

Today's TM
PENS
ADDING VALUE

ANNUAL REPORT

1999-2000

TODAY'S WRITING PRODUCTS LIMITED



ADDING VALUE

IN EVERYTHING WE DO;

IN THE BRANDS WE BUILD;

IN THE PRODUCTS WE MAKE;

IN THE INNOVATIONS WE FOSTER.

TO THE LIVES OF OUR CUSTOMERS;

TO THE BUSINESS WE CONDUCT WITH OUR SUPPLIERS AND ASSOCIATES;

TO OUR EVER GROWING FAMILY OF EMPLOYEES AND SHAREHOLDERS;

TO THE SOCIETY WE BELONG TO.

IT'S THE PATH WE HAVE CHOSEN TO FOLLOW,

AND HAS BEEN OUR GUIDING LIGHT THROUGH THICK AND THIN,

TOWARDS THE GREATER GOALS OF THE FUTURE.

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Vision 2000

Today's renews its commitment to provide high quality writing solutions, at the most affordable price to its customers.

We will relentlessly strive to achieve higher levels of marketing excellence, by developing stronger relations with our customers, to better understand their changing needs, and constantly improve our ability to respond to such needs.

Our brand, Today's, will be among the best known brands, across all categories of products, in India.

We will become the largest manufacturers of writing products in India, within the next five years.

We will also develop the most cost efficient manufacturing facilities, and our R&D will be on par with the world.

We will contribute significantly to the country's economic growth by becoming the largest exporters of writing products.

Finally, Today's will honour its commitment to society through an elaborate and professionally managed illiteracy eradication programme.

Highlights

- ▶ Ball Pens and Refills Production crossed a million pieces per day
- ▶ Revenue up by 89.69% YoY to Rs.50.40 crores. Operating profit up by 65.90% to Rs.4.87 crores.
- ▶ Net profit up by 64.27% YoY to Rs.3.92 Crores despite stiff competition and difficult market conditions.
- ▶ EPS improved from Rs.3.80 per share to Rs.6.23 per share. CEPS also improved strongly from Rs.4.56 to Rs.8.12 per share.
- ▶ Book Value has risen from Rs.16.60 to Rs.20.77 per share.
- ▶ Company's branded products well accepted in Export market as well.
- ▶ The Company registered a 100% Export Oriented Unit of software in an STP.
- ▶ Retail market penetration reached to more than 3,00,000 outlets.
- ▶ Newest bollywood sensation, Hrithik Roshan signed for merchandising deal.



A new Hrithik pen

4
Factory & Registered Office,
Bokaro - India



Company Information

BOARD OF DIRECTORS: Mr. Rajesh Kumar Drolia Chairman & Managing Director
 Mr. Ravi Drolia Director
 Mrs. Anita Drolia Whole time Director
 Mr. Pawan Drolia Director
 Mr. Sajjan Khaitan Director
 Mr. Arun Beswal Director
 Mr. Mukesh Gupta 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

LOCATIONS
REGISTERED OFFICE : Survey No. 251/2, Valsad Falia,
 Near Jain Temple, Dadra, Dadra &
 Nagar Haveli, (U.T.) - 396230, India

ADMINISTRATIVE OFFICE : 1, Lamp Light, 9th Road Extension,
 Juhu Vile Parle Scheme,
 Mumbai - 400 049

WORKS : Survey No. 251/2, Valsad Falia,
 Near Jain Temple, Dadra, Dadra &
 Nagar Haveli, (U.T.) - 396230, India

REGISTRAR & TRANSFER AGENT : PREMIUM FINANCIAL SERVICES LTD.
 A-2/477, Shah & Nahar Industrial Estate,
 S. J. Marg, Lower Parel (West),
 Mumbai - 400 013

Notice

NOTICE is hereby given that the EIGHTH ANNUAL GENERAL meeting of the Members of **TODAY'S WRITING PRODUCTS LIMITED** will be held on 29th day of September, 2000 at the registered office at Survey No. 251/2, Valsad Falia, Near Jain Temple, Dadra-396 230, Dadra & Nagar Haveli (U.T.) at 11.00 a.m. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Profit and Loss Account for the financial year ended 31st March, 2000 and the Balance Sheet as at that date together with the Directors' Report and the Auditors' Report thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. Sajjan Khaitan, who retires by rotation, and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Pawan Kumar Drolia, who retires by rotation, and being eligible offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

