

Towa Sokki Limited



TWENTY FIRST ANNUAL REPORT 2012 - 2013



BOARD OF DIRECTORS

Shri O.J.Bansal	Managing Director
Shri S.J.Bansal	Director
Smt. S.O.Bansal	Director
Shri M.S.Agarwal	Director
Shri G.C.Agarwala	Director
Shri Anil Gupta	Director

BANKERS

Bank of Baroda
Axis Bank Ltd.

AUDITORS

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

COMPANY LAW CONSULTANTS

MR. KASHYAP SHAH
B-203, Manubhai Tower,
Sayajigunj,
VADODARA - 390 005

REGISTERED OFFICE

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

NOTICE

21st Annual General Meeting will be held at the Registered Office of the Company at 919/3, GIDC Estate, Makarpura Vadodara-390 010 on Saturday, 28th September, 2013 at 10.00 A.M.

CONTENTS

Notice
Directors' Report
Auditor's Report
Balance Sheet
Profit and Loss Account
Cash Flow Statement
Notes to Financial Statements
Proxy Form

NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the members of TOWA SOKKI LIMITED will be held on Saturday, 28th September 2013, at 10.00 a.m. at the Registered Office of the Company at 919/3, GIDC Estate, Makarpura Vadodara-390010 to transact the following Business

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended 31st March, 2013, Balance Sheet as at that date and the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Smt. S.O. Bansal, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Shri Anil Gupta who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

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 in accordance with the provisions of Sections 198, 269, 309 and 314 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force and as may be enacted from time to time) and subject to approval from Central Government, if required, the consent of the Company be and is hereby accorded to the re-appointment of Shri O.J.Bansal as Managing Director of the Company, for a period of three years with effect from 1st October 2013 on the terms and conditions, including remuneration, as are set out in the agreement to be entered into between the Company and Shri O.J.Bansal, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as “the Board”) to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 (including any statutory modification or re-enactments thereof, for the time being in force), or any amendments and/or modifications that may hereafter be made thereof by the Central Government in that behalf from time to time, or amendments thereto as may be agreed to between the Board and Shri O.J.Bansal.

6. To consider, and, if thought fit, to pass, with or without modification(s) as an Ordinary Resolution :

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 314 read with Schedule XIII and all other applicable provisions of the Company Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force and as may be enacted from time to time) and subject to approval from Central Government, if required, the consent of the Company be and is hereby accorded to the re-appointment of



Shri S.J.Bansal as whole Time Director of the Company, for a period of three year with effect from 1st October 2013 on the terms and conditions, including remuneration, as are set out in the agreement be entered into between the Company and Shri S.J.Bansal, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board") to after and vary the terms and conditions the said appointment and/or remuneration and/or agreement so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 (including any statutory modification or re-enactments 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 S.J.Bansal.

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 Section 314 and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactments thereof, the approval of the Company be and is hereby accorded to the re-appointment of Mr. Somesh O. Bansal as Instrument Engineer, for a period of 3 years with effect from 1st October, 2013 on terms and conditions including remunerations as set out in the explanatory statement annexed to the Notice convening this meeting and to his holding and continuing to hold an office or place of profit as such in the Company.

Regd. Office :
919/3, GIDC Estate,
Makarpura,
Vadodara-390 010
Date : 26-08-2013

By order of the Board,
For Towa Sokki Limited
Sd/-
O. J. Bansal
Chairman & Managing Director

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, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24-9-2013 to 28-9-2013 [Both days inclusive]
3. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
4. The Information as per clause-49 of the Listing Agreement with Bombay Stock Exchange Limited is annexed hereto in respect of item No. 2 and 3 (Annexure to the Notice)
5. Members are requested to bring their copy of the annual report and the duly filled in attendance slip with them at the annual general meeting.

Explanatory Statement Under Section 173(2) of the Companies Act, 1956.**Item No. 5**

The present term of office of Shri O.J.Bansal as Managing Director is expiring on 30th September 2013. The Board of Directors, has re-appointed him as Managing Director for a further period of three years from the expiry of his term.

Upon the recommendation of Remuneration Committee of the Board of Directors, the Board has revised the proposed remuneration and the broad particulars of terms of the re-appointment of Shri O.J.Bansal for a further period of three years as also the payment of remuneration during his tenure are as under

- I. Salary of Rs.40,000/- per month (upto Rs. 75,000/- p.m.) 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. 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 had made no profit or its profit 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.

- III. Provision of Car and Telephone at the residence of the Managing Director shall not be treated as perquisites.

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

The Board recommends the Resolution set out in Item No. 5 of the Notice for approval by Members.

The above statements may be treated as an abstract of the terms of contract with the Managing Director and the Memorandum of Interest as required u/s. 302 of the Companies Act, 1956.

Item No. 6

The present term of office of Shri S.J.Bansal as Whole Time Director is expiring on 30th September 2013. The Board of Directors, has re-appointed him as Whole Time Director for a further period of three years from the expiry of his term.

Upon the recommendation of Remuneration Committee of the Board of Directors, the Board has revised the proposed remuneration and the broad particulars of terms of the re-appointment of Shri S.J.Bansal for a further period of three years as also the payment of remuneration during his tenure are as under

- I. Salary of Rs.35,000/- per month (upto Rs. 75,000/- p.m.) 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 Whole Time 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. Personal accident insurance premium.

