



TODAYS WRITING INSTRUMENTS LIMITED

**21ST ANNUAL REPORT
2012 - 2013**

COMPANY INFORMATION

BOARD OF DIRECTORS :

Mr. Rajesh Kumar Droliia : 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 and deferred tax	100.32	105.90
Profit/(Loss) After Tax	(245.59)	(1931.32)
Balance brought forward from previous year	(1420.41)	(10135.35)
Amount available for appropriation	(14594.22)	(4458.86)
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 Stanleys'. He was associated with three majors group such as Hinduja's, Mittals' and Mafatlals'. 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.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Company's philosophy on Corporate Governance is to ensure fairness, transparency, accountability, credibility and responsibility to all stakeholders.

The Company is committed to good Corporate Governance i.e. to achieve business excellence and add shareholder value following desired disclosure practices and sound decision-making achieved through harmonious interactions amongst the Board of Directors, its Committees and Senior Management. Transparency is the key guiding principle for all decisions, transactions and policy matters.

Good Corporate practices guiding the Company ensured that persons having vast professional experience in various functional areas are appointed on the Board of Directors. Similarly, the Committees are headed by independent Directors having expertise in the related areas.

2. BOARD OF DIRECTORS

The present strength of the Board is four Directors. The Board comprises of one Executive Director and three Non-Executive Directors including 2 Independent Directors.

The Present strength of the Board:-

Sr. No.	Name of Director	Designation	Category
I	Mr. Rajesh Kumar Drolia	Chairman	Non-Executive Director (Promoter)
II	Mr. Ronald Netto	Managing Director	Executive Director
III	Mr. Rahul Gupta	Director	Non-Executive & Independent Director
IV	Mr. Shreedhar.M. Parande	Director	Non-Executive & Independent Director

Five Board Meetings were held during the financial year 2012-13 on the following dates:

April, 2012 to June, 2012	July, 2012 to September, 2012	October, 2012 to December, 2012	January, 2013 to March, 2013
12/05/2012	13/08/2012 31/08/2012	10/11/2012	09/02/2013

The record of attendance of Directors at Board Meetings held during the financial year 2012-13 & their attendance at the previous AGM and their memberships to the committees of the Board are given below:

Name	No. of Board Meetings Attended	Attendance At the Last AGM	No. of Directorship in other Public Limited Companies #	No. of Committee positions held in other public Limited Companies**		Share holding by the Director as on 31/03/2013
				Chairman	Members	
Mr. Rajesh Kumar Drolia	5	Yes	4	Nil	Nil	1,31,420
Mr. Rahul Gupta	5	No	Nil	Nil	Nil	0
Mr. Ronald Netto	5	Yes	4	Nil	Nil	20,000
Mr. Shreedhar.M. Parande	4	Yes	6	2	Nil	0

#For the purpose of considering the number of Directorships and Committee positions, all Public Limited Companies, whether listed or not, have been included and all other Companies including Private Limited Companies, Foreign Companies and companies under Section 25 of the Companies Act, 1956, have been excluded.

*In accordance with Clause 49 of the Listing Agreement, Membership /Chairmanship of only Audit Committees and Shareholders'/Investors' Grievances Committees in all other Public Limited Companies have been considered.

Mr. Shreedhar.M. Parande, Chairman of Audit Committee was present at the last Annual General Meeting to answer shareholders queries.

3. AUDIT COMMITTEE

The Audit Committee of the Board of Directors is constituted in compliance with Corporate Governance requirements and Section 292A of the Companies Act, 1956 .The Audit Committee of the Company comprises of two Non-executive and Independent Directors and one Executive Director. All the members have relevant finance and accounting expertise. The Committee is headed by an Independent Director. The Audit Committee plays an important role in reporting of

CORPORATE GOVERNANCE REPORT

financial performance and review of internal control procedures, it provides direction to and oversees the Audit and Risk Management functions, interacts with statutory auditors and reviews the matters of special interest.

The terms of reference and scope of the Committee include:-

1. To review reports of the Internal Audit Department and recommend to the Board to decide about the scope of its working including the examination of major items of expenditure.
2. To meet statutory and internal auditors periodically and discuss their findings, suggestions and other related matters.
3. To review the auditors' report on the financial statements and to seek clarification thereon, if required, from the auditors.
4. To review the weakness in internal controls, if any, reported by the internal and statutory auditors and report to the Board the recommendations relating thereto.
5. To act as a link between the statutory and internal auditors and the Board of Directors.
6. To recommend a change in the auditors if in the opinion of the Committee the auditors have failed to discharge their duties adequately.
7. Reviewing the Company's financial and risk management policies and looking into reasons of substantial defaults, if any, of non payment to stakeholders.
8. And, generally all items listed in Clause 49(II) (D) of the Listing Agreement.

During the year under review, five meetings of the Audit Committee were held on 05.05.2012, 13.08.2012, 31.08.2012, 10.11.2012, 09.02.13. The composition of the Audit Committee as on 31st March, 2013 and attendance of the members in the meetings held during the financial year 2012-13 are as under:

Sr. No.	Name of Director	Category	Designation	No. of Meetings held during the year	No. of Committee Meetings attended
1	Mr. Shreedhar M. Parande	Non-Executive, Independent Director	Chairman	5	5
2	Mr. Rahul Gupta	Non-Executive, Independent Director	Member	5	5
3	Mr. Ronald Netto	Managing Director	Member	5	5

Group Chief Financial Officer and Statutory Auditors are permanent invitees. Executives of the Finance, Accounts, Secretarial, internal Audit and other departments are invited on a need based manner.

4. SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders/Investors' Grievance Committee oversees redressal of Shareholders and investor grievances/complaints like delay in transfer of shares, non-receipt of annual report /dividend warrants, issue of duplicate Shares etc., The Committee also monitors and reviews the performance of Registrar & Transfer Agents and recommends measures for overall improvements in the quality of investor services.

The Investors' Grievance Committee is headed by Mr. Rahul Gupta, an Independent and Non-Executive Director. Four meetings of the Shareholders/ Investors' Grievance Committee were held during the year 2012-2013

The composition of the committee during the year 2012-13 and attendance of the members in the meetings held during the financial year 2012-13 are as under:

Sr. No.	Name of Director	Category	Designation	No. of Meetings held during the year	No. of Committee Meetings Attended
1	Mr. Rahul Gupta	Non-Executive, Independent Director	Chairman	4	4
2	Mr. Ronald Netto	Managing Director	Member	4	4
3.	Mr. Rajesh Kumar Drolia	Non-Executive Director	Member	4	4

To expedite the process of share transfer, the Board has delegated necessary process to the Registrar and Share Transfer Agents viz; M/s. Satellite Corporate Services Pvt. Ltd, Mumbai.

Pursuant to clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half yearly basis, have been issued by a Practising Company Secretary for due Compliance of Share transfer formalities by the Company.

CORPORATE GOVERNANCE REPORT

The Company has dealt with all queries received from its shareholders in accordance with law. It is the Company's endeavour to promptly attend to all complaints and queries. One complaint was pending as on 31st March, 2013 which was resolved thereafter. W.e.f 10.11.2012 Ms. Bhavika Shah, the new Company secretary has taken over charge as Compliance Officer of the Company.

5. REMUNERATION POLICY

The Remuneration policy takes in to account Company's financial position, the grade and the position held by the incumbent concerned and his overall performance.

Remuneration of the Directors as per Accounts for the financial year ended 31st March 2013

Name	All elements of remuneration package i.e salary, benefits, bonuses, pension etc. (In ₹)	Fixed component and performance linked incentives along with the performance criteria (In ₹)	Service contracts notice period severance fees	Stock option details,
Mr. Ronald Netto	12,00,000/- P.A	Nil	Notice period :- 3 months, Severance fees :- N.A	Please see Note 'a'

a. Presently the Company does not have any stock Option Scheme.

Non-Executive Directors of the Company are only entitled to the sitting fees for the meeting of the Board of Directors attended by them.

6. GENERAL BODY MEETINGS

During the last three years General Meetings of the Shareholders of the Company were held at Survey No. 251/2, Valsad Falia, Near Jain Temple, Dadra, D & N.H. (U.T.) - 396 193 on the following dates :

For the Year	AGM/EOGM	Date	Time	Special Resolutions Passed
2009-2010	18 th AGM	29 th September, 2010	9.30 a.m	NIL
2010-2011	19 th AGM	29 th September, 2011	9.30 a.m	2
2011-2012	20 th AGM	30 th November, 2012	10.00 a.m	1

NB: No special resolution was passed through Postal Ballot during the Financial Year 2012-13. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

7. DISCLOSURES

Materially significant related party transactions

During the financial year 2012-13 there were no transactions of material nature with the Directors or the management or their subsidiaries or relatives that had potential conflict with the interest of the Company. Besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with the Promoters, Directors, the management or their relatives during the year with potential conflict of interest with the Company at large.

Statutory Compliance

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the three years. No penalties/ strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities relating to the above. Apart from the above, the Company has complied with the mandatory provisions of Corporate Governance and is in the process of adopting the non-mandatory provisions of Corporate Governance.

Accounting Treatment

In the preparation of the financial statements, the generally accepted accounting principles and policies were followed. All the mandatory Accounting standards were followed in the preparation of the financial statements. During the year under review the Company has not changed its Accounting Policies.

CORPORATE GOVERNANCE REPORT

Board Disclosure- Risk Management

The main objective of Risk Management is risk reduction and avoidance as also to help the Company to identify the risks faced by the business and optimise the risk management strategies. The Company has a defined risk management framework.

Whistle Blower Policy

The Company has framed whistle Blower policy & its status is periodically reviewed by the Audit Committee & no person has been denied access to the Audit Committee.

