

MD			BKC	
CS			DPY	96
RO			DIV	263
TRA			AC	
AGM			SHI	
YE				

FIFTH ANNUAL REPORT 1996-97

Report

TOWA

on.com

Towa Sokki Limited

TOWA SOKKI LIMITED

BOARD OF DIRECTORS

Shri O. J. Bansal	Managing Director
Shri S. J. Bansal	Director
Smt. S. O. Bansal	Director
Smt. S. S. Bansal	Director
Shri R. S. Patel	Director
Shri M. S. Agarwal	Director
Shri G. C. Agarwala	Director

BANKERS

Indian Overseas Bank
State Bank of India
Bank of Baroda
Dena Bank

AUDITORS

M/S. A. M. GANDHI & CO.
211-A, Narmada Apartments,
Navrang Talkies Compound,
Raopura, Baroda - 390 001.

NOTICE

5th Annual General Meeting will be held at the Company's Registered Office on Tuesday, 30th September, 1997 at 11.00 a.m.

COMPANY LAW CONSULTANTS

MRS. DARSHA R. KIKANI
B/3, Chitrakoot, Ellora Park,
Baroda - 390 007

CONTENTS

Notice
Directors' Report
Auditors' Report
Balance Sheet
Profit and Loss Account
Schedules forming part of Balance Sheet & Profit and Loss Account
Notes on Accounts
Balance Sheet Abstract
Cash Flow Statement
Proxy Form

REGISTERED OFFICE

919/3, G.I.D.C. Estate,
Makarpura, Baroda - 390 010

TOWA SOKKI LIMITED**NOTICE**

Notice is hereby given that the 5th Annual General Meeting of the members of TOWA SOKKI LIMITED will be held at the Registered Office of the Company at 919/3, GIDC, MAKARPURA, BARODA -390 010 on TUESDAY, 30th September, 1997, at 11.00 a.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1997 and the Profit & Loss Account for the financial year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Shri R. S. Patel who retires by rotation and is eligible for re-appointment.
3. To appoint Director in place of Shri M. S. Agarwal who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Date : 29-6-1997.

Place :

919/3, G.I.D.C.,
Makarpura,
BARODA-390 010.

By the Order of the Board
TOWA SOKKI LIMITED

S. J. BANSAL
DIRECTOR

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. Proxies, in order to be effective, should be duly stamped, completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
3. Pursuant to Section 154 of the Companies Act, 1956, Register of members and Shares Transfer Books of the Company will remain closed from 23rd September, 1997 to 30th September, 1997 (both days inclusive).
4. Members intending to require information about accounts at the meeting are requested to write to the Company atleast 10 days in advance of the Annual General Meeting.
5. Members are requested to intimate, if shares are held in the same name or in the same order and names, but in more than one account to enable the Company to club the said accounts into one account and to notify immediately any change in registered address, to the Company.

TOWA SOKKI LIMITED

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present their 5th Annual Report with the Audited Statement of Accounts of your Company for the year ended on 31st March, 1997.

1. SUMMARY OF FINANCIAL RESULTS

	Year Ended 31-03-1997	(Rs. in Lacs) Year Ended 31-03-1996
TOTAL INCOME	28.96	40.23
TOTAL EXPENDITURE	27.23	36.66
GROSS PROFIT	1.73	3.57
DEPRECIATION	3.49	2.77
PROFIT/(LOSS) BEFORE TAXATION	(1.76)	0.80
PROFIT/(LOSS) AFTER TAX	(1.76)	0.80
RESERVES (EXCLUDING REVALUATION RESERVE)	9.59	11.35

2. DIVIDEND

In the absence of profit, your Directors regret their inability to propose any Dividend.

3. DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri R. S. Patel and Shri M. S. Agarwal retire by rotation and being eligible, offer themselves for re-appointment.

4. FIXED DEPOSITS

The Company has not accepted Fixed Deposits from Public as envisaged under Section 58 A and 58 B of Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975.

5. AUDITOR'S REPORT

In respect of the observations made by Auditors the Notes on Accounts are self explanatory.

6. AUDITORS

M/s A. M. Gandhi & Co., Chartered Accountants, retire as Auditors of the Company at the conclusion of the Fifth Annual General Meeting and are eligible for reappointment.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO.

