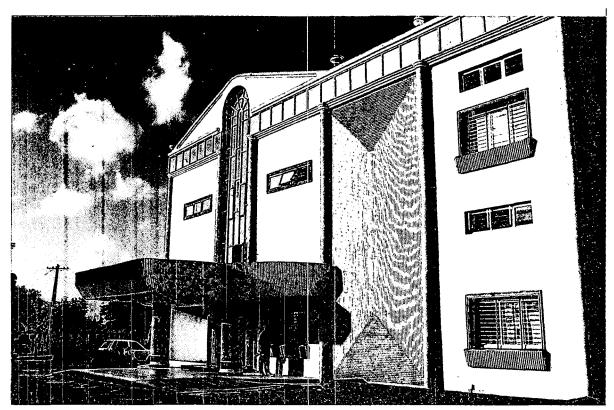


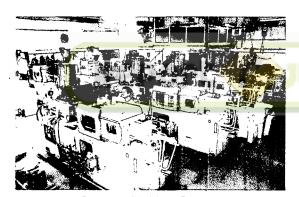
6TH ANNUAL REPORT 1997 - 98



Today's, Continuing the Tradition of Quality Ballpens ...
... Beginning the Era of Innovative Stationery Range.



View of Factory Premises



Injection Molding Section



Tool-Room Section

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BOARD OF DIRECTORS

Mr. Rajesh Kumar Drolia

Chairman & Mg. Director

Mr. Ravi Drolia

Director

Mrs. Anita Drolia

Whole time Director

Mr. Pawan Drolia

Director

Mr. Sajjan Khaitan

Director

Mr. Arun Beswal

Director

AUDITORS

: M/s. AJAY SHOBHA & CO.

Chartered Accountants

SOLICITORS &

LEGAL ADVISORS

VYAS & BHALWAL

Advocates, Solicitors & Notaries.

BANKERS

: State Bank of India

Punjab National Bank

Bank of Baroda

Indian Bank

Dena Bank

Report

Survey No. 251/2/2, Valsad Falia,

Near Jain Temple, Dadra

Dadra & Nagar Haveli (U.T.) 396 230, India

EXPORT OFFICE

REGISTERED OFFICE

3, Parasrampuria Apartments,

E-Wing, Ground Floor,

Near Milan subway Road No.1 T.P.S.-VI, Santracruz (West),

Mumbai - 400 054

ADMINISTRATIVE OFFICE:

1, Lamp Light, 9th Road Extension,

Juhu Vile Parle Scheme,

Mumbai - 400 049

REGISTRAR &

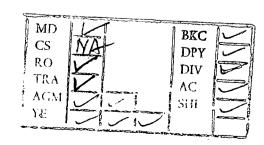
TRANSFER AGENT

PREMIUM FINANCIAL SERVICES LTD.

A-2/477, Shah & Nahar Industrial Estate,

S.J.Marg, Lower Parel (West),

Mumbai - 400 013







CHAIRMAN'S ADDRESS



Dear Shareholders,

First and Foremost I extend my sincere thanks to all of you for the unstinting support you have provided in making your Company's products a monumental success.

I take immense pleasure in informing you that our Company was ranked amongst the top 500 performers by net profit (*Economic Times, report dated 18th July, 1998*)

Though the Writing Instruments in India has witnessed an unprecedented boom the past year, was uniformly not favourable to all markets. However, with structured marketing and advertising techniques directed at our pen buying segments along with your valued support we were successful in maintaining ourselves on the path of growth.

The new unit that had ensued full-fledged commercial production since 1996 was instrumental in bringing out few more successful product ranges like the Klick, Z-mily, the extended Zee range and the Zotter - **(Ek Dum Smooth Operator)** range in the form of Zotter Supreme, Zotter Classic, Zotter Designer, Zotter Twisty.... and many more.

Though our projected turnover for the current year is a conservative 20% growth, with your continued support we are confident of achieving much more, as is evident from our earlier performances.

As you are aware, the groups pioneer product Today's Zee, popularly known as "The Khushboowala Pen" has already carved a niche for itself both in the Domestic as well as the Export Market.

With new product launches, we have acquired more shelf space at our retail counters. We aim to reach out to 1,10,000 retail outlets in the near future. The inclusion of 300 new dealers over and above our existent strength of 650 dealership network will help reinforce the sales of our individual Brands further.

The Company has further charted out an elaborate Marketing Programme comprising of Intense Advertising in the Electronic, Press and other related marketing channels.

The co-branding exercise as well as the co-sponsorship rights undertaken in the press in the form of various contests aimed at different target groups were efforts made to reach out to the consumers directly.