8. IMPLEMENTATION OF CODE OF CONDUCT FOR INSIDER TRADING

Todays has adopted Code of Conduct for Insider Trading and is based on the SEBI framework. Today's follows strict guidelines in respect of insiders' stock trading and related disclosures. Under the aforesaid code all Directors and Designated Employees are required to conduct all their dealing in securities of the Company only in valid trading window after obtaining pre clearance from the Company as per the pre dealing procedure described in the Code.

Further, the Board of Directors have approved and adopted a Code of Conduct for the members of the Board and senior management of the Company as per clause 49. This Code of Conduct is posted on the website of the Company and the members of the Board and senior management have affirmed the annual compliance of the Code. A declaration to this effect duly signed by the MD & CEO forms part of this report.

9. RECONCILIATION OF SHARE CAPITAL

As stipulated by SEBI, a Chartered Accountant carries out Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited as also the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total Listed and Paid Up Capital is in agreement with the aggregate of the total number of Shares in dematerialised form (held by NSDL and CDSL) and total number of Shares in physical form.

10. COMPLIANCE

The Company is in full compliance with all the provisions of clause 49 of the Listing Agreement entered in to with the stock Exchange(s). A certificate from Statutory Auditors of the Company as stipulated in clause 49 of the Listing Agreement is annexed and forms part of this Annual report.

11. CEO/CFO CERTIFICATION

The Managing Director, being the CEO of the Company has submitted a Certificate to the Board regarding the Financial Statements and other matters as required under Clause 49(V) of the Listing Agreement.

12. MEANS OF COMMUNICATION

Quarterly Results	Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchange and published in Newspapers in terms of the requirements of Clause 41 of the Listing Agreement.
Newspapers in which results are normally published	The Audited/ Unaudited Results are published in Free Press Journal English Newspaper and in Navshakti Marathi Newspaper and Daman Ganga daily in Gujarati News paper.
Any Website, where displayed	todays.co.in
Whether Management Discussions and Analysis Report is a part of Annual Report	Yes
Whether Corporate Governance Report forms Part of the Annual Report	Yes

There was no presentation made by the Company to any of the Institutional Investors or Analysts.

The Company has not entered into agreement with any Media Companies.

CORPORATE GOVERNANCE REPORT

13. GENERAL SHAREHOLDERS INFORMATION

21th Annual General Meeting Date & Time Venue	:	30 th September, 2013 at 10.00 A.M at Survey No. 251/2, Valsad Falia, Near Jain Temple, Dadra, D & N.H. (U.T.) - 396 193
Book Closure Date	:	24 th September, 2013 to 30 th September, 2013 (both days inclusive)
Registered Office	:	Survey No. 251/2, Valsad Falia, Near Jain Temple, Dadra, D & N.H. (U.T.) - 396 193 Tel.: (0260) 2668538, 2668574, 2668884 Fax : (0260) 2668536 E-mail : todaystodayspens.com , website : todaystodayspens.com
Dividend payment date	:	Not Applicable
Financial Year	:	1 st April to 31 st March
Financial reporting for the quarter ending June 30, 2013	:	On or before August 14,2013
Financial reporting for the quarter ending September 30, 2013	:	On or before November 14,2013
Financial reporting for the quarter ending December 31, 2013	:	On or before February 14, 2014
Financial reporting for the Annual Results for the year ended on March 31, 2014	:	On or before May 30, 2014

Listing on Stock Exchange	:	Bombay Stock Exchange Ltd National Stock Exchange of India Limited
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Note : Listing fees to all above stock exchanges have been paid for the year 2013-2014

Stock Code

BSE	531830
NSE	Todays
Demat ISIN Numbers allotted by NSDL and CDSL	INE944B01019

Market Price Data

The monthly high and low closing prices of shares traded during the financial year 2012-2013 are as given below:

Month	Bombay Stock Exchange Limited		BSE Sensex		National Stock Exchange of India Ltd		Nifty	
	High (₹)	Low (₹)	High	Low	High (₹)	Low (₹)	High	Low
April-12	4.65	3.42	17664.10	17010.16	4.60	3.35	5378.75	5154.30
May-12	4.09	3.05	17432.33	15809.71	4.00	3.00	5279.60	4788.95
June-12	3.75	2.85	17448.48	15748.98	3.40	2.85	5286.25	4770.35
July-12	3.8	3.06	17631.19	16598.48	3.90	3.10	5348.55	5032.40
August-12	3.48	2.92	17972.54	17026.97	3.50	2.85	5448.60	5164.65
September-12	3.68	2.65	18869.94	17250.80	3.80	2.60	5735.15	5215.70
October-12	3.55	3.05	19137.29	18393.42	3.85	3.05	5815.35	4888.20
November-12	3.50	3.00	19372.70	18255.69	3.40	3.00	5885.25	5548.35
December-12	4.45	3.13	19612.18	19149.03	4.20	3.10	5965.15	5823.15
January-13	3.95	2.85	20203.66	19508.93	4.00	2.90	6111.80	5935.20
February-13	3.25	2.46	19966.69	18793.97	3.40	2.45	6052.95	5671.90
March-13	3.10	2.3	19754.66	18568.43	3.15	2.15	5971.20	5604.85

Registrars and Transfer Agents

(Share transfer and communication regarding share certificates, dividends and change of address)

: **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

CORPORATE GOVERNANCE REPORT

Share Transfer System

Transfer of shares in dematerialised form is done through the depositories without any involvement of the Company. Transfer of shares in physical form is normally processed within a period of 15 days from the date of lodgement, subject to documents being valid and complete in all respects. To expedite the process of share transfer, the Board has delegated necessary power to the Registrar and Share Transfer Agents viz; M/s. Satellite Corporate Services Pvt. Ltd, Mumbai.

Dividend

Shareholders who have not encashed their Dividend instruments (for earlier periods) may approach our Registrar & Share Transfer Agent M/s. Satellite Corporate Services Pvt. Ltd, Mumbai for issue of cheques/Demand drafts in lieu of dividend instruments quoting the Folio No / Client Id. Please note that as per Section 205 (a) as per Companies Act, 1956 dividend which remains unpaid / unclaimed for a period over 7 years has to be transferred by the company to the Investor Education & Protection Fund (IEPF) and no claim shall lie for such unclaimed dividends from IEPF by the members. Year wise details are given below.

Year	Dividend Type	Dividend Paid Percentage (%)	*Due date for transfer to the Investor Education and Protection Fund
2005-06	Final	10%	04/11/2013
2006-07	Final	5%	04/11/2014
2007-08	Final	5%	04/11/2015

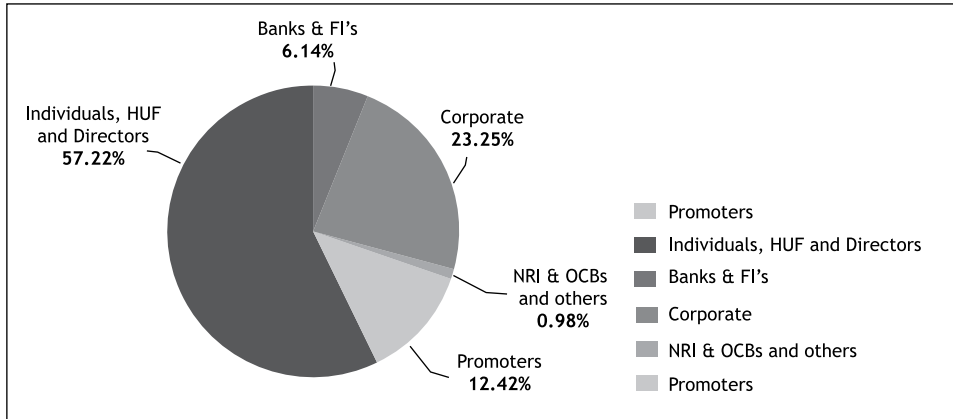
Indicative dates. Actual Dates may vary

Distribution of Shareholding as on :				
31.03.2013				
No. of Equity Shares held	No. of Share holders	% of Share holders	No. of Shares Held	% Share holding
1 - 100	2864	36.60	191711	1.50
101 - 200	970	12.40	179532	1.40
201 - 500	1710	21.85	674699	5.27
501 - 1000	1016	12.98	868681	6.78
1001 - 5000	990	12.65	2364191	18.45
5001 - 10000	143	1.83	1072928	8.37
10001 and above	132	1.69	7461558	58.23
Total	7825	100.00	12813300	100.00

Categories of Shareholding as on :								
31.3.2013					31.03.2012			
Category	No. of Share holders	% of Share holders	No. of Shares Held	% Share holding	No. of Share holders	% of Share holders	No. of Shares Held	% Share holding
Promoters	13	0.17	15,90,862	12.42	15	0.18	15,88,212	12.40
Individuals	7483	95.63	73,31,570	57.21	7845	95.76	75,64,774	59.03
Banks & FI's	3	0.04	7,86,813	6.14	3	0.04	7,86,813	6.14
Corporate	277	3.54	29,78,962	23.25	278	3.40	27,54,431	21.50
NRI & OCBs and others	49	0.62	1,25,093	0.98	51	0.62	1,19,070	0.93
Total	7825	100.00	1,28,13,300	100.00	8192	100.00	1,28,13,300	100.00

CORPORATE GOVERNANCE REPORT

Shareholding Pattern as on 31/03/2013



Dematerialisation of Shares as on 31.03.2013 and Liquidity:

1,26,31,683 Equity Shares of the Company representing 98.58% of the Company's Share capital is dematerialized as on 31.03.2013, the details of which are as under:

Mode	Shares		Shareholders	
	No. of Shares	% Total Capital	No. of Shareholders	% to total Shareholders
Holdings in Physical Mode	1,81,617	1.42	761	9.73
Held in Demat form with NSDL	92,76,357	72.40	4268	54.54
Held in Demat form with CDSL	33,55,326	26.18	2796	35.73
Total	1,28,13,300	100	7825	100

The Company has paid Annual Custodial Fees of F.Y 2013-14 for both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Details on use of public funds obtained in the last three years

No funds have been raised from Public in the last three years.

