

Towa Sokki Limited



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EIGHTH ANNUAL REPORT - 1999-2000

Towa Sokki Limited



BOARD OF DIRECTORS

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

BANKERS

Bank of Baroda
Indian Overseas Bank
State Bank of India

NOTICE

8th Annual General Meeting will be held at the Company's Registered office on Saturday, 30th September, 2000 at 11.00 A.M.

AUDITORS

M/S. BHAVAN PATEL & CO.
206-B, Vertex Vikas,
Sir M. V. Road
Andheri (East)
MUMBAI-400 069.

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COMPANY LAW CONSULTANTS

MRS. DARSHA R. KIKANI
14, Upkar Society, Ellora Park,
BARODA-390 007.

REGISTERED OFFICE

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

Towa Sokki Limited**NOTICE**

Notice is hereby given that the 8th 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-390010 on SATURDAY, 30th September, 2000, 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, 2000 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. Agrawal who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

5. To consider, and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, including any Statutory modification or re-enactment thereof, for the time being in force, approval of the Company be and is hereby granted to the re-appointment of Shri O. J. Bansal as Managing Director of the Company for a period of five years with effect from 1st January 2000, at the following remuneration.

- I. Salary of Rs. 10,000/- per month with power to the Board of Directors to increase the salary from time to time within the overall ceiling prescribed by the Central Government.
- II. The Managing Director shall also be entitled to the following Perquisites.
 - a. Free furnished residential accommodation or House Rent Allowance as may be fixed by the Board from time to time.
 - b. Reimbursement of Gas, Electricity, Water and furnishings at his residence.
 - c. Reimbursement of Medical expenses incurred for self and family.
 - d. Leave Travel Concession for self and family once in a year.
 - e. Fees of two clubs.
 - f. Personal accident insurance premium.

Notwithstanding anything contained herein above, where in any financial year during the currency of tenure of the Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Managing Director the above remuneration not exceeding the ceiling limit prescribed in Schedule XIII of the Companies Act, 1956.

Towa Sokki Limited

- III. The Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified herein above.
- Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
 - Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
 - Earned privilege leave at the rate of one month leave for every eleven months of service. The Managing Director shall be entitled to encash leave at the end of his tenure as Managing Director.
- IV. Provision of Car and Telephone at the residence of the Managing Director shall not be treated as perquisites.
6. To consider, and if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution :
- "RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, including any Statutory modification or re-enactment thereof, for the time being in force, approval of the Company be and is hereby granted to the re-appointment of Shri S. J. Bansal as Joint Managing Director of the Company for a period of five years with effect from 1st January 2000, at the following remuneration".
- Salary of Rs. 10,000/- per month with power to the Board of Directors to increase the salary from time to time within the overall ceiling prescribed by the Central Government.
 - The Joint Managing Director shall also be entitled to the following Perquisites.
 - Free furnished residential accommodation or House Rent Allowance as may be fixed by the Board from time to time.
 - Reimbursement of Gas, Electricity, Water and furnishings at his residence.
 - Reimbursement of Medical expenses incurred for self and family.
 - Leave Travel Concession for self and family once in a year.
 - Fees of two clubs.
 - Personal accident insurance premium.
- Notwithstanding anything contained herein above, where in any financial year during the currency of tenure of the Joint Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Director the above remuneration not exceeding the ceiling limit prescribed in Schedule XIII of the Companies Act, 1956.
- III. The Joint Managing Director shall also be entitled to the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified herein above.
- Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.

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- b. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
 - c. Earned privilege leave at the rate of one month leave for every eleven months of services. The Joint Managing Director shall be entitled to encash leave at the end of his tenure as Joint Managing Director.
- IV. Provision of Car and Telephone at the residence of the Joint Managing Director shall not be treated as perquisites.

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 and a proxy need not be a member. proxies in order to be effective must be received at the registered office of the company not less than forty eight hours before the commencement of the meeting.
2. The explanatory statement pursuant to Section 173 of the Company Act, 1956 in respect of the Special Business at item Nos. 5 and 6 is annexed hereto.
3. Pursuant to Section 154 of the Companies Act, 1956 the Register of Members and Share Transfer Books of the Company will remain closed from 30th September, 2000 to 9th, October 2000. (both days inclusive).
4. 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.
5. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of Annual Report at the Meeting.

DATE : 28-6-2000

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 NOTICE**

Explanatory Statement Under Section 173 of the Companies Act, 1956.

Item No.5

The term of Shri O. J. Bansal as Managing Director of the Company expired on 31st December,

Towa Sokki Limited



1999. The Board of Directors of the Company has re-appointed Shri O.J. Bansal as Managing Director of the Company for a further period of five years with effect from 1st January, 2000 on the remuneration and the terms and conditions contained in the resolution at Item No.5 of the accompanying notice.

The resolution at Item No.5 of the accompanying notice is proposed for approval of the members to his re-appointment as Managing Director as required in Schedule XIII of the Companies Act, 1956.