Promotional activities directed towards the student fraternity were co-ordinated in the press as well as through targeted Event sponsorships to ensure primary Brand awareness.

With a view to upgrade its creative outputs the Company has engaged the services of Mr. Alyque Padamsee, a prominent and well known personality of the Advertising Industry, as a Marketing and Image consultant to give you better creativity in our forthcoming Advertising campaigns. Similarly, the Company proposes to appoint a team of marketing professionals to upgrade its marketing efforts.

The Company is exploring the possibility of marketing Foreign Brands in collaboration / arrangement with overseas companies which will further enhance our Brand Equity besides helping in upgrading our technological and marketing resources.

Lastly, the future launch of the Roller Zipp, the Roller ballpen with precision tip to ensure smooth and fast writing, will help penetrate the high priced segment based on our inherent principle of bringing economy to this segment too. The Company proposes to launch Fine Liner Pens as well as Glow Pens by the end of the current financial year.

This will help us build a better Brand Image, excellent rapport with our consumers and a brighter future for all of us who are inextricably linked with the Company.

As we have always maintained, "In continuous search of excellence towards providing Qualitatively Superior Products at an Economical price range, we at Today's will always bring to our valued consumers the best value for their money. Because the Best deserves the very Best ".

For Today's Pens Parivar



Rajesh Kumar Drolia (Chairman & Managing Director)









NOTICE

NOTICE is hereby given that the SIXTH ANNUAL GENERAL Meeting of the Members of TODAY'S WRITING PRODUCTS LIMITED will be held on 36th day of September, 1998 at Registered Office at Survey No. 251/2/2, Valsad Falia, Near Jain Temple, Dadra-896 230, Dadra & Nagar Haveli at 3.00 p.m. to transact the following business:

ordinary business i

- To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 1998 and the Balance Sheet as at that date together with the Director's Report and the Auditors' Report thereon.
- To declare a Dividend.
- To appoint a Director in place of Mr. Ravi Drolla, who retires by rotation, and being eligible offers himself for reappointment.
- 4. To appoint Auditors and fix their remuneration.

SPACIAL BUSINASS

5. To appoint Mr. Arun Beswal as director. 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 Section 257 of the Companies Act, 1956, Mr. Arun Beswal, in respect of whom the Company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed a Director of the Company"

REVISION OF REMUNERATION OF MR. RAJESH KUMAR DROLIA, MANAGING DIRECTOR

To consider and, if thought fit, to pass with or without modification(s), the following as an ORDINARY RESOLUTION:

"RESOLVED that subject to the provisions of Section 198 and Section 309 read with Schedule XIII to the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, the approval of the members be and is hereby accorded for the revision of the remuneration payable to Mr. Rajesh Kumar Drolia, Managing Director of the Company, from Rs. 10,000/- p.m. to Rs. 20,000/- p.m. for the residual period with effect from 01/10/1998 and perquisites and other allowances he paid as prestles rules of the Company and as may be desided. allowances be paid as pe<mark>r</mark> the rules of the Company and as may be decided by the Chairman.

RESOLVED further that in the event of any statutory amendment(s) or modification(s) or relaxation by the Central Government to Schedule XIII to the Companies Act. 1936, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, perquisites, and other allowances, etc., within such prescribed limit or ceiling and the aforesaid resolution be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

AND RESOLVED further that the Chairman of the Board be and is hereby authorised, to take such steps expedient or desirable to give effect to this

REVISION OF REMUNERATION OF MRS. ANITA DROLIA, WHOLE-TIME DIRECTOR

To consider and, if thought fit, to pass with or without modification(s), the following as an ORDINARY RESOLUTION:

*RESOLVED that subject to the provisions of Section 198 and Section 309 read with Schedule XIII to the Companies Act, 1956 and other applicable provisions, if any, of the companies Act, 1956, the approval of the members be and is hereby accorded for the revision of the remuneration payable to Mrs. Anita Drolia, a Whole-time Director of the Company, from Rs. 10,000/- p.m. to Rs. 20,000/- p.m. for the residual period with effect from 01/10/1998 and perquisites and other allowances be paid as per the rules of the Company and as may be decided by the Chairman.

RESOLVED further that in the event of any statutory amendment(s) or modification(s) or relaxation by the Central Government to Schedule XIII to the Companies Act, 1936, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, perquisites, and other allowances, etc., within such prescribed limit or ceiling and the aloresaid resolution be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting.