Outstanding GDRs /ADRs/Warrants etc.

The Company has not issued any GDRs /ADRs/Warrants and hence no amount is outstanding as at the year end.

Plant Location : Survey No. 251/2, Valsad Falia, Near Jain Temple, Dadra, D & N. H. (U.T.) - 396 193

Address for correspondence :

(a) For Shares held in Physical Form

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, FaxNo.022-28511809, Email service@satellitecorporate.com

(b) For shares held in Demat Form

To the respective Depository Participants

(c) For any other query

Ms. Bhavika Shah, Compliance Officer at Today's Writing Instruments Limited Survey No. 251/2, Valsad Falia, Near Jain Temple, Dadra, D & N.H. (U.T.) - 396 193 Tel (0260) 2668538, 2668574, 2668884, Fax No. (0260) 2668536 E-mail:-: secretarial@todays-pens.com

DECLARATION

I, Ronald Netto, Managing Director of Today's Writing Instruments Limited hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliances with the Code of Conduct for the year ended 31st March, 2013

Place : Mumbai

Date:- 29th May, 2013

By and on behalf of the Board
Ronald Netto
Managing Director & CEO

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Todays Writing Instruments Limited

We have examined the compliance of conditions of Corporate Governance by Todays Writing Instruments Limited, for the year ended 31st March, 2013, as stipulated in clause 49 of the Listing Agreements Executed by the Company with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation there of, adopted by the Company for ensuring the compliance of the condition of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made to us by the Directors and the management, we certify that the Company has complied with the conditions or Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **AJAY SHOBHA & CO.**
Chartered Accountants
(Registration No. 317031E)

(AJAY GUPTA)
Partner
M. No. 053071

Place:- Mumbai
Dated:- 29th May, 2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of Todays Writing is pleased to present the overall analysis of the Company's performance during the year under review and a brief assessment of the future outlook and prospects.

INDUSTRY STRUCTURE AND DEVELOPMENT

Indian Writing Instruments Industry is a very heterogeneous group of business usually associated with the Schools, Colleges and Office and plays a very crucial role in working of any organization across the globe. The year 2012-13 was again the year with set of challenges to sustain the growth rate due to the rising Inflation, fluctuations in Currency rates. The current account deficit, the consequent pressure on rupee and the slackening of growth has added a new dimension to the prospects in the domestic industry. With plastic pens in the classical inferior goods category, slowdown is not likely to affect the demand as the market is more or less indifferent to pricing except the rural market. Similar to the past few years, this year also plastic Processing Industry faced the dilemma of fluctuations in polymer raw material prices with rising trends and consequently pressure on margins cut for the Industrial players.

The FDI opportunities are being examined by players and with Linc deepening their relationship with Mitsubishi more international players are likely to established their presence in India.

Writing instruments is now a medium scale industry is poised to move towards the large scale segment with international market being the focus of all the leading players. Overall the industry is vibrant and is in a robust growth phase.

OPPORTUNITIES AND THREATS

With the continuous increase in literacy rate , various initiatives initiated by the government after recognizing the need for making education more inclusive and increase in outlay in the Union budget for 2013-14 and automation to meet international requirements have thrown up opportunities and challenges. While, the threat from the established players cannot be ignored, our company's unique capability of developing new designs, manufacturing it's own mould, dedicated and supportive distribution network, niche segment strength, acceptance of our products in the international markets are key strengths that can counter current threats.

SEGMENT WISE PERFORMANCE

Segment reporting as per Accounting standard AS-17 issued by ICAI is not applicable as the Company operates only in one segment.

EXPORT

Export opportunities are promising. The Export market is growing at a healthy pace. However, the Company has exported goods worth ₹ 1404.Lacs (previous year ₹ 1403.83 lacs) of writing instruments and stationery. The disruption of peace and political uncertainties in the Middle East has caused some setback for exports. Currently, the Company is exporting to over 15 countries across the globe. We have emerged as a leading player in many of the Middle East countries. We could have done better with additional working capital.

OUT LOOK

This has been dealt with in the Report of Directors.

RISK MANAGEMENT

The Company is operating in a very healthy competitive environment. It is exposed to increasing risk related to operating performance and sustainability. Company has a competition risk where in it is able to sustain the competition by offering wide varieties of pens at very competitive prices. Cost of raw materials too adds up the cost of production, but long healthy relations with the suppliers have enabled Company to procure the raw materials on time and at Competitive prices. The Company's performance can be affected by weak consumer spending and sluggish economy. But however, with the increasing government educational spending, low cost pens etc. India's stationery market is poised to grow significantly. Besides, growing per capita income, increased student enrolment and enhanced literacy are expected to catalyse the demand for writing instruments. Also, marketing and distribution risk is very well managed as the Company has more than 50 distribution network with reach from metropolitans cities to rural areas.

INTERNAL CONTROL SYSTEM

The Company has implemented Internal Control Systems as commensurate with the volume of operations of the Company.

FINANCIAL AND PRODUCT WISE PERFORMANCE

This has been dealt with in the report of the Directors.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

Industrial relations continue to remain peaceful and this key resource has been nurtures over a period of time. Your Directors express their sincere appreciation for the dedicated efforts put in by all the employees and for their continued contribution for ensuring good performance of the Company during the year.

CAUTIONARY STATEMENT

The statement made in this report describing the Company's expectations and estimation may be a forward looking statement within the meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied in this report due to the influence of external and internal factors, which are beyond the control of the Company.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TODAYS WRITING INSTRUMENTS LIMITED

We have audited the accompanying financial statement of TODAYS WRITING INSTRUMENTS LIMITED (the Company), which comprises the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and explanatory information.

Management's responsibility for the financial statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statement in order to design audit procedures that the appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimated made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statement give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date, and
- c) In the case of the Cash Flow statement, of the cash flows for the year ended on that date.

Emphasis of Matter

1. a) We draw attention to Note No. 37 to the financial statement regarding preparation of account of the company on going concern basis though the accumulated losses of the Company have exceeded its net worth.
- b) Balance confirmation from debtors, creditors, advances, secured and unsecured lenders etc. are generally not received and accordingly not reconciled / confirmed. In absence of the same these balances and their classification are reflected as per the records produced.
- c) Provision of interest on loans from banks & financial institution are provided as per CDR scheme and not as per the sanction terms of the banks & financial institution.
- d) *Retirement benefits of employees are not accounted for as per accounting standard 15 (AS 15) prescribed by ICAI. Our opinion is not qualified in respect of above matters.*

Report on other legal and regulatory requirements.

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of sub- section (4A) of section 227 of the Act, we give in the Annexure a Statement on the matters specified in paragraph 4 and 5 of the order.

INDEPENDENT AUDITORS' REPORT

- 2) As required by section 227(3) of the Act, we report that:
- a) We have obtained all the information and explanation which to the best our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with the report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors as on 31st March 2013, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2013, from being appointed as a Director in terms of clause (g) of sub- section (1)of section 274 of the Companies Act, 1956.

For **AJAY SHOBHA & CO.**
Chartered Accountants
(Registration No. 317031E)

(AJAY GUPTA)
Partner
M. No. 053071

Place:- Mumbai
Dated:- 29th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

(Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

1. In respect of the Fixed Assets :-
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the and the nature of its business. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the books records and the physical inventory has been noticed.
 - c) In our opinion, a substantial part of fixed assets has not been disposed off by the company during the year and the going concern status of the company is not affected.
2. In respect of Inventories:-
 - a) The inventory (excluding stocks with third parties and materials in transit) has been physical verified by the management during the year. In respect of inventory lying with third parties, these have been confirmed by them. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to books records were not material and have been properly dealt with in the books of accounts.
3.
 - a) As per the information and explanation given to us, the company has granted unsecured loans to three subsidiaries covered in the register maintained under section 301 of the Companies Act, 1956 on call basis. The maximum amount outstanding during the year was ₹ 657.52 Lacs and the year end balance was ₹ 548.34 Lacs.
 - b) The advance given by the company is to wholly owned subsidiary and rate of interest on such advances and the terms and conditions on which these advance given are not prejudicial to the interest of the company.
 - c) There is no prescribed stipulation of repayment of the advance and is payable on demand and therefore question of overdue amount does not arise.
 - d) As per the information and explanation given to us, the company has taken unsecured loan , from a director covered in the Register maintained under Section 301 of the companies Act 1956. The maximum amount outstanding during the year was ₹ 982.91 Lacs and the year end balance was ₹ 950 Lacs.
 - e) The rate of interest on such loans and advances and the terms and conditions on which these advance are taken not prejudicial to the interest of the company.
 - f) There is no prescribed stipulation of repayment of the advance and is payable on demand and therefore question of overdue amount does not arise.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business, with regard to purchase of inventory, fixed assets and sale of goods & services. As per the information and explanation given to us, in our opinion there is no continuing failure to correct major weaknesses in internal control.
5. In respect of transactions covered under section 301 of the Companies Act 1956 :
 - a) Based on the audit procedures applied by us and according to the information and explanation provided by the Management we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act 1956, and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956, and the rules framed there under. Hence clause 4 (Vi) of the Order is not applicable.
7. The Company has an internal audit system, which in our opinion, is commensurate with the size of the Company and the nature of its business.

