

**24<sup>TH</sup> ANNUAL  
REPORT  
2013-2014**



**INDIAN TONERS & DEVELOPERS LIMITED**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Shri Sushil Jain	Chairman & Managing Director
Shri Pawan Kumar Kanoria	Director
Shri Vikram Prakash	Director
Dr. Mauji Ram Jain	Director
(expired on 03.04.2014)	
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

CONTENTS	PAGE NO.
Notice	2-9
Directors' Report	10-13
Management Discussion & Analysis Report	14
Corporate Governance	15-23
Auditors' Report	24-26
Balance Sheet	27
Profit & Loss Account	28
Notes on Accounts	29-42
Cash Flow Statement	43
Statment regarding Subsidiary Co.	44
Director's Report on Subsidiary Co.	45-46
Auditor report on Subsidiary Co.	47-49
Subsidiary Co's Financial Statement	50-65
Auditor's Report on the Consolidated Financial Statments	66
Consolidated Financial Statements.	67-83

# NOTICE

## INDIAN TONERS & DEVELOPERS LIMITED

Notice is hereby given that the 24<sup>th</sup> Annual General Meeting of the Shareholders of **INDIAN TONERS & DEVELOPERS LIMITED** will be held on **Saturday, the 30<sup>th</sup> August, 2014**, 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, 31<sup>st</sup>, 2014 and the Balance Sheet as at March, 31<sup>st</sup>, 2014 and the Directors' Report and the Auditors' Report thereon.
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 appoint Auditors to hold office for a period of 3 years from the financial year 2014-2015 to 2016-2017 i.e. from the conclusion of this 24<sup>th</sup> Annual General Meeting until the conclusion of the 26<sup>th</sup> Annual General Meeting of the Company, subject to ratification at every Annual General Meeting and to authorize the Board of Directors to fix their remuneration. M/s. K. N. Gutgutia & Co. Chartered Accountants, (Firm Registration No. 304153E) are the retiring Auditors and are eligible for reappointment.

### **SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Sh. Sanjeev Goel (DIN : 00044850), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31<sup>st</sup> March, 2019."
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Sh. Vikram Prakash (DIN : 00027732), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31<sup>st</sup> March, 2019."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Sh. Arun Kumar Garg (DIN : 00178582), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto 31<sup>st</sup> March, 2019."
7. 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 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to the requisite approval of the Central Government, the consent of the Company be and is hereby accorded to the payment of remuneration to Sh. Sushil Jain (holding DIN No. 00323952) who was re appointed as the Chairman & Managing Director of the Company in its Annual General Meeting held on 05.08.2013 for a period of 5 (five) years effective from 16.08.2013 on the terms and conditions including remuneration as set out in the said resolution and the explanatory statement thereof.  
**FURTHER RESOLVED THAT** as the appointment of Shri Sushil Jain was approved by the Central Government vide its approval letter No. **B86464369/2013-CL-VII** dated **21.01.2014** for 5 years effective from 16.08.2013 but the payment of remuneration to Shri Sushil Jain was approved only for one year from 16.08.2013 to 15.08.2014, the consent of the Company be and is hereby accorded to the payment of remuneration to Shri Sushil Jain, Chairman & Managing Director of the Company for the remaining period of 4 years w.e.f. 16.08.2014 to 15.08.2018 on the same terms & conditions without any change or variation as were approved by the shareholders in the 23<sup>rd</sup> Annual General Meeting held on 05.08.2013 and again set out in the attached explanatory statement.  
**FURTHER RESOLVED THAT** the aforesaid remuneration of Shri Sushil Jain, Chairman & Managing Director of the Company as recommended by the remuneration Committee and the Board of Directors 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 schedule V of the Companies Act, 2013 (corresponding to schedule XIII of the Companies

Act, 1956) is or will be payable to Shri Sushil Jain notwithstanding anything contained in any clause, section or part of Schedule V to the Companies Act, 2013 (corresponding to schedule XIII of 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, 2013 (corresponding to 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."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special**

**Resolution:**

**"RESOLVED THAT** pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow money in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs.50 crores (Rupees Fifty Crores) over and above the aggregate of the paid-up share capital and free reserves of the Company."

