



TODAYS WRITING INSTRUMENTS LIMITED

**22ND ANNUAL REPORT
2013 - 2014**

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
CIN :- L74999DN1992PLC000041
Tel No. : 0260-2668574 / 2668538/2669818/819/820
Fax No. : 0260-2668536
Email : todays@todays-pens.com
Website: www.todays.co.in

CORPORATE 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.
CIN : U65990MH1994PTC077057
Tel No. : 022-28520461 / 28520462
Fax No. : 022-28511809
Email : service@satellitecorporate.com
Website: www.satellitecorporate.com

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NOTICE

NOTICE is hereby given that the 22nd **Annual General Meeting** of the members of **TODAYS WRITING INSTRUMENTS LIMITED** will be held on Thursday, 11th September, 2014 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 Statement of Profit and Loss for the year ended March 31, 2014 and the Balance Sheet as at 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 (DIN 00118827), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Auditors of the Company and to fix their remuneration and to pass the following resolution with or without modifications as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors M/s. Ajay Shobha & Co., Chartered Accountants (Firm Registration No.317031E) be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty fifth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment by the members at every AGM, held after this AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

4. 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 sections 149,152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed, clarification issued thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time, Mr. Rahul Gupta (DIN 00247909), a Director of the Company, who retires by rotation at the ensuing Annual General Meeting as per the provisions of the erstwhile Companies Act 1956, and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years commencing from 11.09.2014.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

5. 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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed, clarification issued thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, as amended from time to time, Mr. Shreedhar M. Parande (DIN 00542525), a Director of the Company, whose period of office was liable to determination by retirement of Directors by rotation as per the provisions of the erstwhile Companies Act 1956, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company not liable to retirement by rotation and to hold office for a term of 5 (five) consecutive years commencing from 11.09.2014.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

6. To consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to approval of the Central Government, if applicable, approval of the Company be and is hereby accorded to the re-appointment of Mr. Ronald Netto (DIN 00502293) as Managing Director of the Company, for a period of 3 (three) years with effect from March 30, 2014,

NOTICE

on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Ronald Netto , subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereto.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

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 Section 188 and other applicable provisions, if any, of the Companies Act, 2013, approval of the Company be and is hereby accorded for entering into related party transactions, by the Company with effect from 11.09.2014 up to the maximum amounts per annum as mentioned below:

MAXIMUM VALUE OF CONTRACT /TRANSACTION (PER ANNUM)

(₹ in Crs)

NAME OF THE RELATED PARTIES AND NATURE OF RELATIONSHIP	Transaction defined u/s 188 (1) of the Companies Act, 2013	
	● Sale, purchase or supply of any goods or materials	● Availing or rendering of any services
1. Jai Durga Engineering (Promoter directors’ HUF is a proprietor)	2.00	1.00
2. Premium Writing Products (Relatives of Director are partners)	2.00	1.00

- Transactions at market prices and on arm’s length basis are exempted being in the ordinary course of business.

RESOLVED FURTHER THAT although all these transactions are in the ordinary course of business and at the arms’ length basis, the aforesaid consent is sought as a matter of abundant caution, and thus the Board of Directors and/or any Committee thereof be and is hereby authorised to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution and to do all acts, deeds, things, in its absolute discretion deem necessary, proper desirable and to finalise any documents and writings related thereto.”

8. 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 14 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Articles of Association of the Company be and are hereby substituted by a new set of Articles of Association, a draft of which has been initialed by the Chairman and made available for inspection by the shareholders at the registered office of the Company, be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the entire exclusion of all the Articles contained in the existing Articles of Association.

RESOLVED FURTHER THAT Board of Directors and/ or Company Secretary of the Company, be and are hereby severally authorised by the Company to undertake such acts, deeds and matters, as they may, in their discretion deem necessary, proper or desirable, including any amendment or modification to the proposed Articles of Association as per the suggestion/direction of the regulatory authorities and settle any question, difficulty or doubt that may arise in this regard, including but not limited to making requisite filings with the Registrar of Companies and the Stock Exchanges, that may be required to give effect to the alteration of the Articles of Association in accordance with this resolution.”