ANNEXURE TO THE AUDITORS' REPORT

8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under clause (d) of sub section (1) of section 209 of the Companies Act, 1956 and are of opinion that prima facie, the prescribed account and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.
9. According to the information and explanations given to us in respect statutory and other dues :
- a) 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.*
- b) According to the information and explanations given to us and the records of the company examined by us particulars of Income Tax as on 31st March, 2013 that have not been deposited on account of a dispute pending are as under :

Name of the Statute	Nature of Dues	Year	Amount (₹ In Lakhs)	Forum where dispute is pending
Income Tax Act, 1961	Assessed Dues	2007-2008	279.33	I.T.A.T. , Kolkata
Income Tax Act, 1961	Assessed Dues	2008-2009	753.50	I.T.A.T. , Kolkata

10. *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.*
- 11) *Based on our audit procedures and the information and explanations given by management, the Company has defaulted in repayment of dues to banks.*
- 12) According to the information and explanations given to us, the Company has not given loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute and provisions applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- 14) In our opinion and according to the information and explanations given to us, the Company is not a dealer / trader in shares & securities.
- 15) According to the information and explanation given to us and the records examined by us, the Company has given corporate guarantees amounting to ₹ 3050.00 lacs to ICICI Bank Ltd for loan taken by Today's Petrotech Ltd, in which the Company is a Shareholder. The terms and conditions whereof are prima facie not prejudicial to the interest of the Company.
- 16) In our opinion, on the basis of information and explanations given to us, on an overall basis, the term loans were applied for the purposes for which the loans were obtained.
- 17) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanation given to us, there are no funds raised on a short-term basis, which have been used for long - term investments.
- 18) During the year the company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. According, clause 4(xviii) of the Order is not applicable.
- 19) The Company has not issued any debentures. According, clause 4(xix) of the Order is not applicable.
- 20) During the year Company has not raised any money by public issued during the year. According, clause 4(xx) of the Order is not applicable.
- 21) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, not have we been informed of such case by the management.

For **AJAY SHOBHA & CO.**
Chartered Accountants
(Registration No. 317031E)

(AJAY GUPTA)
Partner
M. No.053071

Place: Mumbai
Date:- 29th May, 2013

BALANCE SHEET

BALANCE SHEET AS AT 31 MARCH, 2013

(Amount in ₹)

	Note No.	As at 31st March 2013	As at 31st March 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	128,133,000	128,133,000
(b) Reserves and surplus	3	(1,453,734,883)	(1,311,693,138)
		<u>(1,325,601,883)</u>	<u>(1,183,560,138)</u>
Non-current liabilities			
(a) Long-term borrowings	4	236,600,000	236,600,000
(b) Other long-term liabilities	5	391,568,540	287,010,594
(c) Long-term provisions	6	87,946,454	78,850,584
		<u>716,114,994</u>	<u>602,461,178</u>
Current liabilities			
(a) Short-term borrowings	7	1,257,594,606	1,253,302,231
(b) Trade payables	8	201,963,648	220,576,641
(c) Other current liabilities	9	174,391,023	133,060,871
(d) Short-term provisions	10	11,559,629	11,546,160
		<u>1,645,508,906</u>	<u>1,618,485,903</u>
TOTAL		<u><u>1,036,022,017</u></u>	<u><u>1,037,386,943</u></u>
ASSETS			
Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets		273,210,537	292,788,062
(ii) Intangible assets		4,493,143	6,684,920
(b) Non-current investments	12	41,660,333	41,660,333
(c) Deferred tax assets (net)	32	308,938,323	284,379,490
(d) Long-term loans and advances	13	2,641,837	2,684,549
(e) Other non-current assets	14	32,723,607	37,288,153
		<u>663,667,780</u>	<u>665,485,507</u>
Current assets			
(a) Inventories	15	48,376,144	55,229,418
(b) Trade receivables	16	49,390,273	48,237,446
(c) Cash and cash equivalents	17	194,144,459	182,825,238
(d) Short-term loans and advances	18	65,197,744	74,042,351
(e) Other current assets	19	15,245,617	11,566,983
		<u>372,354,237</u>	<u>371,901,436</u>
TOTAL		<u><u>1,036,022,017</u></u>	<u><u>1,037,386,943</u></u>
See accompanying notes forming part of the financial statements			

In terms of our attached report of even date.

For Ajay Shobha & Co.
Chartered Accountants
(Registration No. 317031E)

Ajay Gupta
Partner
Membership No. 053071
Place : Mumbai
Date : 29th May 2013

For and on behalf of the Board of Directors

Rajesh Kumar Drolia Ronald Netto
Chairman Managing Director

Bhavika Shah
Company Secretary
Place : Mumbai
Date : 29th May 2013

PROFIT AND LOSS**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2013**

(Amount in ₹)

	Note No.	For the year ended 31 March 2013	For the year ended 31 March 2012
INCOME			
Revenue from operations	20	491,701,345	577,869,484
Other income	21	25,317,750	16,955,093
Total revenue (1+2)		517,019,095	594,824,577
OPERATING EXPENDITURE			
(a) Cost of materials consumed	22	284,516,561	484,879,057
(b) Purchases of stock-in-trade	23	34,388,359	78,136,984
(c) Changes in inventories	24	1,934,414	340,611,401
(d) Employee benefits expense	25	58,938,444	58,266,309
(e) Finance charges,	26	114,039,973	113,562,381
(f) Depreciation		21,518,081	85,103,241
(g) Other expenses	27	158,251,359	630,343,138
Total Expense		673,587,191	1,790,902,511
PROFIT BEFORE TAX		(156,568,096)	(1,196,077,934)
Tax expense:			
(a) Current tax expense relating to prior years		10,032,481	10,590,070
(b) Deferred tax		(24,558,833)	(193,132,123)
Profit / (Loss) after tax		(142,041,744)	(1,013,535,881)
Earnings per share (of ₹ 10/- each):			
	33		
(a) Basic		(11.09)	(79.10)
(b) Diluted		(11.09)	(79.10)
See accompanying notes forming part of the financial statements			

In terms of our attached report of even date.

For Ajay Shobha & Co.
Chartered Accountants
(Registration No. 317031E)

Ajay Gupta
Partner
Membership No. 053071
Place : Mumbai
Date : 29th May 2013

For and on behalf of the Board of Directors

Rajesh Kumar Drolia **Ronald Netto**
Chairman Managing Director

Bhavika Shah
Company Secretary
Place : Mumbai
Date : 29th May 2013

CASH FLOW

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in ₹)

	MARCH, 2013		MARCH, 2012	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before tax and extraordinary items		(156,568,096)		(1,196,077,934)
Adjustments for :				
Depreciation	21,518,081		85,103,241	
Provision for doubtful debts / advances	-		438,872,515	
Interest income	(15,395,377)		(2,238,267)	
Interest expense	113,814,073		113,207,789	
(Profit) / Loss on Sale of Fixed Assets	879,424		-	
Share of loss in partnership firm	905,000	121,721,201	906,618	635,851,896
Operating Profit before Working Capital Changes		(34,846,895)		(560,226,038)
Adjustments for :				
(Increase) / decrease in inventories	6,853,274		487,700,075	
(Increase) / decrease in Trade receivable	(1,152,826)		32,165,224	
(Increase) / decrease in Short term loans and advances	8,844,606		174,812,043	
(Increase) / decrease in other current assets	(3,678,634)		(11,566,983)	
(Increase) / decrease in long term loans and advances	42,712		265,539	
(Increase) / decrease In other non current assets	4,564,546		(7,552,427)	
Increase / (decrease) in trade payable	(18,612,996)		101127096	
Increase / (decrease) in other current liabilities	41,330,152		2,681,983	
Increase / (decrease) in short term provisions	13,469		(10,117,314)	
Increase / (decrease) in long term provisions	(936,611)	37,267,692	10,982,748	780,497,984
Cash generated from / used in operations		2,420,797		220,271,946
Direct Taxes paid		-		-
Net cash generated from / (used in) operating activities (A)		2,420,797		220,271,946
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets including CWIP	(1,081,531)		(4,086,433)	
Sale/Discarded of Fixed Assets	453,330		-	
Share of loss in partnership firm	(905,000)		(906,618)	
Interest income	15,395,377	13,862,176	2,238,267	(2,754,784)
Net cash (used) in investing activities (B)		16,282,973		217,517,162
C. CASH FLOW FROM FINANCING ACTIVITIES				
Interest paid	(113,814,073)	-	(113,207,789)	
Net increase / (decrease) in working capital borrowings	4,292,375		(94,612,404)	
Net increase / (decrease) in long term borrowings	-			
Net increase / (decrease) in Other long term liabilities	104,557,946	(4,963,752)	111,226,307	(96,593,886)
Net cash (used in) from financing activities (C)		11,319,221		120,923,276
Cash and cash Equivalents as at 31.03.2012		182,825,238		61,901,962
Cash and cash Equivalents as at 31.03.2013		194,144,459		182,825,238

Note : 1) The Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2) Previous years figures have been regrouped / rearranged wherever necessary.

In terms of our attached report of even date.

For and on behalf of the Board of Directors

For Ajay Shobha & Co.

Chartered Accountants

(Registration No. 317031E)

Rajesh Kumar Drolia
Chairman

Ronald Netto
Managing Director

Ajay Gupta

Partner

Membership No. 053071

Place : Mumbai

Date : 29th May 2013

Bhavika Shah

Company Secretary

Place : Mumbai

Date : 29th May 2013

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

1) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared on accrual basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

All assets and liabilities have been classified as Current or non-current as per operating cycle criteria set out in the Revised Schedule VI to the Companies Act, 1956.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

c) Fixed Assets

Tangible fixed assets

Fixed assets are stated at cost of acquisition and installation less accumulated depreciation and impairment losses. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

Capital work in progress

Project under which assets are not ready for their intended use and other capital work in progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Depreciation and amortization

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except Individual items of assets costing up to ₹ 5000 are full depreciated in the year of acquisition.