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

- III. Provision of Car and Telephone at the residence of the Whole Time Director shall not be treated as perquisites.

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

The Board recommends the Resolution set out in Item No. 6 of the Notice for approval by Members.

The above statements may be treated as abstract of the terms of contract with the Whole Time Director and the Memorandum of Interest as required u/s. 302 of the Companies Act, 1956



Item No.7

The present term of office of Mr. Somesh. O. Bansal as Instrument Engineer is expiring on 30th September 2013. The Board of Directors, has re-appointed him as Instrument Engineer for a further period of three years from the expiry of his term.

Mr. Somesh O. Bansal holds a Bachelor of Engineering (I.T.) Degree from the Rajasthan Technical University, Jodhpur Campus.

The present proposal is to seek the members approval for appointment of Mr. Somesh O. Bansal as Instrument Engineer of the Company and approve his remuneration and to his holding and continuing to hold an office or place of profit as such in the Company.

Mr. Somesh O. Bansal is related to Mr. O.J.Bansal, Managing Director of the Company. Thus, approval of shareholders is required by way of Special Resolution under Section 314 of the Companies Act, 1956.

The Monthly Salary payable to Mr. Somesh O. Bansal will be Rs. 25,000/- P.M. with an annual increase of Rs. 2,000/- in his Salary.

Shri O.J.Bansal, Managing Director of the Company is the father of Mr. Somesh O. Bansal and hence is deemed to be concerned or interested in the said resolution.

The Board recommends the resolution set out in Item No. 7 of the Notice for approval by Members.



ANNEXURE TO THE NOTICE

THE INFORMATION AS PER CLAUSE 49 OF THE LISTING AGREEMENT WITH BOMBAY STOCK EXCHANGE LTD. (ITEM No. 2 & 3)

Name of the Director	Smt. S. O. Bansal	Shri Anil Gupta
Age	60 Years	47 Years
Qualification	Non Matric	B. Com.
Experties / Experience	Having more than 24 years of experience in Business	Having more than 22 years of experience in Business
Date of Appointment	10-03-1993	20-08-2010
Other Directorship	Nil	Nil
No. of Shares Held	491300	Nil

Regd. Office :
919/3, GIDC Estate,
Makarpura,
Vadodara-390 010
Date : 26-08-2013

By order of the Board,
For Towa Sokki Limited
Sd/-
O. J. Bansal
Chairman & Managing Director

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 21st Annual Report together with audited statement of accounts for the year ended 31st March, 2013.

WORKING RESULTS :

(Amount in Rs.)

Particulars	31-03-2013	31-03-2012
Total Income	3503929	19028005
Depreciation	254515	256602
Profit (Loss) Before Tax	(621261)	202116
Provision for Tax	--	--
Profit (Loss) after Tax	(621261)	202116

OPERATIONS AND FUTURE PLANS :

The operations for the year under review shows a loss of Rs. 621261

The Directors feel that having addressed the issue of clearing the debts, it is an appropriate time to start planning for the future. It is the sincere intention of the Directors to bring value to the Shareholders but the current economic environment being what it is we will have to choose our path with care and caution.

Your Directors are also looking and examining other business options including acquisition of running businesses as well as other good and viable opportunities where some value and synergies can be perceived. It is our Objective that we commence more activities in 2013-2014 and consolidate in 2014-2015 onwards.

DIVIDEND :

In view of the accumulated losses, management does not propose any dividend for the year 2012-2013

DIRECTORS :

Smt. S. O. Bansal and Shri Anil Gupta retire at the ensuing Annual General Meeting, and being eligible offers themselves for re-appointment.

DIRECTOR'S RESPONSIBILITY STATEMENT :

Your Directors State :

- that in the preparation of the annual accounts, the applicable accounting standard had been followed along with proper explanations relating to material departures;

- b) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the period;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- d) that the Directors had prepared the annual accounts on a going concern basis.

FIXED DEPOSITS :

Your company has neither invited nor accepted any Fixed Deposits from the public during the financial year under review.

DAMAGE OF RECORDS :

Because of heavy rain and due to water logging, some of the important records like old share transfer forms, old account books and other old administrative records have been damaged. However, no major material losses have been incurred because of the rain.

CORPORATE GOVERNANCE AND COMPLIANCE CERTIFICATE :

Separate notes on Corporate Governance and Management Discussion and Analysis Report are set out as Anneture "A" and "B" respectively. A Certificate from the Auditor of the Company certifying compliance conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

LISTING AGREEMENTS REQUIREMENTS :

The securities of your company are listed at Bombay Stock Exchange Ltd. The Annual Listing Fee for the year 2013-14 has been paid to the Bombay Stock Exchange Ltd.

BUY-BACK OF SHARES :

There was no buy-back of shares during the year under review.

PARTICULARS OF THE EMPLOYEES :

None of the employees employed during the year was in receipt of remuneration in excess of the prescribed limit specified in section 217 (2A) of the Companies Act, 1956. Hence, furnishing of particulars under the Companies (Particulars of Employees) 1975 does not arise.

AUDITORS :

M/s BHAVAN PATEL & COMPANY, Chartered Accountants, Mumbai, Auditors of the Company retire at the ensuing Annual General Meeting. They have expressed their willingness for reappointment.