



TODAYS WRITING INSTRUMENTS LIMITED

**21ST ANNUAL REPORT
2012 - 2013**

COMPANY INFORMATION

BOARD OF DIRECTORS :

Mr. Rajesh Kumar Drolia : Chairman
 Mr. Ronald Netto : Managing Director
 Mr. Rahul Gupta : Independent Director
 Mr. Shreedhar M. Parande : Independent Director

COMPANY SECRETARY : Ms. Bhavika Shah

STATUTORY AUDITORS : M/s. Ajay Shobha & Co., Chartered Accountants

BANKERS :

State Bank of India
 Bank of India
 HSBC Limited
 ICICI Bank Limited
 Axis Bank Limited

LOCATIONS :-

REGISTERED OFFICE :

Survey No. 251/2, Valsad Falia,
 Near Jain Temple, Dadra,
 Dadra & Nagar Haveli, (U.T.) - 396193, India
 Tel No. : 0260-2668574 / 2668538/2669818/819/820
 Fax No. : 0260-2668536
 Email : todays@todays-pens.com

ADMINISTRATIVE OFFICE :

201, Hari Om Chambers, B-16, New Link Road,
 Andheri (W), Mumbai - 400 053
 Tel No. : 022-66954900/66060800
 Fax No. : 022-66954910
 Email: todays@todays-pens.com

WORKS:

Survey No. 251/2, Valsad Falia,
 Near Jain Temple, Dadra,
 Dadra & Nagar Haveli, (U.T.) - 396193, India

REGISTRAR & TRANSFER AGENT :

SATELLITE CORPORATE SERVICES PVT. LTD.
 B-302, Sony Apartment,
 3rd Floor, Opp, St. Jude High School,
 Andheri-Kurla Road,
 Sakinaka, Jarimari, Mumbai - 400 072.
 Tel No. : 022-28520461 / 28520462
 Fax No. : 022-28511809
 Email : service@satellitecorporate.com

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NOTICE

NOTICE is hereby given that the 21st **Annual General Meeting** of the members of **TODAYS WRITING INSTRUMENTS LIMITED** will be held on Monday, 30th September, 2013 at 10.00 a.m. at the Registered Office of the Company at Survey No. 251/2, Valsad Falia, Near Jain Temple, Dadra, Dadra & Nagar Haveli, (U.T.) - 396193, to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Rajesh Kumar Drolia, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

**By Order of the Board of Directors
For Todays Writing Instruments Limited**

Regd. Office :

Survey No.251/2, Valsad Falia,
Near Jain Temple,
Dadra, Dadra & Nagar Haveli, (U.T.)-396 193

**Bhavika Shah
Company Secretary**

Date: 14/08/2013

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF, AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE , PROXY FORM MUST BE LODGED WITH THE COMPANY AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Register of Members and the share Transfer books of the Company will remain closed from Tuesday, 24th September, 2013 to Monday, 30th September, 2013 (both days inclusive).
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. As per provision of the Section 205A read with Section 205C of the Companies Act, 1956 the Company is required to transfer unpaid dividends remaining unclaimed and unpaid for a period of 7 years from the due date(s) to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly the unclaimed dividends up to financial year 2004-2005 have been transferred to the said fund. Unclaimed dividend for the year April 2005 to December, 2005 is due for transfer to IEPF on or before **November 03, 2013**. Those members who have not encashed their dividend warrants(s) for the said year are requested to revalidate the same by sending it to the Company or M/s. Satellite Corporate Services Pvt. Ltd. It may be noted that once the unclaimed dividend is transferred to the IEPF as above, no claim shall lie against the IEPF or the Company in respect of any amounts which were unclaimed/unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.
5. Members are requested to bring their attendance slip along with their copy of the Annual Report as copies of the same will not be distributed at the meeting. Attendance slip duly filled up should be submitted at the entrance of the AGM hall.
6. Members desirous of asking any questions at the Annual General Meeting are requested to send their questions so as to reach the Company at least 10 days before the Annual General Meeting to facilitate suitable reply.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members holding shares in physical form may obtain Nomination Forms from the Company's Registrar and Transfer Agents. Members holding shares in electronic form may obtain the Nomination Forms from their respective Depository Participants.
9. In terms of SEBI circular no. MRD/Dop/Cir -05/2009 dated 20th May 2009, it is now mandatory for the transferee of the physical shares to furnish copy of PAN card to the Company or its Registrar and Transfer Agents for registration of transfer of shares. Shareholders are requested to furnish a copy of PAN card at the time of transferring their physical shares.
10. The members holding shares in the same name or in the same order of names, under different folios, are requested to notify the relevant details of the said holdings to Satellite Corporate Service Pvt Ltd for consolidation of their shareholding in to a single folio.