6. TO RE-APPOINT MR. RAJESH KUMAR DROLIA AS MANAGING DIRECTOR

To consider and if thought fit to pass with or without modification(s) the following resolution 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, the approval of members, be and is hereby accorded for the re-appointment of Mr. Rajesh Kumar Drolia as Managing Director of the Company, for a period of 5 years with effect from 30.09.2000 to 29.09.2005 and the remuneration be paid by way of salary, perquisites and other allowances as follow :

a. **Salary :** Rs. 50,000/- per month with annual increment @20%.

b. Perquisites :

In addition to the salary as above, he will also be entitled to the following perquisites as may be determined by the Board of Directors :

Fully furnished accommodation or House Rent Allowance in lieu thereof, Gas, Electricity, Water, Leave Travel Concession, Medical Reimbursement, Club Fees, Personal Accident Insurance, Car with driver and Telephone at Residence.

The Managing Director shall also be

eligible to the following benefits :

1. 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.

2. Gratuity and encashment of leave as per Company's rules.

RESOLVED FURTHER THAT notwithstanding anything contained herein above, where in any financial year, if the Company incurs losses or its profits are inadequate, the Board of Directors may determine the remuneration payable to the Managing Director within the limits stated in Section II of the Part II of the Schedule XIII to the Companies Act, 1956.

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, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, perquisites and other allowances, 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.

RESOLVED FURTHER THAT retirement by rotation as a Director will not be taken as break in service.

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 resolution."

7. TO RE-APPOINT MRS. ANITA DROLIA AS WHOLE TIME DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification(s) the following resolution 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, the approval of members, be and is hereby accorded for the re-appointment of Mrs. Anita Drolia as Whole time Director of the Company, for a period of 5 years with effect from 30.09.2000 to 29.09.2005 and the remuneration be paid by way of salary, perquisites and other allowances as follow :

a. **Salary :** Rs. 50,000/- per month with annual increment @20%.

b. Perquisites :

In addition to the salary as above, she will also be entitled to the following perquisites as may be determined by the Board of Directors :

Fully furnished accommodation or House Rent Allowance in lieu thereof, Gas, Electricity, Water, Leave Travel Concession, Medical Reimbursement, Club Fees, Personal Accident Insurance, Car with driver and Telephone at Residence.

The Whole Time Director shall also be eligible to the following benefits :

1. 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.
2. Gratuity and encashment of leave as per Company's rules.

RESOLVED FURTHER THAT notwithstanding anything contained herein above, where in any financial year, if the Company incurs losses or its profits are inadequate, the Board of Directors may determine the remuneration payable to the Whole Time Director within the limits stated in Section II of the Part II of the Schedule XIII to the Companies Act, 1956.

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, 1956, the Board of Directors be and is hereby authorised to vary or increase the remuneration, including the salary, perquisites and other allowances, 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.

RESOLVED FURTHER THAT retirement by rotation as a Director will not be taken as break in service.

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 resolution."

8. ADDITIONS TO ARTICLES OF ASSOCIATION FOR DEMATERIALISATION

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

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and the provisions of other statutes as applicable and subject to such approvals, consents, permissions and sanctions as may be necessary from appropriate authorities or bodies, the Articles of Association of the Company be and are hereby altered to the extent as follows :

After the Article No.140, add the following article as Article No. 141

(a) COMPANY ENTITLED TO DEMATERIALISE ITS SHARES

Notwithstanding anything contained in this Articles of Association, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to

the Depositories Act, 1996, including any statutory modification(s) or re-enactment(s) thereof and to offer for subscription in a dematerialised form. The Company shall further be entitled to maintain a register of Members with details of Members holding shares both in material and dematerialised form(s) or in any media as permitted by law including any form of electronic media.

(b) BENEFICIAL OWNER DEEMED AS ABSOLUTE OWNER

A "beneficial owner" means any person or persons whose name(s) is recorded as such with a depository and the Company shall be entitled to treat the person(s) whose name(s) appears as the beneficial owner of the shares in the records of the Depository defined in the Depository Act, 1996 as the absolute owner thereof as regard receipt of dividend or bonus or rights and other entitlements or service of notices and all or any other matter connected with the shares and accordingly the Company shall not (except as ordered by a Competent Court of Jurisdiction or as by law required) be bound to recognise any benami trust or equity or equitable, contingent or whatsoever other claim to or interest in such share(s) on the part of any other person whether or not the Company shall have express or implied notice thereof.

