

27TH ANNUAL REPORT 2016-2017



INDIAN TONERS & DEVELOPERS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	Shri Sushil Jain Shri Vikram Parkash Shri Sanjeev Goel Shri Arun Kumar Garg Shri Kewal Krishan Dhiman Smt. Neena Jain	Chairman & Managing Director Director Director Director Director Director
COMPANY SECRETARY	Shri. S. C. Singhal	
BANKERS	State Bank of India	
AUDITORS	K. N. Gutgutia & Co. Chartered Accountants 11-K, Gopala Towers, 25, Rajendra Place, New Delhi –110 008.	
REGISTERED OFFICE & WORKS	10.5 KM, Rampur - Bareilly Road, Rampur - 244 901 (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 27th Annual General Meeting of the Shareholders of **INDIAN TONERS & DEVELOPERS LIMITED** will be held on **Monday, the 31st July, 2017**, at 2.30 p.m. at the Registered Office of the Company at 10.5 K.M. Rampur – Bareilly Road, Rampur – 244901 (Uttar Pradesh) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt :
 - (a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2017, the Directors' Report and the Auditors' Report thereon and
 - (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2017.
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 consider the appointment of M/s. M.L. Garg & Co., Chartered Accountants, (Firm Registration No. 001604N) as Statutory Auditors of the Company in place of retiring Auditors, M/s K. N. Gutgutia & Co. Chartered Accountants, (Firm Registration No. 304153E), from the conclusion of this Meeting until the conclusion of 32nd Annual General Meeting of the Company, subject to ratification of their appointment by members at every Annual General Meeting, at such remuneration as may be fixed by Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded to the re-appointment of Shri Sushil Jain (DIN No. 00323952), as Chairman & Managing Director of the Company for a period of three years with effect from 16th August, 2017 on a remuneration and on the terms and conditions as set out in the Statement annexed to the Notice of AGM with liberty to the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said re-appointment in such form and manner or with such modifications as the Board may deem fit and agreed to by Shri Sushil Jain.

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

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

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

PLACE: New Delhi
DATED: 20th May, 2017

(S.C. SINGHAL)
COMPANY SECRETARY

IMPORTANT NOTES:

1. The Register of Members and the Share Transfer Books of the Company will remain closed from 27th July, 2017 to 29th July, 2017 (both days inclusive)
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATEND AND VOTE ON A POLL 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.
3. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible, Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holding should be verified.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
5. Details under Regulation 36(3) of SEBI (LODR) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
6. Electronic copy of the Annual Report for the year 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2016-17 is being sent in the permitted mode.
7. Electronic Copy of the Notice of the 27th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting and e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 27th Annual General Meeting of the Company inter alia indicating the process and manner of e - voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
8. Members may also note that the Notice of the 27th Annual General Meeting and the Annual Report for 2017 will also be available on the Company's website www.indiantoners.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investors@indiantoners.com

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9. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means. The cut-off date for determining the eligibility to vote by electronic means or by ballot in the general meeting shall be 24th July, 2017. The members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting in terms of notification issued by the Ministry of Corporate Affairs dated 19.03.2015.
10. Voting through electronic means (remote e-voting)
- I A. In case a Member receives an E-mail from NSDL [for members whose email IDs are registered with the Company / Depository Participants(s)]:
- (i) Open email and open PDF file viz; "ITDL E-voting.pdf" with your Client ID or Folio No. as pass word. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password. If you are already registered with NSDL for e-Voting then you can use your existing user ID and 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 in step (i) above. Click Login.
 - (v) After successful login, you can change the password with new password of your choice.
 - (vi) Home page of e-voting opens. Click on e-voting : Active Voting Cycles.
 - (vii) Select "EVEN" of **Indian Toners & Developers Ltd.**
 - (viii) Now you are ready for e-voting as Cast Vote Page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders(i.e. other than individuals, HUF, NRI etc.) are requested to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csvhari@gmail.com or investors@indiantoners.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below / at the bottom of the Attendance Slip for the AGM
EVEN (E Voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl No. (ii) to Sl. No. (xii) above, to cast vote.
- II In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and remote e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com

