Kewal Krishan Dhiman Director
 Shri Arun Kumar Garg Director

EXECUTIVE 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 23rd Annual General Meeting of the Shareholders of **INDIAN TONERS & DEVELOPERS LIMITED** will be held on Monday, the 5th August, 2013, at 2.30 p.m. at the Registered Office of the Company at 10.5 K.M. Rampur – Bareilly Road, Rampur – 244901 (U.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit & Loss for the Year Ended March, 31st, 2013 and the Balance Sheet as at March, 31st, 2013 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 Sanjeev Goel** 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 authorize the Board of Directors to fix their remuneration and the mode of payment. M/s. K. N. Gutgutia & Co. Chartered Accountants, (Firm Registration No. 304153E) are the retiring Auditors and are eligible for reappointment.

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 Mr. Arun Kumar Garg, 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 as a Director of the Company, liable to retire by rotation.”

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

ITEM NO. 6

“RESOLVED THAT pursuant to the provisions of section 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, if any, (including any 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 Shri Sushil Jain, as the Chairman & Managing Director of the Company for a period of 5 (five) years with effect from **16.08.2013** on the terms & Conditions including remuneration as set out in the explanatory statement, with liberty to the board of Directors (hereinafter referred to as “The Board” which term shall be deemed to include any committee which the Board may constitute to exercise its powers conferred by this resolution) to alter and to vary the terms & conditions of the said appointment and/or remuneration within the limit as 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 that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Shri Sushil Jain.

FURTHER RESOLVED THAT the aforesaid remuneration of Shri Sushil Jain, Chairman & Managing Director of the Company as recommended by the remuneration Committee be treated as minimum remuneration to be paid to Shri Sushil Jain even if the Company has no profits or its profits are inadequate in any financial year.

FURTHER RESOLVED THAT the aforesaid minimum remuneration, the total of which may exceed the ceiling limit as specified in Part II, section II (C) of schedule XIII of the Act is or will be payable to Shri Sushil Jain notwithstanding anything contained in any clause, section or part of Schedule XIII to the Companies Act, 1956 or any where else and nothing will come in the way of the company for the payment of such minimum remuneration.

FURTHER RESOLVED that the approval of the Central Government be obtained as per provisions and guidelines of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT

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

ITEM NO. 5.

Mr. Arun Kumar Garg, was appointed as an Additional Director of the Company w.e.f. 17.09.2012 at the Board Meeting held on 13.08.2012. The Company has received a notice in writing from a member alongwith a deposit of Rs. 500/- proposing the candidature of Mr. Arun Kumar Garg 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. Arun Kumar Garg having regard to his qualifications and exposure in the industries. The Board recommends the resolution for approval of the members.

SHRI ARUN KUMAR GARG is a dynamic, Chartered Accountant of 55 years and is in practice. Mr. Arun Kumar Garg founded Arun K. Garg and Associates in the year 1985. The Principal offices of Arun K. Garg and Associates are at Delhi & Gurgaon and Associates all over the country. He has 30 years experience to his credit with exposure in all fields relating to Audit, Accounts, Finance, Taxation, Business Rehabilitation & Restructuring. He is also a Director in M/s. Styx Back Office Service Pvt. Ltd., M/s. Createum Serenity Estates Pvt. Ltd., M/s. Interium Line Esigns Private Ltd., M/s. Marius Risk Mfanagement Private Ltd., M/s. Elevate It Services Private Ltd., M/s. Bharat Bhushan Finance & Commodity Brokers Limited and M/s. Sirion Labs Private Ltd.

The Board recommends passing of the resolution.

ITEM NO. 6

The Board in its meeting held on 4.02.2013 has re-appointed Mr. Sushil Jain as Chairman & Managing Director of the Company for a period of 5 years.

The details of appointment and remuneration payable to Shri Sushil Jain are as under:

Name : Shri Sushil Jain

Designation : Chairman & Managing Director

Period : 5 years w.e.f. **16.08.2013** to **15.08.2018**

1. **Basic Salary** : Rs. 3,10,000/- (Rupees Three Lac ten thousand only) p.m.
2. **Personal Pay** : Rs. 1,55,000/- (Rupees One Lac fifty five thousand only) p.m.
3. **Management Allowance** : Rs.80,000/-(Rupees Eighty thousand only) p.m.
4. **Annual Increment** : Upto a maximum of 25% of the total gross salary as may be decided by the Board of Directors.
5. **Commission** : As may be decided by the Board of Directors from time to time but not more than 2% of the profits of the Company.
6. **Perquisites/Amenities** :