Depreciation is charged from the month of the date of purchases in the case of acquisitions made during the year. In respect of assets sold, depreciation is provided up to assets sold, depreciation is provided up to the month prior to the date of sale.

Intangible assets are amortized over their estimated useful life.

d) Inventories

Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

e) Investments

Investments are classified as current or long-term in accordance with Accounting Standard 13 on "Accounting for Investments".

Current investments are stated at lower of cost or fair value in respect of each separate investment.

Long term investments are stated at cost less provision for diminution in value other than temporary, if any.

f) Revenue recognition

Sale of goods

Revenue is recognized when significant risks and rewards of ownership of the goods sold are transferred to the customer and the commodity has been delivered to the shipping agent / customer. Revenue represents the invoice value of goods and services provided to parties net of discounts, sales tax / value added tax and rebate.

Income from services

Revenue in respect of contracts for services is recognized on completion of services.

Other Income

Interest income is recognized on a time proportion basis by reference to the principal outstanding and at the interest rate applicable.

NOTES

g) Foreign currency transaction and translations

Transactions in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Year end balances of monetary assets and liabilities are translated at the year end rates. Exchange differences arising on restatement of settlement is charged to the Statement of Profit and Loss.

h) Retirement Benefits And Leave Encashment

Retirement benefits are dealt with in the following manner:

- i) Contribution to Provident Fund and Family Pension Fund are accounted on accrual basis with corresponding contribution to relevant authorities.
- ii) Liabilities in respect of gratuity of employees are funded under the employees' group gratuity scheme with the Life Insurance Corporation of India
- iii) Encashment of leave lying to the credit of employees is not provided for on actuarial basis. It is accounted on cash basis. Therefore, it is not possible to ascertain the liability at the end of the accounting year.

i) Taxes On Income

Income tax is accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income". Taxes comprise both current and deferred tax.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessments/appeals.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax assets are reviewed as at each balance sheet date.

j) Impairment Of Assets:

Impairment is ascertained at each balance sheet date in respect of the Company's fixed assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. This is in accordance with the "Accounting Standard 28" issued in this regard by the Institute of Chartered Accountants of India.

k) Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on "Borrowing Costs" are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

l) Accounting For Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized in terms of Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent Assets issued by the ICAI, when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets are not recognized in the financial statements.

m) Segment Reporting

The business of the Company falls under a single segment i.e., "Writing Instrument and Stationeries". In view of the general clarification issued by the Institute of Chartered Accountants of India for companies operating in single segment, the disclosure requirement as per Accounting Standard 17 "Segment Reporting" are not applicable to the Company.

n) Earnings Per Share

The Company reports Earnings Per Share (EPS) in accordance with Accounting Standard 20 on "Earning Per Share". Basic EPS is computed by dividing the net profit for the year by the weighted average number of Equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effect of all dilutive potential equity shares, except where the result are anti-dilutive.

o) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

2 SHARE CAPITAL

Particulars	31-Mar-13		31-Mar-12	
	Number of Shares	(Amt. in ₹)	Number of Shares	(Amt. in ₹)
Authorised				
Equity shares of ₹ 10 each with voting rights	25000000	250,000,000	25000000	250,000,000
Issued, subscribed and fully paid - up				
Equity shares of ₹ 10 each with voting rights, fully				
Paid up	12813300	128,133,000	12813300	128,133,000
Total	12813300	128,133,000	12813300	128,133,000

Out of above 4125000 Equity Shares of ₹ 10 each are allotted as fully paid up pursuant to the scheme of amalgamation without payment being received in cash]

a. Reconciliation of equity shares and amounts outstanding

Particulars	31-Mar-13		31-Mar-12	
	Number of Shares	(Amt. in ₹)	Number of Shares	(Amt. in ₹)
At the beginning of the year	12813300	128,133,000	12813300	128,133,000
At the end of the year	12813300	128,133,000	12813300	128,133,000

b. Terms /rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10. The equity shares have rights, preferences and restrictions which are in accordance provisions of law, in particular the Companies Act, 1956.

c. Details of shareholders holding more than 5 % shares in the Company.

Particulars	31-Mar-13		31-Mar-12	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Bennett Coleman & Company Limited	844400	6.59	844400	6.59

3 RESERVE AND SURPLUS

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
a) Capital reserve		
Balance as at the beginning and end of the year	16,109,000	16,109,000
b) Securities premium account		
Balance as at the beginning and end of the year	85,933,960	85,933,960
c) Amalgamation reserve		
Balance as at the beginning and end of the year	45,686,384	45,686,384
d) Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as at the beginning of the year	(1,459,422,483)	(445,886,601)
Add: Profit / (Loss) for the year	(142,041,744)	(1,013,535,881)
Balance as at the end of the year	(1,601,464,227)	(1,459,422,482)
Total	(1,453,734,883)	(1,311,693,138)

4 LONG- TERM BORROWINGS

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Secured loan From Banks	236,600,000	236,600,000
	236,600,000	236,600,000

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

Details of Security

The Company has created a mortgage on all its assets both current and fixed assets, both movable and immovable in favour of the lenders through SBI Trusteeship services (SBIT) vide security trust deed dated 19th March 2008 and accordingly the term lenders ICICI Bank Ltd and Axis Bank Ltd are secured by first paripassu charge on immovable and movable fixed assets (except those pertaining to the current assets charged in favour of working capital bankers) and second charge on current assets and movable assets. Further, the immovable assets of Premium Writing Products (PWP) has been charged to the term lenders through a guarantee by PWP to the extent of value of the immovable property of PWP, pending transfer to the Company. Also, personal guarantee of Mr. Rajesh Kumar Drolia have been provided to all secured lenders except ICICI Bank and Anita Drolia's personal guarantee is given only to SBI and Bank of India.

Terms of Repayment

The repayment schedule of term loans of ₹ 16,56,00,000/- were rescheduled by CDR cell on restructuring and it was payable @ 3.75 % per quarter commencing from 01/10/2015.

5 OTHER LONG TERM LIABILITIES (Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Unpaid interest of earlier years on Term Loan	55,504,180	31,147,245
Unpaid interest on earlier years on working capital loan	330,993,873	251,454,230
Maharashtra VAT of earlier years	5,070,487	4,409,119
	<u>391,568,540</u>	<u>287,010,594</u>

6 LONG TERM PROVISIONS (Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Provision for Gratuity	5,563,275	4,699,687
Compensated absences	2,168,449	2,193,757
Provision for Income Tax (earlier years)	80,214,730	71,957,140
Total	<u>87,946,454</u>	<u>78,850,584</u>

7 SHORT TERM BORROWINGS (Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Secured:		
Loans repayable on demand from banks		
Cash credit	828,486,067	827,400,000
	<u>828,486,067</u>	<u>827,400,000</u>

Details of Security

The Company has created a mortgage on all its assets both current and fixed assets, both movable and immovable in favour of the lenders through SBI Trusteeship services (SBIT) vide security trust deed dated 19th March 2008 and accordingly the working capital lenders State Bank of India, Bank of India, ICICI Bank Ltd. and HSBC Bank Ltd. are secured by first paripassu charged on all current assets and movable assets (except those pertaining to the charged in favour of term lenders) and second charge on all immovable assets. Further, the Immovable assets of Premium Writing Products (PWP) has been charged to the term lenders through a guarantee by PWP to the extent of pending transfer of immovable property of PWP. Also, personal guarantee of Mr. Rajesh Kumar Drolia have been provided to all secured lenders except ICICI Bank and Anita Drolia's personal guarantee is given only to SBI and Bank of India.

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Unsecured:		
Loan Received from Directors & Relatives	95,000,000	90,839,421
Trade Deposits	1,000,000	1,450,000
Inter Corporate Deposit	4,670,539	5,174,808
Short Term Loans From Banks	328,438,000	328,438,002
	<u>429,108,539</u>	<u>425,902,231</u>
Total	<u>1,257,594,606</u>	<u>1,253,302,231</u>

8 TRADE PAYABLES

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Other than acceptances		
Micro and small enterprise (Refer note 29)	2,596,139	4,876,391
Others	199,367,509	215,700,250
Total	<u>201,963,648</u>	<u>220,576,641</u>

9 OTHER CURRENT LIABILITIES

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Interest accrued on borrowings	112,116,000	112,116,000
Unpaid Dividend	1,575,743	1,578,563
Employee related liabilities	12,478,324	11,797,251
Other Liabilities	45,649,493	1,330,611
Statutory dues payable	2,571,463	6,238,446
Total	<u>174,391,023</u>	<u>133,060,871</u>

10 SHORT TERM PROVISIONS

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Provision for employee benefits	1,527,148	956,090
Provision for income tax (net of advances)	10,032,481	10,590,070
Total	<u>11,559,629</u>	<u>11,546,160</u>