NOTICE

11. Members holding shares in physical form are requested to convert their holdings in to dematerialized mode to avoid loss of shares and fraudulent transactions.
12. Members holding shares in dematerialized mode are requested to intimate immediately any change in their address, bank accounts details, nomination, email address to the Depository Participants with whom they are maintaining the Demat accounts. Members holding shares in physical form are requested to intimate immediately, any change in their registered address, Bank account details and status, quoting their folio number to Registrars and Transfer Agent, M/s Satellite Corporate Services Pvt Ltd.
13. As per circulars issued by the Ministry of Corporate Affairs (MCA) bearing Nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, members holding shares in dematerialized form are requested to register their email addresses with their Depository Participant(DP) and members holding shares in physical form are requested to register their email addresses with the Company at secretarial@todays-pens.com or with Registrar and Share transfer agents viz, Satellite Corporate serve Private Limited at service@satellitecorporate.com
14. As required under clause 49(iv) of the Listing Agreement , the details of the Director seeking appointment/re-appointment at the forthcoming Annual General meeting:-

Sr.No	Name	Age	Education Qualification	Experience/Expertise	Other Directorship and the Membership of the Committees of the Board	No. of Shares held as on 31/03/2013
1	Mr. Rajesh Kumar Drolia	53	Commerce Graduate	32 years in the writing Instruments Industry. Mr. Rajesh Kumar Drolia is a first generation entrepreneur, he actively participates in effective segmentation of the market and comes out with new concepts and innovative designs. His main strength is the ability to innovate and bring new designs, models and concepts, suitable for every segment of the market.	Today's Infrastructure and Construction Limited Today's Stationery Mart Limited Today's Petrotech Limited Today's Fluid Technologies Ltd	1,31,420

**By Order of the Board of Directors
For Todays Writing Instruments Limited**

Regd. Office :
Survey No.251/2, Valsad Falia,
Near Jain Temple,
Dadra, Dadra & Nagar Haveli, (U.T.)-396 193

**Bhavika Shah
Company Secretary**

Date: 14/08/2013

DIRECTORS' REPORT

To,

The Members,

Your Directors are pleased to present the 21st Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2013.

FINANCIAL RESULTS

THE COMPANY'S FINANCIAL RESULTS FOR THE YEAR UNDER REVIEW ARE AS UNDER:

(₹ in Lakhs)		
Particulars	F.Y 2012-2013	F.Y 2011-2012
Sales and Other Income	5170.19	5948.24
Profit/(Loss) Before Depreciation, Interest, Tax, Extra-Ordinary Item and Appropriation	(210.10)	(9974.12)
Less : Depreciation	215.18	851.03
Interest / Finance Charges	1140.40	1135.62
Profit/(Loss) Before Tax and Extra-ordinary item	(1565.68)	(11960.77)
Less : Provision for Taxation- Earlier year	100.32	105.90
and deferred tax	(245.59)	(1931.32)
Profit/(Loss) After Tax	(1420.41)	(10135.35)
Balance brought forward from previous year	(14594.22)	(4458.86)
Amount available for appropriation	(16014.64)	(14594.22)
Balance carried to Balance Sheet	(16014.64)	(14594.22)

PERFORMANCE

This year the Company set itself the target of ensuring that the costs are reduced considerably and the losses are reduced. We are glad to inform the members that the Company has achieved this and the loss at the EBIDTA LEVEL has reduced from ₹ 99.74 Crs to ₹ 2.10 Crs. Likewise, Loss after tax also has reduced from ₹ 101.35 Crs to ₹ 14.20 Crs. While, there was an improvement in the efficiency, quality and check on costs, the sales continued to suffer due to lack of working funds. Hence, during the year under review your Company has achieved net sales of ₹ 49.17 Crs (previous year ₹ 57.79 Crs) and incurred net loss of ₹ 14.20 Crs (previous year ₹ 101.35 Crs). The measures started in 2009 continued in right earnest and the Company's performance in the current year is likely to improve. The total export during the year under review was ₹ 14.04 Crs.