AND RESOLVED further that the Chairman of the Board be and is hereby authorised to take such steps expedient or desirable to give effect to this FOR AND ON BEHALF OF THE BOARD

> RAJESH KUMAR DROLIA CHAIRMAN & MANAGING BIRECTOR

Regd:Office:

Survey No. 251/2/2, Valsad Falia, Near Jain Temple, Dadra-896 230. Dadra & Nagar Haveli Date : 03/08/1998.

Regd:Office :

NOTES

- AN EXPLANATORY STATEMENT U/S 173 OF THE COMPANIES ACT, 1956, IN RESPECT OF ITEM NOS. 5 TO 7 OF THE NOTICE IS ANNEXED HERETO.
- ANNEXELY FIERE LY.

 MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELE AND PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, PROXY FORM MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- The Dividend as recommended by the Board, if approved at the members' meeting will be payable on or after 26th September, 1998 to those members whose names are on the Company's Register of Members on 26th September, 1998.
- The Register of Members and the Share Transfer Books of the Company will remain closed from 18th September, 1998 to 26th September, 1998 (both days inclusive).
- MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THE ANNUAL REPORT ALONG WITH THEM AS COPIES OF THE REPORT WILL NOT BE DISTRIBUTED AT THE MEETING.
- Members/proxies are requested to produce the Attendance Slip at the entrance of the Hall.
- Members are requested to immediately intimate change of address, if any, to the Company quoting reference to their Register Polio Number,

FOR AND ON BEHALF OF THE BOARD RAJESH KUMAR DROLIA

CHAIRMAN & MANAGING DIRECTOR

Read.Office:

Survey No. 351/3/2, Valsad Palia, Near Jain Temple, Dadra-896 230. Dadra & Nagar Haveli Date : 03/08/1998.

ANNEXURE TO THE HOTICE

EXPLANTORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT 1936.

ITEM NO. 5

Mr Arun Beswal, who is member of the Company, has given a notice in writing under section 257 of the Companies Act. 1950 groposing his candidature for directorship and has deposited a sum of Rs. 300- with the Company Mr. Arun Beswal is a qualified Chartered Accountant and has more than 25 years of experience in various industries. His expertise in the field of international finance, exports and commerce will be an added advantage to the Company by his inclusion on the board of the Company. The Board recommends passing of the resolution.

All directors being relatives of Mr. Arun Beswal, are concerned or interested in this resolution.

ITEM NO. 6

Mr. Rajesh Kumar Drolia was appointed as Managing Director for a period of 5 years from 30/09/95 at a remuneration of Rs. 10,000/- p.m. Mr. Rajesh Kumar Drolia has vast experience in this industry and considering his expertise, efforts and contribution in the growth of the Company, and considering the increase in the remuneration of managerial talent in the country and inflation, the Board increased his remuneration to Rs. 30,000/- p.m. w.e.f. 01/10/98 for the residual period of his term, subject to the approval of the Members at the General Meeting. The increase in remuneration is within the limits prescribed in Schedule XIII to the Companies Act, 1956. The Board recommends passing of the resolution. of the resolution

All directors being relatives of Mr. Rajesh Kumar Drolia, are concerned or interested in this resolution.

This be treated as an abstract under section 302 of the Companies Act, 1956.

ITEM NO.7

Mrs. Anita Drolia was appointed as a Whole-time Director for a period of § years from 30/09/95 at a remuneration of Rs. 10,000/- p.m. Mrs. Anita Drolia has vast experience in the marketing, and her efforts and contribution in the growth of the Company, and considering the increase in the remuneration of managerial talent in the country and inflation, the Board increased her remuneration to Rs. 20,000/- p.m. w.e.f. 01/10/96 for the residual period of her term, subject to the approval of the Members at the General Meeting. The increase in remuneration is within the limits prescribed in Schedule XIII to the Companies Act, 1936. The Board recommends passing of the resolution.

FOR AND ON BEHALF OF THE BOARD RAJESH KUMAR DROLLA CHAIRMAN & MANAGING DIRECTOR

Survey No. 351/3/3, Valsad Falia, Near Jain Temple, Dadra:390 330. Dadra & Nagar Havell Date : 03/09/1998.







DIRECTORS' REPORT

To,

The Members,

Today's Writing Products Limited

Dear Shareholders,

Your Directors have pleasure in presenting the sixth Annual Report together with the audited accounts for the year ended 31st March, 1998.