NOTES :

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 4 to 8 of the Notice, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy, in order to be effective, must be deposited at the Company’s Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of Limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. The Register of Members and the share Transfer books of the Company will remain closed from Saturday, 6th September, 2014 to Thursday, 11th September, 2014 (both days inclusive).
4. 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.
5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, **SATELLITE CORPORATE SERVICES PVT. LTD.** to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to **SATELLITE CORPORATE SERVICES PVT. LTD.**
6. 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 Dec 2005 has been transferred to the said fund. Unclaimed dividend for the year ended on 31st March, 2007 is due for transfer to IEPF on November 03, 2014. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. 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.
12. 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.
13. Members holding shares in physical form are requested to convert their holdings in to dematerialized mode to avoid loss of shares, for ease of portfolio management and for protection from fraudulent transactions.
14. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
To support Green Initiative the members holding shares in dematerialized form are requested to register their email addresses with their Depository Participant(DP) or Registrar and Transfer Agent 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 services Private Limited at service@satellitecorporate.com
15. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services Limited (CDSL), on all resolutions set forth in this Notice.
16. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules made thereunder, the Company is pleased to provide its shareholders with the facility to exercise their right to vote at the 22nd Annual General Meeting of the Company by electronic means and the business may be transacted through e-Voting services provided by the Central Depository Services Limited.(CDSL)

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Friday, 5th September, 2014 at 9.30 a.m. and ends on Sunday, 7th September, 2014 at 5.30 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on date 1st August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the Today's Writing Instruments Limited from the drop down menu and click on "SUBMIT".
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. Members who have not updated their DOB with the Company/Depository Participant are requested to enter 01/08/2014.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN (140729009) for the relevant Company Name (Today's Writing Instruments Limited) on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

Mr. Jatin Patil partner of Mayekar & Associates, Practicing Company Secretaries has been appointed as scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-Voting period unlock the votes in the presence of atleast two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The results shall be declared at the AGM of the Company. The results declared along with the scrutinizers report shall be placed on the Company's website www.todays.co.in and communicated to the Stock Exchanges where the shares of the Company are listed.

17. 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 and DIN no.	Age	Education Qualification	Experience/Expertise	Other Directorship and the Membership of the Committees of the Board	No. of Shares held as on 31/03/2014
1	Mr. Rajesh Kumar Drolia (DIN 00118827)	54	Commerce Graduate	33 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

2.	Mr. Rahul Gupta (DIN 00247909)	49	Commerce Graduate	24 years in the Marketing, Designing and Communication	IBD India Private Limited Gravitas Brands India Private Limited	Nil
3.	Mr. Shreedhar M. Parande (DIN 00542525)	77	B.SC/M.SC/LLb, LLM.CAIIIB,AIB. (London),Diploma in German Language, certificate in French Language	Mr. Shreedhar Parande is a B.S.C gold Medalist along with other high profile qualifications. While working with SBI he was responsible for setting up the first 100% international business banking branch in India. He was responsible for setting up first mutual fund in the country and launched offshore funds of over us \$ 250 million in collaboration with Morgan Stanley's. Associated with three majors group such as Hinduja's, Mittal's and Mafatlals. Worked with many other reputed corporate/Companies and was instrumental in their diversification and growth.	Khandwala Securities Ltd. KPM Asset Alliance Private Limited Shakti Press Ltd. Anand Finance Strategic Advisors Private Limited Accentia Technologies Limited. Enkorr Energys Limited Yash Finpro International Private Limited	Nil
4.	Mr. Ronald Netto (DIN 00502293)	54	B.Com	Mr. Ronald Netto 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.	Todays Infrastructure and Construction Limited Todays Stationery Mart Limited Todays Petrotech Limited Todays Fluid Technologies Ltd Green Fields Mission Private Limited	20,000

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

sd/-
Bhavika Shah
Company Secretary

Place: Mumbai

Date: 01/08/2014

Explanatory Statement

(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 8 of the accompanying Notice:

ITEM NOS. 4 to 5:

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Rahul Gupta and Mr. Shreedhar M Parande, as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Mr. Rahul Gupta and Mr. Shreedhar M. Parande, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, both directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Directors and they are independent of the management.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Except these directors, being appointees and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolutions set out at Item Nos. 4 to 5.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