DIVIDEND

In view of losses, your Directors do not recommend any dividend for the year.

OUTLOOK

The outlook for the industry despite the difficulties faced by the economy is good. The current slowdown in the economy is not expected to affect the industry. The rise in rural income and the significant reduction in the poverty line will give a boost to education. This will give a fillip to the writing instrument industry. Your Company is now in a position to benefit from these developments.

FINANCIAL RESTRUCTURING

The settlement negotiations with the lenders are in progress and we are hopeful of formalising the same during the course of this year. The process has taken much longer than anticipated. The Board expresses its gratitude to the Lenders for supporting the Company at this crucial juncture.

STATUS OF BIFR PROCEEDINGS

Pending settlement with the lenders, they have been raising objections at BIFR. In order to bring clarity on issues with reference to reasons for sickness the BIFR has ordered a Special Investigative Audit, which is underway. Your Company is confident of cruising through the said audit without any problem. A scheme can be submitted once the settlement with the lenders and other creditors are finalised.

STATUS REPORT ON THE SUBSIDIARIES

Today's Stationery Mart Ltd.

There is hardly any activity in this Company and the chances of the Company reviving its operations in the near future is remote. However, the bank liability in respect of this Company has been settled by the Promoters of Todays Writing Instruments Ltd. by selling personal properties.

DIRECTORS' REPORT

Today's Infrastructure and Construction Ltd.

No fresh projects are being undertaken in view of the liquidity constraints faced by the Company. This Company has repaid most of the investments made by the parent Company.

Today's Fluid Technologies Ltd.

During year this subsidiary has not commenced any business. As the Company is inoperative since incorporation, it has been decided to apply for striking off the name from the register of Companies, maintained by Registrar of Companies.

ANNUAL ACCOUNTS OF SUBSIDIARIES

The Ministry of Corporate Affairs has vide General Circular No. 2/2011 dated 8th February 2011, granted general exemption for not attaching the annual accounts of the subsidiary companies with account of Holding Company

Pursuant to said circular, the Board of Directors of your Company in their meeting held on 29th May, 2013 has given their consent for not attaching the Annual Accounts of the Subsidiary Companies with that of the Holding Company. Accordingly, we are not attaching Balance sheet, Profit & Loss Account, Directors' Report and Auditors' Report and other documents of the Subsidiary Companies. However these documents shall be made available upon request to member of the Company interested in obtaining the same and shall be available for inspection at the Head/Registered Office of your Company and that of the concerned Subsidiary. As required, the financial data of the Subsidiary Companies has been furnished along with the statement pursuant to section 212 of the Companies Act, 1956 and form a part of this Annual Report.

AUDITORS AND AUDITORS' REPORT

The Statutory Auditors of the Company M/s Ajay Shobha & Co., Chartered Accountants(Firm Registration No. 317031E), hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from the retiring auditors to the effect that their appointment, if made, would be within the limits specified in the subsection (1B) of Section 224 of the Companies act, 1956.

- 1) The Auditor has made comment vide para a) of point 9 of the annexure to the Auditors' Report that the Company has been not regular in depositing undisputed statutory dues of Provident Fund of ₹ 54.23 Lakhs, Income Tax of ₹ 881.58 Lakhs, Fringe Benefit Tax of ₹ 20.89 Lakhs, TDS of ₹ 25.12 Lakhs and Maharashtra VAT of ₹ 50.88 Lakhs with the appropriate authorities, which were outstanding for a period of more than six months from the date they became payable.