FINANCIAL RESULTS:

THE COMPANY'S FINANCIAL RESULT FOR THE YEAR UNDER REVIEW ARE AS UNDER

(Rs. in lacs)

	` ,	
•	1997-98	1996-97
Profit Before Interest		
and Depreciation	275.73	141.25
Interest / Finance Charges	2.39	0.29
Depreciation	32.33	9.48
Profit Before Tax	241.01	131.48
Provision for Taxation	4.60	5.00
Profit after Tax	236.41	126.48
Balance brought forward		
from previous year	98.97	66.39
Amount available		
for appropriation	335.34	192.87
APPROPRIATIONS:		
Proposed Dividend	94.45	67.22
Tax on Dividend	9.44	6.72
Transfer to General Reserves	25.00	20.00
Balance carried to		
Balance Sheet	206.45	98.93

DIVIDEND:

Your Directors are pleased to recommend a dividend at the rate of 15% for the year ended 31st March, 1998, which will be tax free in the hands of the members. The dividend, if approved, by the members in the ensuing Annual General Meeting will absorb Rs. 94.45 lacs

OPERATIONS:

The year under review was a remarkable one for your Company. The turnover during the year under review increased from Rs.2310 lacs to Rs. 2595 lacs, showing a growth of 12% over the previous year. Though the sales growth was moderate, the Company has performed better in terms of profitability. The profit after tax of your Company went up from Rs.126.48 lacs to Rs.235.42 lacs registering a growth of 87%. Your Company has shown consistent performance in growth and profitability, inspite of general slowdown of the economy, recession in the market and stiff competition.

DEPOSITS:

The Company has not accepted any deposits under section 58A of the Companies Act, 1956.

LISTING OF THE SHARES:

The Equity Shares of the Company are listed on the

following stock exchanges and the Annual Listing Fees for the year 1998-99 is paid

The Vadodara Stock Exchange Limited

The Stock Exchange, Mumbai

The Stock Exchange, Ahemdabad

The Calcutta Stock Exchange Association Limited

The Delhi Stock Exchange

CURRENT YEAR'S OUTLOOK:

Your Company's new product launches like "Glow Pens", "Fine Liners", and "Today's Roller Zipp", the roller ballpen on par with international standards will help capture sizeable market share.

With our existing product range like "Klick", "Lenco", "NU ZEE", "Zing", "Jazz" "New Lenco", "Z-mily", "Zotter" in eight different ranges doing extremely well, your Company will be able to achieve commendable performance during the current Financial Year too barring unforeseen circumstances. Besides proposing to capture the high priced segment, your Company is also launching a range of products to cater to the low - priced segment too.

Your Company is also exploring the possibility to collaborate with renowned foreign companies for further upgradation of its technological as well as marketing resources.

MARKET EXPANSION:

Your Company is presently catering to over 60,000 retail outlets that are displaying and marketing our diverse product ranges to valued customers. The Company aims to reach out to 50,000 more such outlets in the near future.

The inclusion of over 300 more Dealers over and above our existent strength of 650 Dealers will help the Company to develop fresh markets thereby positioning our products in maximum cities, towns and villages too. This step of your Company will help ensure further market penetration.

CURRENT YEAR'S MARKETING STRATEGY:

Your Company has employed a team of Advertising and Marketing Professionals with a view to further strengthen its marketing efforts. This will help explore fresh markets hitherto unexplored as also to devise effective Advertising strategies, thereby procuring maximum Brand awareness in the high priced segment which your Company proposes to penetrate in the forthcoming year.

The Services of Mr. Alyque Padamsee, as a Marketing and Image Consultant are being taken by your Company w.e.f 1st April, 1998 with a view to enhance the creativity of our future advertising campaigns.

RESEARCH AND DEVELOPMENT:

The continuous in house Research and Development programme undertaken by your Company strives to achieve international Quality in writing instruments adhering to the policy of the Company of giving economically priced range of ball pens. The Company has an exclusive tie up with state-of- the -Art computerised tool rooms to develop new moUlds.

Today's Writing Products Limited

CONSERVATION OF ENERGY:

Information required to be given pursuant to Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, is annexed hereto and forms part of the Report.

SOCIAL AND WELFARE ACTIVITIES:

Your Company is engaged in Social and Welfare activities with active support of workers, staff and executives. The Company conducted TB Camps and other medical camps for the benefit of socially deprived people.

The Company is also instrumental in promoting literacy campaigns in schools and colleges by organising competitions, etc.

Your Company proposes to launch an anti-drug social awareness programme both in the Press and the Electronic Medium in an attempt to circumvent these social evils.

ANNUAL FUNCTIONS:

Your Company organised several functions and programmes especially to celebrate the lucky draw contests with great verve and fervour. The Annual Gift Dhamaka becomes an important event as it allows a direct dialogue with the dealers to discuss improvisations on present product ranges besides incorporating future planning in their respective regions.

Similarly, many regional conferences were undertaken to help augment Company's products in various markets effectively.