ITEM NO.6

The Board of Directors of the Company (the 'Board'), at its meeting held on February 13, 2014 has, subject to the approval of members, re-appointed Mr. Ronald Netto as Managing Director, for a period of 3 (three) years w.e.f. March 30, 2014

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Ronald Netto as Managing Director, in terms of the applicable provisions of the Companies Act, 2013.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Ronald Netto are as under:

Remuneration:-

Salary, perquisite and Allowances:- up to Maximum of ₹1, 40,000/- per month

Mr. Ronald Netto shall also eligible for the perquisite specified under section IV of schedule V to the Companies Act, 2013

Sitting fees:- To be paid as Board may decide as per the provisions of the Companies Act, 2013 and rules & regulations framed thereunder.

Statement as required under condition no. (IV) of Section II of Part II of Schedule V of the Companies Act, 2013 are as follows:-

I. GENERAL INFORMATION:

1) Nature of Industry

The Company is into Manufacturing of Writing Instruments and stationery Products.

2) Date of Incorporation of Company:

Your Company has been incorporated on 29th April, 1992

3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4) Financial performance based on given indicators:

(₹ in Lakhs)

Particulars	31 st March 2014	31 st March 2013
Sales and Other Income	5352.42	5170.19
Profit/(Loss) Before Depreciation, Interest, Tax, Extra-Ordinary Item and Appropriation	304.03	(210.10)
Less : Depreciation	202.42	215.18
Interest / Finance Charges	578.14	1140.39
Profit/(Loss) Before Tax and Extra-ordinary item	(476.53)	(1,565.68)
Less : Provision for Taxation- Earlier year	-	100.32
Deferred tax	-	(245.58)
Profit/(Loss) After Tax	(476.53)	(1,420.42)

5) Foreign investments or collaborations, if any: N.A

II. INFORMATION ABOUT THE APPOINTEE

1) Background details:

Mr. Ronald Netto is an experienced strategist, who began his career in the creative field. As advertising professional, he has experience of launching over 100 successful brands- building campaigns. Over 2 decades as a strategist he has gained experienced in the field of Advertising, Marketing, Finance and Corporate Management. He is actively involved in corporate planning and development. He has made significant contribution to improve the performance of the Company.

2) Past remuneration:

Up to Maximum ₹1,40,000 p.m as approved by the members on 30.11.2012

3) Recognition or awards:

Nil

4) Job profile and his suitability:

Mr. Ronald Netto is most suitable for this position as proven by his vast experience in the Advertising, Marketing, Finance and Corporate Management. He is actively involved in corporate planning and development. His association with the writing instruments industry over 17 years is invaluable to the Company.

5) Remuneration proposed:

A maximum of ₹1,40,000/- p.m. Inclusive of all.

Mr. Ronald Netto shall also eligible for the perquisite specified under section IV of schedule V to the Companies Act, 2013

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t the country of his origin):

The proposed remuneration (,due to current constraints faced by the Company,) is comparatively lower than that paid by industry of comparative size to a person similar to the appointee. However, as and when the performance and financial situation improves, higher remuneration will be considered.

7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Apart from Mr. Ronald Netto being a Managing Director of the Company and receiving managerial remuneration, he holds 20,000 Equity Shares of ₹ 10/- each of the Company in his individual capacity.

III. OTHER INFORMATION

1) Reasons of loss or inadequate profits:

The Company post losses in F.Y 2008-09, due to market conditions, slow moving inventory & debtors, has been consciously restructuring its business, operations and finance to align to the realities of the market place, to create a long term sustainable model. This has resulted in progressive reduction of losses. We expect to ramp up capacity in the Coming years and start making profits.

2) Steps taken or proposed to be taken for improvement:

Our goal is to rebuild our financial strength, branding and credibility through focus on our core area of Manufacturing & distribution. We are confident that the restructuring which is underway shall yield the desired results.

3) Expected increase in productivity and profits in measurable terms:

The efforts indicated above have started yielding results while the top line has stabilized, the increase in productivity, profits will largely depend on the successful closure of the recapitalization efforts underway.