Due to recurring cash losses and the consequent liquidity constraints, there is a delay. However it will be the endeavour of the Company to make payment of above dues in the manner decided by the BIFR BENCH based on the DRS that will be submitted to them for consideration.

2. The Auditor has made comment vide point 10 of the annexure to the Auditors' Report that the Company has accumulated losses at the end of the financial year and has incurred cash losses during the financial year ended 31st March 2013 and also in the immediately preceding financial Year.

The Company has been addressing the issue and is in discussion with the lenders for a settlement. The Company's reference is registered in BIFR and we should be submitting a Draft Rehabilitation Scheme once the settlement with the lenders are agreed upon which will ensure that the net worth of the Company will be positive in due course of time.

3. The Auditor has made comment vide point 11 of the annexure to the Auditors' Report that the Company has defaulted in repayment of dues to banks.

Due to recurring cash losses and the consequent liquidity constraints, the Company has defaulted in repayment of dues to banks. However, the Company is in active discussion with the lenders for settlement of their dues and we expect the same to be finalised shortly.

4. The Auditors has made comment vide Point 1 (d) of emphasis of matter of Auditors' report that Retirement benefits of employees are not accounted for as per accounting standard 15 (AS 15) prescribed by ICAI.

The Company has accounted the same in cash basis in the books of Accounts and there is no significant and material impact on the profitability / loss of the Company.

Other Observations in the Auditors' Report are dealt within Notes to Accounts at appropriate places and being self-explanatory, need no further explanations.

DIRECTORS

In accordance with the requirements of the Companies Act, 1956, Mr. Rajesh Kumar Drolia, Director of the Company will retire by rotation at ensuing Annual General Meeting and being eligible, have offered himself for re-appointment at the ensuing Annual General Meeting of the Company.

DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors hereby confirm that ;

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departure;
- b) they have, in the selection of the Accounting Policies, consulted the Statutory Auditors and have applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and the loss of the Company for the year ended on that date;
- c) they have taken proper and sufficient care to the best of their knowledge and ability 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) The annual accounts have been prepared on a going concern basis.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements have been provided in the Annual Report. These Consolidated Financial Reports provide financial informations about your Company and its subsidiaries as a single economic entity. The Consolidated Financial Statements form part of this Annual Report.

DEPOSITS

During the year under review, your Company has not accepted any deposits from the public as per Section 58A of the Companies Act, 1956.

CORPORATE GOVERNANCE

Pursuant to clause 49 of the Listing Agreement, a Report on Corporate Governance and a certificate from the Auditors of the Company is given separately, which forms part of this Report.

MANAGEMENT DISCUSSION & ANALYSIS

A separate report is appended herewith.

ENVIRONMENT AND INDUSTRIAL SAFETY

The Company implements all necessary measures at its plant for protection of environment and industrial safety. The Company carries out improvements regularly to ensure full compliance with statutory requirements & regulations.

RESEARCH AND DEVELOPMENT

The R&D effort of the Company has been limited to improving quality and consistency of the product.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Statement giving the particulars relating to conservation of energy, technology absorption and foreign exchange earnings outgo as required under the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, is annexed hereto and forms part of the Report.

PARTICULARS OF EMPLOYEES

During the year under review, the Company has no employee drawing remuneration above the limit prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 including any amendments thereto and accordingly no statement is annexed.

ACKNOWLEDGEMENT

Your Directors place on record their deep acknowledge of the dedication and commitment of employees during the challenging year. They are instrumental in your Company succeeding in meeting these challenges. Your Directors express their gratitude to Government and Non-Government Agencies including SEBI, Stock Exchange, Registrar of Companies, NSDL, CDSL, Bankers, Suppliers Agencies, Customers and shareholders for their continued co- operation and support.

For and on behalf of the Board of Directors

Registered Office:
Survey No.251/2, Valsad Falia, Near Jain Temple,
Dadra, Dadra & Nagar Haveli, (U.T.)-396 193

Rajesh Kumar Drolia
Chairman

Date:- 29/05/2013

DIRECTORS' REPORT

ANNEXURE TO THE DIRECTORS' REPORT

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

I CONSERVATION OF ENERGY

The Company has adequate system of energy conservation with the requisite equipment and installations to conserve the energy resources and to avoid wastage with continuous improvements in the production process, There were no additional investments or proposal were made to cut down the consumption of energy. The requirement of disclosure under Form A i.e. in respect of conservation of energy is not applicable to the Company.