**IMPORTANT NOTES:**

1. The Register of Members and the Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> August, 2014 to 30<sup>th</sup> August, 2014 (both days inclusive).
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which set out details relating to Special Business at the meeting, is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. 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.
4. 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.
5. 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.
6. Details under Clause 49 of the Listing Agreement with the Stock Exchange 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.
7. Electronic copy of the Annual Report for 2014 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 2014 is being sent in the permitted mode.
8. Electronic Copy of the Notice of the 24<sup>th</sup> 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 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 24<sup>th</sup> 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.
9. Members may also note that the Notice of the 24<sup>th</sup> Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website [www.indiantoners.com](http://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](mailto:investors@indiantoners.com)
10. **Voting through electronic means**

- I) 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 password. 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/JPEG 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](mailto:csvhari@gmail.com) or [investors@indiantoners.com](mailto:investors@indiantoners.com) with a copy marked to [evoting@nsdl.co.in](mailto: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**
  - (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 e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://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.
- 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 e-voting period commences on **24.8.2014 (9.00) (IST)** and ends on **26.08.2014 (6.00) (IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **July 25, 2014**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for 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 (record date) of **July 25, 2014**.
- VII) Mr. Varanasi Hari (CP No. 8244), a practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-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 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](http://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. All documents referred to in the accompanying Notice and the Explanatory Statement 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 except Saturdays, up to and including the date of the Annual General Meeting of the Company.
12. 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.
13. 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.
14. 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.

## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **ITEM NO. 4**

**MR. SANJEEV GOEL** is a Non – Executive Independent Director of the Company. He joined the Board of Directors of the Company on 31.05.2002. Mr. Sanjeev Goel is the Chairman of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee and a member of the Stakeholder's Relationship Committee of the Board of Directors of the Company

**Mr. Sanjeev Goel** is a young, dynamic, Chartered Accountant of 55 years and in practice since February 1982 as a Sr. Partner in M/s. Goel, Garg & Co. He has 26 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. Alankar Securities Private Limited and M/s. ITDL Imagetec Limited.

**Mr. Sanjeev Goel** is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of Section 149 (13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of Section 149 and other applicable provisions of the Companies Act, 2013, **Mr. Sanjeev Goel** being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for the five consecutive years for a term upto 31<sup>st</sup> March, 2019. A notice has been received from a member proposing **Mr. Sanjeev Goel** as a candidate for the office of Director of the Company.

In the opinion of the Board, **Mr. Sanjeev Goel** fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of **Mr. Sanjeev Goel** as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of **Mr. Sanjeev Goel** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of **Mr. Sanjeev Goel** as an Independent Director, for the approval by the shareholders of the Company.

Except **Mr. Sanjeev Goel**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at **item No. 4**. This Explanatory Statement may also be regarded as disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **ITEM NO. 5.**

**MR VIKRAM PRAKASH** is a Non – Executive Independent Director of the Company. He joined the Board of Directors of the Company on 16.03.1990. Mr. Vikram Prakash is the Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company

**Mr. Vikram Prakash** (86 years) is B.Sc. Engg. (Mech) and a Member of the Institute of Engineers (MIE). He held many senior positions of Central and State Govts. such as Director, Haryana Concast Ltd., Director, Praga Tools, Hyderabad, Director, HMT International, Bangalore, Chairman & Managing Director, Spices Trading Corporation Ltd. and Chairman & Managing Director of Project & Equipment Corporation of India Ltd. besides being Advisor to the Chairman of Asian Games held in 1982. He is also on the Board of M/s. ECE Industries Limited, M/s. Naihati Jute Mills Co. Limited, M/s. Noida Medicare Centre Limited, M/s. Pushpsons Industries Limited, M/s. Deepak Spinners Ltd., and is also the Chairman of the Audit Committee of M/s. ECE Industries Limited, M/s. Noida Medicare Centre Limited, M/s. Deepak Spinners Ltd., and member of Audit Committee of M/s. Pushpsons Industries Ltd., M/s. Naihati Jute Mills Co. Limited

**Mr. Vikram Prakash** is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of Section 149 (13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of Section 149 and other applicable provisions of the Companies Act, 2013, **Mr. Vikram Prakash** being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for the five consecutive years for a term upto 31<sup>st</sup> March, 2019. A notice has been received from a member proposing **Mr. Vikram Prakash** as a candidate for the office of Director of the Company.

In the opinion of the Board, **Mr. Vikram Prakash** fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of



the management. Copy of the draft letter for appointment of **Mr. Vikram Prakash** as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of **Mr. Vikram Prakash** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of **Mr. Vikram Prakash** as an Independent Director, for the approval by the shareholders of the Company.

Except **Mr. Vikram Prakash**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at **item No. 5**. This Explanatory Statement may also be regarded as disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### ITEM NO. 6.

**Mr. Arun Kumar Garg** is a Non – Executive Independent Director of the Company. He joined the Board of Directors of the Company in 17.09.2012. Mr. Arun Kumar Garg is the Member of Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company

**Mr. Arun Kumar Garg** is a dynamic, Chartered Accountant of 56 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 31 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. Marius Risk Management Private Ltd., M/s. Elevate It Services Private Ltd., M/s. Bharat Bhushan Finance & Commodity Brokers Limited and M/s. Sirion Labs Private Ltd.