NOTES

Sr. No.		GROSS BLOCK		DEPRECIATION			NET BLOCK				
		As at 01/04/2012	Addition	Deductions	As at 31/03/2013	Up to 31-03-2012	Sales/ Adjustments	For the period	Up to 31-03-2013	As at 31.03.2013	As at 31.03.2012
Tangible Assets (A)											
1	Freehold Land	14,840,108	-	-	14,840,108	-	-	-	-	14,840,108	14,840,108
2	Buildings	97,503,717	-	-	97,503,717	23,977,327	3,042,765	27,020,092	70,483,625	73,526,390	73,526,390
3	Plant & Machinery	248,573,097	385,492	-	248,958,589	69,939,506	11,818,169	81,757,675	167,200,914	178,633,591	178,633,591
4	Electrical Installations	8,984,866	77,200	-	9,062,066	3,958,348	427,815	4,386,163	4,675,903	5,026,518	5,026,518
5	Moulds	393,142,896			393,142,896	391,447,897	-	391,447,897	1,694,999	1,694,999	1,694,999
6	Office Equipments	7,220,050	55,300	-	7,275,350	2,653,161	359,946	3,013,107	4,262,243	4,566,889	4,566,889
7	Computer	8,153,517	532,269	-	8,685,786	5,962,626	1,375,428	7,338,054	1,347,732	2,190,891	2,190,891
8	Furniture and Fixtures	13,049,715	31,270	-	13,080,985	7,342,124	840,803	8,182,927	4,898,058	5,707,591	5,707,591
9	Vehicles	15,898,420		2,542,976	13,355,444	9,297,332	1,210,222	9,548,489	3,806,955	6,601,088	6,601,088
	Total	807,366,386	1,081,531	2,542,976	805,904,941	514,578,321	1,210,222	532,694,404	273,210,537	292,788,065	292,788,065
	Previous Year	803,279,953	4,086,433		807,366,386	431,666,861		514,578,325	292,788,061	371,613,092	371,613,092
Intangible Assets (B)											
1	Technical Knowhow	21,917,770			21,917,770	15,232,850		17,424,627	4,493,143	6,684,920	6,684,920
	Total	21,917,770	-	-	21,917,770	15,232,850	-	17,424,627	4,493,143	6,684,920	6,684,920
	Previous Year	21,917,770			21,917,770	13,041,073		15,232,850	6,684,920	8,876,697	8,876,697
	Grand Total (A+B)	829,284,156	1,081,531	2,542,976	827,822,711	529,811,171	1,210,222	550,119,031	277,703,680	299,472,985	299,472,985
	Previous Year (A+B)	825,197,723	4,086,433		829,284,156	444,707,934		529,811,175	299,472,981	380,489,789	380,489,789

Note : - 1) As per books gross block of vehicles is ₹ 13355444 and as per chart it is ₹ 13548056 why this difference

2) When vehicles has been sold then gross block of those vehicle should be deducted and depreciation reserve should also be reduced

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

12 NON CURRENT INVESTMENT

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
INVESTMENT		
Long Term Investments		
(a) Non Traded, Unquoted		
(I) Investments in Subsidiaries		
i) Today's Infrastructure and Construction Ltd. 50000 (Previous Year 50000) Equity Shares of face value of ₹ 10 each fully paid up	500,000	500,000
ii) Today's Stationery Mart Ltd. 4000000 (Previous Year 4000000) Equity Shares of face value of ₹10 each fully paid up	40,000,000	40,000,000
iii) Today's Fluid Technologies Ltd. 50000 (Previous Year 50000) Equity Shares of face value of ₹10 each fully paid up	500,000	500,000
(ii) Others		
i) Today's Petrotech Ltd. 27500 (Previous Year 27500) Equity Shares of face value of ₹10 each fully paid up	275,000	275,000
ii) Janata Sahakari Bank Limited 10040 (Previous Year 10040) Equity Shares of face value of ₹ 25 each fully paid up of Kalyan	251,000	251,000
iii) The Mogaveera Co-op Bank Limited 10 (Previous Year 10) Equity Shares of face value of ₹ 100 each fully paid up of	1,000	1,000
Investment in Partnership Firm	133,333	133,333
Total	41,660,333	41,660,333

13 LONG TERM LOANS AND ADVANCES

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Deposits	2,641,837	2,684,549
	2,641,837	2,684,549

14 OTHER NON CURRENT ASSETS

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Advance Income Tax & Tax receivable (earlier years)	32,723,607	24,105,136
VAT receivable	-	12,948,037
Prepaid Expenses	-	2,34,980
	32,723,607	37,288,153

15 INVENTORIES

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
At lower of cost and net realisable value		
Raw materials	15,396,826	19,285,156
Packing Material	7,139,993	8,286,501
Semi Finished Goods	8,479,218	8,567,608
Finished goods	15,534,629	17,380,653
Stores and spares	1,825,478	1,709,500
Total	48,376,144	55,229,418

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

16 TRADE RECEIVABLE

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Trade receivable outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	24,051,391	31,519,140
Doubtful	587,254,839	587,254,839
	<u>611,306,230</u>	<u>618,773,979</u>
Less: Provision for doubtful trade receivables	587,254,839	587,254,839
	<u>24,051,391</u>	<u>31,519,140</u>
Others trade receivable	25,338,882	16,718,306
Unsecured, considered goods		
Total	<u>49,390,273</u>	<u>48,237,446</u>

17 CASH AND CASH EQUIVALENTS

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Cash on hand	2,382,994	973,998
Balances with banks		
In current accounts	11,285,073	5,773,076
In Unpaid dividend account	1,589,622	1589342
In Earmarked deposit Margin Money account	178,886,770	174,488,822
Total	<u>194,144,459</u>	<u>182,825,238</u>

18 SHORT TERM LOANS AND ADVANCES

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Unsecured, considered good unless otherwise stated		
Loans and advances to related parties	106,661,766	117,479,134
Loans and advances to employees	584,954	1,168,115
Loans & Advances to Others	13,782,900	2,883,100
Advance income tax {net of provision for income tax}	873,561	9,217,439
	<u>121,903,181</u>	<u>130,747,788</u>
Less: Provision for doubtful loans and advances	56,705,437	56,705,437
Total	<u>65,197,744</u>	<u>74,042,351</u>

19 OTHER CURRENT ASSETS

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Interest accrued on deposit	15,245,617	11,566,983
Total	<u>15,245,617</u>	<u>11,566,983</u>

20 REVENUE FROM OPERATIONS

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Sale of products		
a) Domestic sale	351,271,498	437,486,630
b) Export sale	140,429,847	140,382,854
	<u>491,701,345</u>	<u>577,869,484</u>

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

21 OTHER INCOME		(Amt. in ₹)	
Particulars	31-Mar-13	31-Mar-12	
Interest	15,395,377	2,238,267	
Duty drawback / Export incentive	6,070,509	8,705,770	
Scrape Sale	3,000,000	-	
Foreign Currency Gain	146,632	1,095,932	
Miscellaneous Income	705,232	4,915,124	
Total	25,317,750	16,955,093	
22 Cost of Materials Consumed		(Amt. in ₹)	
Particulars	31-Mar-13	31-Mar-12	
Raw Material Consumed			
Plastic Granules	126,239,476	158,497,130	
Ball Pen Tips	40,325,594	66,428,564	
Ink	27,724,511	58,466,998	
Others	43,289,876	11,746,410	
Packing Material Consumed	46,937,104	84,022,263	
Total	284,516,561	484,879,057	
23 Purchase of Traded Goods		(Amt. in ₹)	
Particulars	31-Mar-13	31-Mar-12	
Traded Goods Purchased	34,388,359	78,136,984	
	34,388,359	78,136,984	
24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK -IN -PROGRESS AND STOCK IN TRADE.		(Amt. in ₹)	
Particulars	31-Mar-13	31-Mar-12	
Inventories at the beginning of the year			
Finished goods	17,380,653	201,372,173	
Work in progress	8,567,608	165,187,489	
	25,948,261	366,559,662	
Inventories at the end of the year			
Finished goods	15,534,629	17,380,653	
Work in progress	8,479,218	8,567,608	
	24,013,847	25,948,261	
Net decrease / (increase)	1,934,414	340,611,401	
25 EMPLOYEE BENEFITS EXPENSES		(Amt. in ₹)	
Particulars	31-Mar-13	31-Mar-12	
Salaries, wages and incentives	53,408,635	53,243,048	
Contributions to provident and other funds	4,866,584	4,174,103	
Staff welfare expenses	663,225	849,158	
Total	58,938,444	58,266,309	

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

26 FINANCE COST (Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Interest expenses	113,814,073	113,207,789
Bank charges and Other Borrowing Costs	225,900	354,592
Total	114,039,973	113,562,381

27 OTHER EXPENSES (Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
a. Manufacturing Expenses		
Consumption of stores and spare parts	3,328,112	6,076,191
<u>Repairs and maintenance</u>		
Plant and machinery	11,824,000	8,768,464
Building	1,158,725	754,755
Others	992,600	1,844,528
Power and Fuel	9,078,670	10,399,369
Insurance	188,464	534,180
Rent	203,800	139,200
Other Manufacturing Expenses	54,987,372	55,778,384
Carriage inward & Transportation	2,856,235	12,277,898
b. Selling & Distribution Expenses		
Sales Promotion	13,461,519	24,143,925
Discount & Commission	25,767,444	20,258,377
Carriage, Sales Tax & Octroi	8,515,911	11,789,074
Advertisement and publicity Expenses	958,615	14,149,916
Bad Debts		718,065
Provision for Bad & Doubtful Debts		382,167,078
c. Establishment Expenses		
Travelling and Conveyance	2,280,589	3,690,552
Sub scripting & Donation	671,525	304,890
Legal and Professional charges	8,866,108	7,569,454
Printing & Stationery	457,007	559,057
Loss on sale of Fixed Assets	879,424	-
Foreign Currency Loss	-	583,147
Loss From Partnership Firm	905,000	906,618
Provision for Bad & Doubtful Advances		56,705,437
Payment to Auditors		
- Statutory audit	150,000	150,000
- Tax Audit	75,000	75,000
- Reimbursement of expenses	44,736	51,252
Miscellaneous Expenses	10,600,503	9,948,327
Total	158,251,359	630,343,138

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

28 CONTINGENT LIABILITIES:

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
i) Claims against the Company not acknowledgement as debts		
a) Income tax matters disputed in appeal	103,283,133	103,283,133
b) Sales tax matter disputed in appeal	70,431,625	-
In all the above matters, the Company is hopeful of succeeding and as such does not expect any significant liability to crystallize.		
ii) Bank guarantee		
a) Guarantee issued to various government departments and the Company is hope full to meet its obligations.	12,800,900	12,800,900
b) Corporate Guarantee given on behalf of others- covered by indemnity under taking form Today's Petrotech Limited and Today's Stationery Mart Limited.	305,000,000	305,000,000

29 DISCLOSURES UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006.

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Principal amount remaining unpaid to suppliers as at the end year.	2,596,139	4,876,391
Interest due on the above mentioned principal amount remaining unpaid to any supplier as at the year end.	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSM Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers" regarding their status under the Micro, small and Medium Enterprises Development Act, 2006.