(c) RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNER

Notwithstanding anything contained in this Articles of Association and in any other law for the time being in force, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of the shares, debentures or other securities on behalf of a beneficial owner. Save as otherwise provided herein above, the depository as a registered owner shall not have any voting rights or any other rights in respect of shares, debentures or any other securities held by it; and the beneficial owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of his/her shares, debentures or any other securities held by a depository.

(d) BENEFICIAL OWNER DEEMED AS A MEMBER

Every person holding equity shares of the Company and whose name is entered as beneficial owner in the records of the depository shall be deemed to be a Member of the Company.

(e) INVESTMENTS IN THE NAME OF A DEPOSITORY

The Company can hold investments in the name of a depository when such investments are in the form of securities held by the Company as a beneficial owner.

(f) SERVICE OF DOCUMENTS ON COMPANY

Where the shares, debentures or any other securities are held in a depository, the

records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or disks.

(g) TRANSFER OF SHARES AND DEBENTURES

The provisions contained in this Articles of Association with regard to transfer or transmission of shares, debentures or any other securities shall not apply to transfer or transmission of shares, debentures or any other securities effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.

(h) RECTIFICATION OF REGISTER ON TRANSFER

With regards to the rectification of Register of Transfer, all the provisions of Section 111A of the Companies Act, 1956 as may be in force from time to time shall also apply.

(i) ALLOTMENT OF SHARES, DEBENTURES OR ANY OTHER SECURITIES TO A DEPOSITORY

Notwithstanding anything contained in sub-section (1) of Section 113 of the Companies Act, 1956 or any modification(s) or re-enactment(s) thereof, where the shares, debentures or any other securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such shares, debentures or any other Securities as far as practicable.

(j) DISTINCTIVE NUMBER OF SHARES AND DEBENTURES HELD WITH A DEPOSITORY NOT REQUIRED

Provisions contained in this Articles of Association about recording distinctive numbers of shares or debentures held by each member or debenture holder respectively in the Register of Members or Register of Debenture holders of the Company shall not apply to the shares or debentures or any other securities which are held with a depository.

(k) REGISTER AND INDEX OF BENEFICIAL OWNERS

The Register and index of Beneficial Owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall also be deemed to be a Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purposes of this Articles of Association and the Companies Act, 1956.

(l) SECURITIES IN FUNGIBLE FORM

The shares, debentures or any other securities of the Company held by a depository shall be dematerialised and shall be in a fungible form. In case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where

such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 as may be in force from time to time shall apply."

9. TO ALTER CLAUSE 27 IN PARAGRAPH III (C) OF THE MEMORANDUM OF ASSOCIATION

To consider and, if thought fit, to pass with or without modification, the following as a **SPECIAL RESOLUTION**:

"RESOLVED THAT Subject to the provisions of section 17(e) of the Companies Act, 1956 the existing sub clause 27 of Clause III [C] of the Other Object of the Memorandum of Association be deleted and substituted by new sub clause 1 as follows:

To engage in India or elsewhere with or without foreign collaboration in the business of information technology as consultants, advisors, consulting engineers, system analysts, system engineers, facilitators, trainers and instructors, in computers, computer hardware, computer software, computer programming, data processing, storage and retrieval, data analysis, market analysis, information processing, information technologists and other related activities either as principals, agents, contractors, sub-contractors, joint-ventures or executing the same on turnkey basis either independently or in collaboration with others and to give and take franchise of computer hardware and software, dealing in radio paging services, telepoint services, cellular mobile services, public mobile radio trunked services, voice mail/audio text services, internet services, web hosting, web content creation & management, email/application hosting, and related internet services and to acquire such business in India or outside India."

10. ADOPTION OF NEW BUSINESS ACTIVITIES

To consider and, if thought fit, to pass with or without modification, the following as a **SPECIAL RESOLUTION**:

"RESOLVED THAT the consent of the Shareholders of the Company be and is hereby given, as provided under section 149 (2A) and other applicable provisions, if any, of the Companies Act, 1956, for the commencement of business included as "other objects for which the Company is established" at serial numbers 27 in paragraph III (C) of the Memorandum of Association of the Company."

FOR AND ON BEHALF OF THE BOARD

(RAJESH KUMAR DROLIA)
CHAIRMAN & MANAGING DIRECTOR

Regd. Office :

Survey No.251/2, Valsad Falia, Near Jain Temple, Dadra, Dadra & Nagar Haveli, (U.T.)-396 230

Date : 21st August, 2000