II TECHNOLOGY ABSORPTION

I Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company:

Improvement in Processing Techniques

Quality Improvement of Existing Products

Development of New product Design and Moulds

2. Benefits derived as a result of above R & D

New Products have been developed and introduced in our range of Ball pens

Quality Improvement of Existing Products

Development of Techniques and Parameters for End Use Application and Customer Services Cost Reduction

3. Further plan of Action

Apart from the projects for development of new products, thrust is being given to upgrade the existing products to meet the changing market taste.

4. Expenditure in R & D

(₹ in lacs)

	March, 2013	March, 2012
Recurring	1.43	1.05

II TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The technology orientation is towards reducing cost of the pen in view of the competitive business environment. Innovative ideas have been suggested and work in this area is under progress for ensuring long term competitive health of the Company. The absorption and improvement of the achievements in the earlier years is an ongoing process to maximise benefits.

III FOREIGN EXCHANGE EARNINGS AND OUTGO

	March, 2013 (₹ in lacs)	March, 2012 (₹ in lacs)
1. FOREIGN EXCHANGE EARNINGS		
Foreign Exchange Earnings	1404.29	1403.83
2. OUTGO OF FOREIGN EXCHANGE		
Value of Import on C.I.F. Basis		
(i) Raw Materials	51.24	52.97
(ii) Finished Goods	157.53	163.01
(iii) Components	197.88	148.76
3. EXPENDITURE IN FOREIGN EXCHANGE		
Travelling	2.41	3.44

For and on behalf of the Board of Directors

Registered Office:
Survey No.251/2, Valsad Falia, Near Jain Temple,
Dadra, Dadra & Nagar Haveli, (U.T.)-396 193

Rajesh Kumar Drolia
Chairman

Date:- 29/05/2013

DIRECTORS' PROFILE

Mr. Rajesh Kumar Drolia, Chairman

Mr. Rajesh Kumar Drolia (53 years) is a Commerce graduate and a self-made young and dynamic entrepreneur having 32 years' experience in the Writing Instruments Industry. A first generation entrepreneur, he actively participates in effective segmentation of the market and comes out with new concepts and innovative designs. His main strength is the ability to innovate and bring new designs, models and concepts suitable for every segment of the market. Under his leadership the Company has achieved tremendous success over the years, and has been guiding the Company effectively in the difficult phase.

Mr. Ronald Netto, Managing Director

Mr. Ronald Netto (53 years) is an experienced strategist, who began his career in the creative field. As advertising professional, he has experience of launching over 100 successful brand-building campaigns. Over 2 decades, as a strategist he has gained experience in the fields of Finance, Advertising, Marketing and Corporate Management. He is active in corporate planning and new project planning and development.

Mr. Rahul Gupta, Non Executive Director & Independent Director

Mr. Rahul Gupta (48 years) is a Commerce graduate having vast experience in the field of marketing, designing and communication. His practical experience in the field of marketing is very helpful in forming various marketing strategies.

Mr. Shreedhar Parande: Non Executive & Independent Director

Mr. Shreedhar Parande (76 years) is a B.S.C gold Medalist along with other high profile qualifications like M. Sc., LLB, LL.M. CAIIB, AIB. (London), Diploma in German Language, Certificate in French Language. While working with SBI in the capacity of GM he was responsible for setting up of first 100% international business banking branch in India. Worked with many other reputed corporate/Companies and was instrumental in their diversification and growth. He was responsible for setting up first mutual fund in the country and launched off shore funds of over US \$ 250 million in collaboration with Morgan Stanley's. He was associated with three majors group such as Hindujas', Mittals' and Mahatlas'. He is also holding directorship in various reputed listed and unlisted companies. His vast experience in the field of banking, finance and administration is an asset to the Company.