30 EMPLOYEE BENEFITS PLANS:

Disclosure as required by Accounting Standard 15 Liability In respect of gratuity and leave encashment are accounted on payment basis which is not in conformity with Accounting Standard (AS)15 (Revised 2005) on Employee Benefits as issued by the Institute of Chartered Accountant of India, which requires that gratuity and Leave Encashment Liabilities be accounted for on accrual basis and as per actuarial basis.

DEFINED BENEFIT PLAN

a) The amount recognized in the Statement of Profit and Loss are as follows:

(Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Current Service Cost of :		
Gratuity	1,527,148	956,090
Providend Fund	3,206,006	3,030,755
Total	4,733,154	3,986,845

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

b) The amount recognized in the Balance Sheet are as follows: (Amt. in ₹)

Particulars	31-Mar-13	31-Mar-12
Gratuity		
Opening defined benefits	5,655,777	4,699,687
Current service cost	1,527,148	956,090
Benefits paid during the year	92,502	-
Closing defined benefit obligation	7,090,423	5,655,777
Total	7,090,423	5,655,777
Leave Encashment		
Opening defined benefits	2,193,757	2,284,414
Benefits paid during the year	25,308	90,657
Closing defined benefit obligation	2,168,449	2,193,757
Total	2,168,449	2,193,757

31 RELATED PARTY INFORMATION:

Related party information as required by AS 18 is given below:

Relationships:

Sr. No.	Nature of Relationship	Name of Related Parties
1)	Subsidiary Company	Today's Stationery Mart Limited Today's Infrastructure and Construction Limited Today's Fluid Technologies Limited
2)	Key Management Personnel	Shri. Rajesh Kumar Drolia Shri. Ronald Netto
3)	Associate Companies / Firms	Today's Petrotech Limited Millennium writing Products Private Ltd Premium Writing Products Jaidurga Engineering Company Tirupati Tips Industries
4)	Relatives of Key Management Personnel	Smt. Anita Drolia Rajesh Kumar Drolia (HUF) Shri. Chirag Drolia

a) Transaction during the year with related parties (₹ in lacs)

Sr. No.	Nature of Transaction	Nature of Relationship				
		Subsidiary company	Key Management Personnel	Associates	Relatives	Total
1	Unsecured loan / Advance given (2012-13)	4.36	-	-	-	4.36
		(3.53)	-	(15.59)	-	(19.12)
2	Unsecured loan / Advance taken (2012-13)	113.54	-	-	-	113.54
		(1,640.51)	(74.52)	-	-	(1,715.03)
3	Service / Job work Charges Paid (2012-13)	-	-	284.23	-	284.23
		-	-	(287.87)	-	(287.87)
4	Managerial Remuneration (2012-13)	-	12.00	-	-	12.00
		-	(12.00)	-	-	(12.00)
5	Repairs and Maintenance (2012-13)	-	-	90.65	-	90.65
		-	-	(39.62)	-	(39.62)
6	Sales (2012-13)	-	-	-	-	-
		-	-	(13.67)	-	(13.67)
7	Purchase (2012-13)	-	-	-	-	-
		-	-	(158.00)	-	(158.00)
8	Share of loss in firm (2012-13)	-	-	9.05	-	9.05
		-	-	(9.07)	-	(9.07)

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

b) Balance as at 31st March 2013 with related parties (₹ in lacs)

Sr. No.	Nature of Transaction		Nature of Relationship				
			Subsidiary company	Key Management Personnel	Associates	Relatives	Total
1	Loans & Advances given	(2012-13)	548.24	-	-	-	548.24
		(2011-12)	(657.52)	-	(517.27)	-	(1,174.79)
2	Loans & Advances received	(2012-13)	-	950.00	-	-	950.00
		(2011-12)	-	(982.91)	-	-	(982.91)
3	Advance due to	(2012-13)	-	6.97	628.66	-	635.63
		(2011-12)	-	(3.65)	(118.21)	-	(121.86)
4	Advance due from	(2012-13)	-	-	517.27	-	517.27
		(2011-12)	-	-	(579.79)	-	(579.79)
5	Investment in shares	(2012-13)	410.00	-	2.75	-	412.75
		(2011-12)	(410.00)	-	(2.75)	-	(412.75)
6	Investment in Firm	(2012-13)	-	-	1.33	-	1.33
		(2011-12)	-	-	(1.33)	-	(1.33)

32 Deferred Tax Liability / Assets (Amt. in ₹)

Particulars	March 31, 2013	31-Mar-12
Deferred Tax Liability		
Difference between book and tax depreciation	29,280,361	23,634,730
Total	29,280,361	23,634,730
Deferred Tax Asset		
Disallowances under Income Tax	338,218,684	308,014,220
Total	338,218,684	308,014,220
Deferred Tax Liability / (Assets)(Net)	(308,938,323)	(284,379,490)

33 EARNINGS PER SHARE: (Amt. in ₹)

Particulars	March 31, 2013	March 31, 2012
Basic earning per share		
Profit after tax (₹ in lacs)	(142,041,744)	(1,013,535,881)
Weighted average no. of equity shares	12,813,300	12,813,300
Nominal value of each equity shares	10	10
Basic earning per share (in ₹)	(11.09)	(79.10)
Diluted earnings per share (in ₹)	(11.09)	(79.10)

NOTES

Notes forming part of the financial statements as at and for the year ended March 31, 2013

34 CIF VALUE OF IMPORTS (Amt. in ₹)

Particulars	March 31, 2013	March 31, 2012
Raw Material	5,124,149	5,297,283
Components, Spare Parts	19,788,697	14,876,463
Traded goods	15,753,447	16,300,685

35 EXPENDITURE INCURRED IN FOREIGN CURRENCY (Amt. in ₹)

Particulars	March 31, 2013	March 31, 2012
Travelling	241,210	343,677

36 EARNING IN FOREIGN EXCHANGE (Amt. in ₹)

Particulars	March 31, 2013	March 31, 2012
FOB Value of Export	140,429,847	140,382,854

- 37 The networth of the Company is fully eroded as on 31/03/2011 and the Company has filed reference with the Board of Industrial and Financial Reconstruction (BIFR) under section 15 of the Sick Industrial Companies (Special provisions) Act, 1985 (SICA). The Companies Corporate Debt Restructuring (CDR) Scheme has been approved by lenders on 24/09/2010 and on implementation of CDR scheme Company's net worth is expected to turn positive hence the Company is treated as a going concern. So no adjustments are required to the carrying value of assets and liabilities. However, the Company is currently in discussion for a settlement with the banks and in the event of settlement the networth is expected to turn positive much earlier than under CDR scheme.
- 38 Some of the sundry debtors, sundry creditors and loans & advances are subject to confirmation and reconciliation. Consequential adjustment thereof, if any, will be given effect into the books of accounts in the year of such adjustment.
- 39 In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated and are realizable in the ordinary course of business except for those which are considered doubtful & provided for. The provision for all known liabilities is adequate.
- 40 As the Company is registered with BIFR, all proceedings in DRT and winding up cases & other suits for recovery of money has been stayed.
- 41 Provision for interest on loans taken from banks, financial institutions has been provided as per the rates mentioned in CDR scheme.
- 42 After the approval of CDR scheme on 24 /09/2010 the unpaid interest provision of earlier years has been regrouped under the head other long term liabilities.
- 43 Previous year figure have been regrouped / reclassified to confirm with current year presentation, whenever considered necessary.

In terms of our attached report of even date.

For Ajay Shobha & Co.
Chartered Accountants
(Registration No. 317031E)

Ajay Gupta
Partner
Membership No. 053071
Place : Mumbai
Date : 29th May, 2013

For and on behalf of the Board of Directors

Rajesh Kumar Drolia **Ronald Netto**
Chairman Managing Director

Bhavika Shah
Company Secretary
Place : Mumbai
Date : 29th May, 2013

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT CONSOLIDATED

To, The Board of Directors of Todays writing Instruments Limited

We have audited the accompanying consolidated financial statements of Todays Writing Instruments Ltd ("the Company") its subsidiaries (collectively referred as Group) which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statements for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that given a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statement are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the consolidated financial statements. These procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that given a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us the consolidated financial statements, give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013
- b) In the case of the consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on the date.