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- 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.
- NOTE: Shareholders who forgot the User Details/Password can use. Forgot User Details/Password? or Physical User Reset Password? option available on www.evoting.nsdl.com. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
- IV** You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s)
- V** The remote e-voting period commences on 28.7.2017 (9.00) (IST) and ends on 30.7.2017 (17.00) (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24.7.2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for remote e-voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI** The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut - off date of 24.7.2017.
- VII** Mr. Varanasi Hari (CP No. 8244), a practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting and voting process in a fair and transparent manner.
- VIII** The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the remote e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- IX.** The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.indiantoners.com and on the website of NSDL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
11. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 24th July, 2017, may obtain the User ID and password in the manner as mentioned below:
- If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.nsdl.com>, the member may click "Forgot User Details/Password?" or "Physical User Reset Password?" and enter Folio No. or DP ID Client ID and PAN to generate a password. Member may send an e-mail request to evoting@nsdl.co.in
- If the member is already registered with NSDL e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company
13. Members, who hold shares in de-materialized form, are requested to bring their client ID and DP ID Nos. for easier Identification of attendance at the Meeting.
14. In all correspondence with the Company members are requested to quote their Account /
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Folio Numbers and in case their Shares are held in the dematerialized form they must quote their Client ID No. and their DP ID No.

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

ANNEXURE TO NOTICE CONVENING 27TH ANNUAL GENERAL MEETING

Explanatory statement pursuant to section 102 (1) of the Companies Act, 2013:

ITEM NO. 4

On the recommendations of the Nomination & Remuneration Committee of Board of Directors of the Company, the Board in its meeting held on 20.5.2017 has re-appointed Shri Sushil Jain as Chairman & Managing Director of the Company for a period of 3 years.

The details of appointment and remuneration payable to Sh. Sushil Jain are as under:-

Name : **Sushil Jain**
Designation : **Chairman & Managing Director**
Period : **16.08.2017 to 15.08.2020**
Remuneration :

1. **Basic Salary** : Rs. 7,50,000/- p.m.
2. **Annual Increment** : Upto a maximum of 30% of the total gross salary as may be decided by the Board of Directors.
3. **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.
4. **Perquisites/Amenities** :
 - a. **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.
 - b. **Payment of Medical Expenses** - Payment towards medical expenses (including Mediclaim insurance premium) for self and his family subject to a ceiling of one month's basic salary in a year.
 - c. **Leave Travel Concession** - Payment towards leave travel for self and his family shall be paid once in a year equivalent to one month's basic salary.
 - d. **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.
 - e. **Car and Telephone** - Free use of Co.'s two cars for official work as well as for personal purposes alongwith Driver and telephones, wifi/internet and other communication facilities at residence.
 - f. **Travelling Expenses** - While travelling on the Company's business purposes, the Chairman & Managing Director will be entitled to be accompanied by his wife, and the travelling and other incidental expenses incurred by his wife will also be borne/ reimbursed by the Company.
 - g. Personal Accident Insurance as may be required.
 - h. Any other perquisites/facility within the limits prescribed in Part II of Schedule V of the Companies Act, 2013.

PERQUISITES NOT TO BE INCLUDED IN THE COMPUTATION OF THE CEILING ON REMUNERATION

- i. **Provident Fund** - Contribution to Provident Fund, Super Annuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- j. **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.
- k. **Leave Encashment** - Encashment of leave at the end of the tenure.

Explanation

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

Minimum Remuneration :

In the absence or inadequacy of profits in any financial year, the total remuneration to Shri Sushil Jain, Chairman & Managing Director by way of salary, commission and perquisites shall be governed by the limits prescribed in Part II, Section II of Schedule V of the Companies Act, 2013.

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 manufacturer 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 31st March, 2017, the Company has achieved revenues (including other income) of Rs.3920.64 lacs and has reported Profit After Tax of Rs.688.82 lacs. During the year, the Company earned foreign exchange earnings of Rs. 2797.02 lacs.

II. Information about the Appointee :

Mr. Sushil Jain, aged 58 years, is a dynamic qualified engineer from Delhi College of Engineering, New Delhi and is associated with the Company from its inception. He has more than 35 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.,

Super Tube Company Limited and Shrilon India 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 14 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. 4 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, personal accident 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, no other Director and KMP of the Company and their relatives is in any way concerned or interested, financially or otherwise, in the resolution set out at item No. 4.

The explanatory statement together with the accompanying notice may also be regarded as a disclosure under Section 190 of the Companies Act, 2013 and Regulation 36 of the SEBI (LODR) Regulations, 2015 with the Stock Exchange.

The Board recommends passing of the Resolution.

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

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

PLACE : New Delhi
DATED : 20th May, 2017

(S.C. SINGHAL)
COMPANY SECRETARY