Mr. Arun Kumar Garg is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of Section 149 (13) of the Companies Act, 2013, an independent director is not liable to retire by rotation. Therefore, in terms of Section 149 and other applicable provisions of the Companies Act, 2013, **Mr. Arun Kumar Garg** being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for the five consecutive years for a term upto 31<sup>st</sup> March, 2019. A notice has been received from a member proposing **Mr. Arun Kumar Garg** as a candidate for the office of Director of the Company.

In the opinion of the Board, **Mr. Arun Kumar Garg** fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of **Mr. Arun Kumar Garg** as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of **Mr. Arun Kumar Garg** as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of **Mr. Arun Kumar Garg** as an Independent Director, for the approval by the shareholders of the Company.

Except **Mr. Arun Kumar Garg**, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at **item No. 6**. This Explanatory Statement may also be regarded as disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### ITEM NO. 7

On the recommendation of the Remuneration Committee, Shri Sushil Jain was recommended to the shareholders to be reappointed as Chairman & Managing Director of the Company for a period of 5 years w.e.f. **16.08.2013** to **15.08.2018** by the Board of Directors in their meeting held on **04.02.2013**. The shareholders accorded their consent to the reappointment and payment of remuneration to Shri Sushil Jain for a period of 5 years from 16.08.2013 to 15.08.2018 in their meeting held on 05.08.2013, subject to the approval of the Central Government. The Ministry of Corporate Affairs approved the reappointment of Shri Sushil Jain as Managing Director of the Company for a period of 5 years w.e.f. **16.08.2013** to **15.08.2018** vide approval letter No. **SRN NO. B86464369/2013-CL-VII** dated **21.01.2014**. However, in the same approval letter, the remuneration of Shri Sushil Jain was approved only for a period of 1 year w.e.f. **16.08.2013** to **15.08.2014**. As such, further payment of remuneration to Shri Sushil Jain from **16.08.2014** to **15.08.2018** requires fresh approval from Central Government. As the appointment period is left only for four years, the Nomination and Remuneration Committee in their meeting held on 21.05.2014 recommended to the Board of Directors that a fresh application be made to the Central

Government for approval of the payment of Remuneration to Shri Sushil Jain, Chairman & Managing Director of the Company, for the remaining period of 4 years w.e.f. **16.08.2014 to 15.08.2018** on the same terms and conditions without any change or variation as were recommended by the Remuneration Committee for 2<sup>nd</sup> year onwards in their meeting held on **04.02.2013**. The Board of Directors in their meeting held on 21.05.2014 accepted the recommendations of the Nomination and Remuneration Committee and agreed and approved that the approval of the shareholders of the Company be obtained to make a fresh application to the Central Government for approval of the payment of Remuneration to Shri Sushil Jain, Chairman & Managing Director of Company for the remaining period of 4 years w.e.f. **16.08.2014 to 15.08.2018** on the same terms & condition without any change or variation as were approved by the shareholders of the Co. for 2<sup>nd</sup> year onwards in their meeting held on **05.08.2013** which were as under:-

Name : **Sushil Jain**  
 Designation : **Chairman & Managing Director**  
 Remaining period of Remuneration : **16.08.2014 to 15.08.2018**

1. **Basic Salary** : Rs. 3,87,500/- (Rupees Three Lac eighty seven thousand and five hundred only) p.m.
2. **Personal Pay** : Rs. 1,93,750/- (Rupees One Lac ninety three thousand seven hundred and fifty only) p.m.
3. **Management Allowance** : Rs. 1,00,000/- (Rupees one lac 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 Section II of Part II of Schedule V of the Companies Act, 2013 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 year ended on 31<sup>st</sup> March, 2014, the Company has achieved revenues (including other income) of Rs.3572.64 lacs and has reported Profit After Tax of Rs.541.13 lacs. During the year, the Company earned foreign exchange earnings of Rs.3185.86 lacs.



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**II. Information about the Appointee :**

Mr. Sushil Jain, aged 56 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 32 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 Stakeholders Relationship Committee of the Company. Mr. Sushil Jain is also on the Board of Directors of P.K. Business Enterprises Limited, Mahavir Phototech (Pvt.) Ltd., 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 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 11 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. 7 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, allowances and perquisites 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 and KMP of the Company and their relatives is in any way concerned or interested, financial or otherwise, in the resolution set out at item No. 7.

The explanatory statement together with the accompanying notice may also be regarded as a disclosure under clause 49 of the listing agreement with the Stock Exchange.

The Board recommends passing of the Resolution.

**ITEM NO. 8.**

Section 180(1)(c) of the Companies Act, 2013 effective from 12<sup>th</sup> September, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at **Item No. 8** of the Notice to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 50 Crores (Rupees fifty crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at **Item No. 8**.

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

PLACE : New Delhi  
Dated : 21st May 2014

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**INDIAN TONERS & DEVELOPERS LTD.**

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

(CIN NO. L74993UP1990PLC015721)

21<sup>st</sup> May, 2014

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](mailto: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](http://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.