In terms of Section 217(e) (1) of the Companies Act, 1956 (as amended) and the Companies (disclosure of particulars in the report of Board of Directors) Rules of 1988, your Directors furnish here under the additional information :

TOWA SOKKI LIMITED

- a) The Company is taking all the measures for conservation of energy.
- b) **TECHNOLOGY ABSORPTION** : A substantial amount is planned to be invested in Research and Development activity, the technology to in part the right physical properties to the Company's products, to improve quality, to reduce cost of production and to identify the areas for diversification for future improvements.
- c) **FOREIGN EXCHANGE INFLOW AND OUTFLOW** :
- | | | |
|-------------------------|---|---------------|
| Foreign Exchange earned | : | NIL. |
| Foreign Exchange used | : | Rs. 6.27 Lacs |

8. PARTICULARS OF EMPLOYEES

Particulars of Employees as required under Section 217 (2A) of the Companies Act, 1956 during the year under report is as per the Annexure.

9. ACKNOWLEDGEMENT

The Board of Directors are pleased to place on record, their sincere appreciation for the co-operation of employees of the Company at all levels, unstinted support of the Company's Bankers, Other Associates and the Shareholders.

Date : 29-6-1997

Place :

919/3, G.I.D.C.,
Makarpura,
BARODA-390 010.

By the Order of the Board
TOWA SOKKI LIMITED

O. J. BANSAL
CHAIRMAN

ANNEXURE TO THE DIRECTORS' REPORT

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 1997.

Sr. No.	Name	Age (Yrs)	Qualification	Date of commencement of Employment	Designation	Remuneration (Rs.)	Experience (Yrs.)	Last Employment, Designation, Employer.
1.	Mr.O.J.Bansal	50	D.M.E. D.E.E.	1-1-95	Man.Dir.	2,46,783 (7 Months)	26	Man.Dir., Bansal Insts. Pvt. Ltd.
2.	Mr.S.J.Bansal	47	D.C.E.	1-1-95	Director	2,20,935 (7 Months)	26	Director, Bansal Insts. Pvt. Ltd.

TOWA SOKKI LIMITED**AUDITOR'S REPORT**

To,
The Members of TOWA SOKKI LIMITED,

We have audited the attached Balance Sheet of Towa Sokki Limited, as at 31st March, 1997 and the Profit and Loss Account of the Company for the Year ended on that date, annexed thereto. We report that :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in Paragraph 1 above, we report that :
 - a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
 - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of Account;
 - d) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with Significant Accounting Policies (Schedule - 21) and Notes on Accounts (Schedule - 22) give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
 - i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1997, and
 - ii) in the case of the Profit and Loss Account of the Loss of the Company for the year ended on that date.

PLACE : BARODA
DATE : 29TH JUNE, 1997

For A. M. GANDHI & CO.
CHARTERED ACCOUNTANTS
A. M. GANDHI
PROPRIETOR

TOWA SOKKI LIMITED**ANNEXURE TO THE AUDITOR'S REPORT****(Referred to in paragraph 1 of our report of even date)**

1. The Company has generally maintained proper records showing broadly the particulars of fixed assets. Fixed Assets have been physically verified by the management during the Year.
2. The Company has not revalued its fixed assets during the year.
3. As reported to us, the stocks of raw materials, finished goods and stores and spares have been physically verified by the management at reasonable intervals during the Year.
4. The procedure for physical verification of stocks followed by the management are generally reasonable and adequate in relation to the size of the company and nature of its business.
5. The discrepancies noticed on physical verification of stocks as compared to book records which in our opinion, were not material have been properly dealt with in the books of account.
6. In our opinion and on the basis of our examination the valuation of stocks of raw materials, finished goods and stores and spares is fair and proper and in accordance with the normally accepted accounting principles.
7. The Company has not taken secured or unsecured loans from the Parties or Firms listed in the Register maintained under section 301 of the Companies Act, 1956, companies under the same management within the meaning of section 370(1-B) of the Companies Act, 1956.
8. The Company has not granted any loans, secured or unsecured to companies, firms, or other parties listed in the register maintained under section 301 of the companies Act, 1956. As explained to us, there are no companies under the same management within the meaning of section 370(1-B) of the Companies Act, 1956.
9. The Company has given interest free advances to employees and repayment of such advances, as to principal is being received regularly as stipulated.
10. According to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of stores, raw-materials, plant and machinery, equipment and other assets.
11. According to the information and explanations given to us, there are no transactions of purchase of goods and materials and sale of goods and materials and services made in pursuance of contracts, or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the Year to Rs. 50000/- or more in respect of each party.