1. **Housing** - Fully furnished Co.'s accommodation with water, gas and electricity. However, till Sh. Sushil Jain, does not avail/occupy the Co.'s accommodation, he will be entitled to House Rent Allowance @ 60% of the basic salary.
2. **Reimbursement of Medical Expenses** - Reimbursement of medical expenses (including Mediclaim insurance premium) on self and his family subject to a ceiling of one month's basic salary in a year.
3. **Leave Travel Concession** - The expenses incurred on leave travel on self and his family shall be reimbursed once in a year equivalent to one month's basic salary.
4. **Leave Encashment** - As per rules and policy of the Co. payable at the time of expiry of each service tenure. However, it will not be included in the computation of ceiling on perquisites.
5. **Club Fees** - Fees of clubs subject to a maximum of 2 clubs. The admission fees for 2 clubs will be allowed only once during all tenures of service with the Co. However, refundable security deposit in the name of the company, if any, will not be treated as a perquisite.
6. **Personal Accident Insurance** - Premium not to exceed Rs. 12,000/- per annum.
7. **Car and Telephone** - Free use of Co.'s two cars for official work as well as for personal purposes alongwith Driver and telephones, telefax and other communication facilities at residence.
8. **Provident Fund** - Contribution to Provident Fund, Super Annuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
9. **Gratuity** - Gratuity payable at the time of expiry of each service tenure and will not exceed half a month's salary for each completed year of service and this will not be included in the computation of the ceiling on perquisites. This will, however, be subject to ceiling prescribed under the Payment of Gratuity Act by the Central Govt. from time to time.

Explanation

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in the absence of any such rules at actual cost.

Other Terms :

Subject to the superintendence, control and direction of the Board, Shri Sushil Jain shall manage and conduct the business and affairs of the Company as Chairman & Managing Director. He shall not be paid any sitting fees for attending meeting of the Board or Committee thereof of the Company and its Subsidiary Company.

A statement as required under the first proviso (sub-clause (iv) of Clause (C) of Section II of Part II of Schedule XIII of the Companies Act, 1956 is as follows :

I. General Information :

The industry falls under the Ministry of Chemicals and Petro-Chemicals and is engaged in the manufacture of compatible black toners for Photocopiers, Laser Printers, Digital Machines and Multi Function Printers. The Company started its commercial production in 1992. During the current year, the Company has achieved revenues (including other income) of Rs.3020.22 lacs and has reported Profit After Tax of Rs. 230.18 lacs. During the year, the Company earned foreign exchange earnings of Rs.2670.83 lacs.

II. Information about the Appointee :

Mr. Sushil Jain, aged 55 years, is a young and dynamic qualified engineer from Delhi College of Engineering, New Delhi and is associated with the Company from its inception. He has more than 31 years experience to his credit in managing the affairs of Industrial Undertakings at top management levels. He has very efficiently and suitably managed the affairs of the Company as its Chairman and Managing Director and under his guidance and supervision, the Company has become the leading Toner Company of the country. He is also a member of the Shareholders / Investors Grievance Committee of the Company. Mr. Sushil Jain is also on the Board of Directors of P.K. Business Enterprises Limited, Mahavir Phototech (Pvt.) Ltd. and ITDL Imagetec Limited, Jain Tube Company Ltd. and Super Tube Company Limited. The remuneration payable to Mr. Sushil Jain as Chairman and Managing Director of the Company is given in the mentioned resolution. The recommended proposed revision in remuneration is in line with the trend and appropriate to the size of the Company and is also considering the increase in the duties and responsibilities being performed by him.

III. Other information :

The Company has grown during the last 10 years but is facing tough competition from the importers of toners in the unorganized sector. However, the Company has taken steps to deal with the situation and gone for various methods of cost control and reduction. Approximately 99% revenues of the Company are generated from exports. The profits of the company are expected to rise in future with the increase in revenues.

IV Disclosures :

The remuneration payable to Mr. Sushil Jain as Chairman & Managing Director during the tenure of his appointment will comprise of salary, allowances, commission and other perquisites as mentioned in item No. 6 of the Notice of the Annual General Meeting. The perquisites and allowance payable to Shri Sushil Jain will include company owned / leased accommodation or house rent allowance in lieu thereof, medical reimbursements, leave travel concession for self and family including dependents, medical insurance, car and telephone, club fees and such other perquisites and or allowances as specified in the resolution. The said perquisites and allowances shall be evaluated wherever applicable as per Income Tax Act, 1961 or any rules there under (including any statutory modification(s) or re-enactments thereof for the time being in force). The Board or any committee thereof, subject to requisite approval(s), if necessary, is entitled and authorized to revise at any time, the salary, allowance and perquisite payable to the Chairman and Managing Director of the Company.

Except Shri Sushil Jain and Shri Pawan Kumar Kanoria, being self and a relative of Shri Sushil Jain respectively, no other Director of the Company is in any way concerned or interested in the resolution

The above may also be treated as an abstract of the Memorandum of Interest of the Chairman & Managing Director, Shri Sushil Jain, pursuant to Section 302 of the Companies Act, 1956.

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 31st July, 2013 to 5th August, 2013 (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 Holidays 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 ID and 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 related documents are requested to update their E – mail address with the Registrar and Transfer Agents or with the Company by a written request.

PLACE : New Delhi
Dated : 17th May 2013

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

INDIAN TONERS & DEVELOPERS LTD.

1223, DLF Tower - 'B', Jasola, New Delhi-110025.

17th May, 2013

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.