AWARDS and REWARDS

Your Company won various awards in several national exhibitions like Giftex, Write Show, Mumbai Gift show. The Company was also felicitated for being the pioneer of perfumed ink range of Ballpens in India by the Pakistani president of WIMO (Writing Instruments Manufacturers Organisation).

DIRECTORS:

In accordance with the requirement of the Companies Act, 1956, Mr. Ravi Drolia retires by rotation and being eligible, offers himself for reappointment.

AUDITORS AND AUDITORS' REPORT:

M/s Ajay Shobha & Co., Chartered accountants, will retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

The observations made in the Auditors' Report are self explanatory and therefore do not call for any further comment under Section 217 of the Companies Act 1956.

PARTICULARS OF EMPLOYEES:

None of the employees of the Company was paid remuneration of Rs. 3,00,000/- p.a. or more for the year or Rs. 25,000/- p.m. or more and hence the information required under section 217 (2-A) of the Companies (Particulars of Employees) Rules,1975 is not required to be given.

APPRECIATION:

The Directors take this opportunity to express their appreciation for continued co-operation and assistance extended by Government Authorities, Bankers, Suppliers, Agencies, Customers and for services of the devoted workers, staff and executives of the Company.

And all those who have directly or indirectly contributed towards its growth.

FOR AND ON BEHALF OF THE BOARD

RAJESH KUMAR DROLIA

CHAIRMAN & MANAGING DIRECTOR

Regd.Office:

Survey No. 251/2/2, Valsad Falia, Near Jain Temple, Dadra-396 230 Dadra & Nagar Haveli Date: 03/08/1998.

ANNEXURE TO THE DIRECTOR'S REPORT

INFORMATION REGARDING THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A. CONSERVATION OF ENERGY:

The Company Continues its efforts to improve methods of energy Conservation and utilisation.

B. TECHNOLOGY ABSORPTION:

The Company has a modern state of the art Research and Development Center constantly striving to develop new products, patterns, designs, shapes, colours and combination thereof to cope up with ever changing taste of the consumer and demand of new and innovative designs in stationery world, which improves and contributes to the technology absorption and upgradation.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO: The Company has no foreign exchange earnings, whereas Rs.2,02,816/- has been spent on foreign travels during the year.

FOR AND ON BEHALF OF THE BOARD RAJESH KUMAR DROLIA CHAIRMAN & MANAGING DIRECTOR

Regd.Office:

Survey No. 251/2/2, Valsad Falia, Near Jain Temple, Dadra-396 230 Dadra & Nagar Haveli Date : 03/08/1998. SOCIONS FERS



AUDITORS' REPORT

To

The Members of

TODAY'S WRITING PRODUCTS LIMITED.

We have audited the attached Balance Sheet of TODAY'S WRITING PRODUCTS LIMITED as at 31st March, 1998 and the Profit and Loss Account of the Company for the year ended on 31st March, 1998 annexed there to and 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 enclose in the annexure a statement on the matters specified in Paragraphs 4 and 5 of the said Order.
- 2. Further to our comments in the annexure referred to in paragraph 1 above, we state that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) 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 the 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 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, 1998; and
 - ii) in the case of the Profit and Loss account, of the profit of the Company for the year ended on that date.

FOR AJAY SHOBHA & COMPANY

Chartered Accountants

AJAY GUPTA (Proprietor)

Place : Dadra

Date: 29th day of June, 1998

ANNEXURE TO THE AUDITORS' REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT TO THE MEMBERS OF TODAY'S WRITING PRODUCTS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 1998.

- The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets. As per the information and explanations given to us, the Company has a system of physical verification of its fixed assets once a year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Accordingly, physical verification has been conducted by the management, and no material discrepancies were noticed on such verification.
- 2. None of the fixed assets have been revalued during the year.
- 3. The stocks of stores, spare parts, raw materials and finished goods have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
- 4. In our opinion and according to the information and explanations given to us, the procedures for physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- The discrepancies noticed on physical verification of the stocks as compared to the book records were not material and the same have been properly dealt with in the books of accounts.
- 6. In our opinion and on the basis of our examination, the valuation of stocks is fair and proper and is in accordance with normally accepted accounting principles and is on the same basis as in the preceding year.
- 7. The Company has not taken loans, secured or unsecured from companies, firms of other parties, listed in the register maintained under section 301 of the Companies Act, 1956 or from companies under the same management as defined under section 370 (1-B) of the Companies Act, 1956.
- 8. The Company has not granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956, or to companies under the same management as defined under section 370 (1-B) of the Companies Act 1956.