The remuneration and terms of his re-appointment as contained in the said resolution may be treated as an abstract under Section 302 of the Companies Act, 1956.

Shri O. J. Bansal is concerned or interested in the said resolution, Shri S. J. Bansal and Smt. S. O. Bansal Director of the Company being related to Shri O. J. Bansal are deemed to be concerned or interested in the resolution.

The Board commends the approval by the members of the re-appointment of Shri O. J. Bansal as Managing Director and the payment of remuneration to him.

Item No.6

The term of Shri S. J. Bansal as Joint Managing Director of the Company expired on 31st December 1999. The Board of Directors of the Company has re-appointed Shri S. J. Bansal as Joint Managing Director of the Company for a further period of five years with effect from 1st January, 2000 on the remuneration and the terms and conditions contained in the resolution at Item No.6 of the accompanying notice.

The resolution at Item No.6 of the accompanying notice is proposed for approval by the members to his re-appointment as Joint Managing Director as required in Schedule XIII of the Companies Act, 1956.

The remuneration and terms of his re-appointment as contained in the said resolution may be treated as an abstract under Section 302 of the Companies Act, 1956.

Shri S. J. Bansal is concerned or interested in the said resolution, Shri O. J. Bansal and Smt. S. O. Bansal Director of the Company being related to Shri S. J. Bansal are deemed to be concerned or interested in the resolution.

The Board commends the approval by the members of the re-appointment of Shri S. J. Bansal as Joint Managing Director and the payment of remuneration to him.

Date : 28-6-2000

Place :

919/3, G.I.D.C.,

Makarpura, BARODA-390 010.

By the Order of the Board

TOWA SOKKI LIMITED

O. J. BANSAL
CHAIRMAN

Towa Sokki Limited**DIRECTORS' REPORT**

To,
The Members,

Your Directors have pleasure in presenting the 8th Annual Report with the Audited Statement Accounts of your Company for the year ended on 31st March, 2000.

1. SUMMARY OF FINANCIAL RESULTS

	Year Ended 31-03-2000	(Rs. in Lacs) Year Ended 31-03-1999
Sale & Income From Job Work	52.21	39.56
Increase/(Decrease) In Stock	(0.03)	(3.61)
Profit on Sale of Vehicle	0.01	-
Total Income	52.19	35.95
Total Expenditure	47.49	31.42
Gross Profit	4.70	4.53
Depreciation	3.88	3.82
Profit/ (Loss) before Taxation	0.82	0.71
Provision for Taxation	0.06	-
Profit/(Loss) after Tax	0.76	0.71
Reserves (Excluding Revaluation Reserve)	7.79	7.03

2. DIVIDEND

To conserve the resources, your Directors express their inability to propose any Dividend.

3. DIRECTORS

Smt. S. S. Bansal resigned as a Director of the Company. Your Directors place on record their deep appreciation for the services rendered by Smt. S. S. Bansal during her association with the Company.

Shri O.J. Bansal was re-appointed as a Managing Director for a further period of 5 (five) years with effect from 1st January, 2000.

Shri S.J. Bansal was re-appointed as a Joint Managing Director for a further period of 5 (five) years with effect from 1st January, 2000.

Shri R.S. Patel and Shri M.S. Agarwal, Directors, retire by rotation and are eligible 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.

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5. AUDITOR'S REPORT

The observations of the Auditors and notes on the statement of accounts referred to in the report of the Auditors are self-explanatory.

6. AUDITORS

M/s. Bhavan Patel & Co., Chartered Accountants, retire as Auditors of the Company at the conclusion of the Eighth Annual General Meeting and are eligible for re-appointment.

7. Y2K COMPLIANCE

All the computers of the Company are Y2K compliant.

8. 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 :

- 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 impart 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 EARNING AND OUTGO :

1. Earnings in Foreign Exchange

Value of Exports on F.O.B. basis	18.88 Lacs
Others	30.27 Lacs

2. Expenditure in Foreign Currency

Imports of Raw Materials, Spares and Components	5.16 Lacs
Foreign Travelling	3.71 Lacs
Machinery	5.18 Lacs

9. PARTICULARS OF EMPLOYEE

There are no employees during the period drawing remuneration specified under Section 217 (2) (A) of the Companies Act, 1956. As such, no particulars are required to be furnished.

10. 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 : 28-6-2000

PLACE :

919/3, G.I.D.C.,

Makarpura, BARODA-390 010.

By the Order of the Board
TOWA SOKKI LIMITED

O. J. BANSAL
CHAIRMAN

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, 2000 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 - 20) and Notes on Accounts (Schedule - 21) 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, 2000, and
 - ii) In the case of the Profit and Loss Account of the Profit of the Company for the year ended on that date.

PLACE : MUMBAI

DATE : 28-6-2000

For BHAVAN PATEL & CO.
CHARTERED ACCOUNTANTS

B. H. PATEL
PROPRIETOR