For **AJAY SHOBHA & CO.**
Chartered Accountants
(Registration No. 317031E)

(AJAY GUPTA)
Partner
M. No. 053071

Place:- Mumbai
Dated:- 29th May, 2013

CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2013

(Amount in ₹)

	Note No.	As at 31 March 2013	As at 31 March 2012
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2	128,133,000	128,133,000
(b) Reserves and surplus	3	(1,526,913,045)	(1,382,415,719)
		<u>(1,398,780,045)</u>	<u>(1,254,282,719)</u>
2. Non-current liabilities			
(a) Long-term borrowings	4	236,600,000	236,600,000
(b) Other long-term liabilities	5	394,552,831	287,010,594
(c) Long-term provisions	6	87,990,266	78,850,584
		<u>719,143,097</u>	<u>602,461,178</u>
3. Current liabilities			
(a) Short-term borrowings	7	1,302,258,404	1,294,315,687
(b) Trade payables	8	203,309,035	212,302,123
(c) Other current liabilities	9	174,799,817	158,634,879
(d) Short-term provisions	10	11,559,629	11,546,160
		<u>1,691,926,885</u>	<u>1,676,798,849</u>
		<u>1,012,289,937</u>	<u>1,024,977,308</u>
II. ASSETS			
1. Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets		276,415,641	296,396,126
(ii) Intangible assets		4,493,143	6,684,920
(iii) Capital work in progress		-	49,470,187
(b) Non-current investments	12	35,483,818	773,833
(c) Deferred tax assets (net)	32	310,576,464	286,044,393
(d) Long-term loans and advances	13	10,621,981	3,049,549
(e) Other non current assets	14	41,921,414	37,299,963
		<u>679,512,461</u>	<u>679,718,971</u>
2. Current assets			
(a) Inventories	15	48,376,144	55,229,418
(b) Trade receivables	16	49,390,273	48,237,446
(c) Cash and cash equivalents	17	196,398,784	185,763,200
(d) Short-term loans and advances	18	23,366,658	44,461,290
(d) Other Current Assets	19	15,245,617	11,566,983
		<u>332,777,476</u>	<u>345,258,337</u>
		<u>1,012,289,937</u>	<u>1,024,977,308</u>
See accompanying notes forming part of the financial statements			

In terms of our attached report of even date.

For Ajay Shobha & Co.
Chartered Accountants
(Registration No. 317031E)

Ajay Gupta
Partner
Membership No. 053071
Place : Mumbai
Date : 29th May 2013

For and on behalf of the Board of Directors

Rajesh Kumar Drolia Ronald Netto
Chairman Managing Director

Bhavika Shah
Company Secretary
Place : Mumbai
Date : 29th May 2013

CONSOLIDATED PROFIT AND LOSS

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2013

(Amount in ₹)

	Note No.	For the year ended 31 March 2013	For the year ended 31 March 2012
I. INCOME			
II. Revenue from operations	20	491,701,345	578,219,484
III. Other income	21	27,482,692	17,118,566
Total revenue (1+2)		519,184,037	595,338,050
IV. OPERATING EXPENDITURE			
(a) Cost of materials consumed	22	284,516,561	484,879,057
(b) Purchases of traded goods	23	34,388,359	78,136,984
(c) Changes in inventories	24	1,934,414	341,212,555
(d) Employee benefits expense	25	59,073,644	58,780,059
(e) Finance charges,	26	116,465,972	114,681,942
(f) Depreciation		21,921,038	85,506,195
(g) Other expenses	27	159,880,964	630,744,391
		678,180,952	1,793,941,183
V. PROFIT BEFORE TAX		(158,996,919)	(1,198,603,133)
VI. Tax expense:			
(a) Current tax expense for current year		-	
(b) Current tax expense relating to prior years		10,032,481	10,590,070
(c) Deferred tax		(24,532,071)	(193,133,952)
VII. Profit / (Loss) after tax		(144,497,329)	(1,016,059,251)
VIII. Earnings per share (of ₹ 10/- each):	33		
(a) Basic		(11.28)	(79.30)
(b) Diluted		(11.28)	(79.30)
See accompanying notes forming part of the financial statements			

In terms of our attached report of even date.

For Ajay Shobha & Co.
Chartered Accountants
(Registration No. 317031E)

Ajay Gupta
Partner
Membership No. 053071
Place : Mumbai
Date : 29th May 2013

For and on behalf of the Board of Directors

Rajesh Kumar Drolia
Chairman

Ronald Netto
Managing Director

Bhavika Shah
Company Secretary

Place : Mumbai
Date : 29th May 2013

CONSOLIDATED CASH FLOW

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in ₹)

		MARCH, 2013		MARCH, 2012	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit/(Loss) before tax and extraordinary items		(158,996,916)		(1,198,603,133)
	Adjustments for :				
	Depreciation	21,921,038		85,506,196	
	Provision for doubtful debts / advances	-		438,872,515	
	Interest income	(15,429,813)		(2,330,322)	
	Interest expense	116,234,298		113,207,789	
	(Profit) / Loss on Sale of Fixed Assets	879,424		-	
	Share of loss in partnership firm	(1,259,942)	122,345,005	906,618	636,162,796
	Operating Profit before Working Capital Changes		(36,651,911)		(562,440,337)
	Adjustments for :				
	(Increase) / decrease in inventories	6,853,274		488,301,228	
	(Increase) / decrease in Trade receivable	(1,152,826)		32,183,437	
	(Increase) / decrease in Short term loans and advances	21,094,632		852,138	
	(Increase) / decrease in other current assets	(3,678,634)		(11,566,983)	
	(Increase) / decrease in long term loans and advances	(7,572,432)		(99,461)	
	(Increase) / decrease In other non current assets	(4,621,452)		(7,564,237)	
	Increase / (decrease) in trade payable	(8,993,088)		779,668	
	Increase / (decrease) in other current liabilities	16,164,939		26,708,961	
	Increase / (decrease) in short term provisions	13,469		(10,117,314)	
	Increase / (decrease) in long term provisions	(892,799)	17,215,083	10,982,748	530,460,185
	Cash generated from / used in operations		(19,436,828)		(31,980,152)
	Net cash generated from / (used in) operating activities (A)		(19,436,828)		(31,980,152)
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets including CWIP	48,388,656		227,654,860	
	Sale/Discarded of Fixed Assets	453,330		-	
	Share of loss in partnership firm	1,259,942		(906,618)	
	Interest income	15,429,813		2,330,322	
	Non current investment	(34,709,985)	30,821,756	-	229,078,564
	Net cash (used) in investing activities (B)		11,384,928		197,098,412
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Share application money	-		(1,000,000)	
	Interest paid	(116,234,298)		(113,207,789)	
	Net increase / (decrease) in working capital borrowings	7,942,717		(71,387,179)	
	Net increase / (decrease) in long term borrowings	-		(1,952,415)	
	Net increase / (decrease) in Other long term liabilities	107,542,237	(749,344)	111,226,307	(76,321,076)
	Net cash (used in) from financing activities (C)		10,635,584		120,777,336
	Cash and cash Equivalents as at 31.03.2012		185,763,200		64,985,864
	Cash and cash Equivalents as at 31.03.2013		196,398,784		185,763,200

Note: 1) The Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2) Previous years figures have been regrouped / rearranged wherever necessary

In terms of our attached report of even date.

For Ajay Shobha & Co.

Chartered Accountants

(Registration No. 317031E)

Ajay Gupta

Partner

Membership No. 053071

Place : Mumbai

Date : 29th May 2013

For and on behalf of the Board of Directors

Rajesh Kumar Drolia
Chairman

Ronald Netto
Managing Director

Bhavika Shah

Company Secretary

Place : Mumbai

Date : 29th May 2013

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES :

i) Basis of Consolidation :

a) Basis of Preparation :

The consolidated financial statements are prepared in accordance with Accounting Standard (AS) 21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India. Reference in these notes to Company, Companies or Group shall mean to include Today's writing Instruments Limited and its subsidiaries, unless otherwise stated.

b) Principle of Consolidation :

The Consolidated financial statements comprise of financial statements of Today's writing Instruments Limited (hereinafter referred as "Today's") and 100% subsidiaries incorporated in India viz. Today's Stationery Mart Limited (hereinafter referred as TSML), Today's Infrastructure & Construction Limited (hereinafter referred as TICL), Today's Fluid Technologies Limited (hereinafter referred as TFTL). The financial statements of all these companies are prepared according to uniform accounting policies, in accordance with generally accepted accounting principles in India. The effect of inter-company transactions between the above mentioned companies are eliminated on consolidation.

c) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared on accrual basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions thereof.

All assets and liabilities have been classified as Current or non-current as per operating cycle criteria set out in the Revised Schedule VI to the Companies Act, 1956.

b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

c) Fixed Assets

Tangible fixed assets

Fixed assets are stated at cost of acquisition and installation less accumulated depreciation and impairment losses. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

Capital work in progress

Project under which assets are not ready for their intended use and other capital work in progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use.

Depreciation and amortization

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except Individual items of assets costing up to ₹ 5000 are full depreciated in the year of acquisition.

Depreciation is charged from the month of the date of purchases in the case of acquisitions made during the year. In respect of assets sold, depreciation is provided up to assets sold, depreciation is provided up to the month prior to the date of sale. Intangible assets are amortized over their estimated useful life.

d) Inventories

Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

e) Investments

Investments are classified as current or long-term in accordance with Accounting Standard 13 on "Accounting for Investments". Current investments are stated at lower of cost or fair value in respect of each separate investment. Long term investments are stated at cost less provision for diminution in value other than temporary, if any.

f) Revenue recognition

Sale of goods

Revenue is recognized when significant risks and rewards of ownership of the goods sold are transferred to the customer and the commodity has been delivered to the shipping agent / customer. Revenue represents the invoice value of goods and services provided to parties net of discounts, sales tax / value added tax and rebate.

Income from services

Revenue in respect of contracts for services is recognized on completion of services.

Other Income

Interest income is recognized on a time proportion basis by reference to the principal outstanding and at the interest rate applicable.

g) Foreign currency transaction and translations

Transactions in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Year end balances of monetary assets and liabilities are translated at the year end rates. Exchange differences arising on restatement of settlement is charged to the Statement of Profit and Loss.

h) Retirement Benefits And Leave Encashment

Retirement benefits are dealt with in the following manner:

- i) Contribution to Provident Fund and Family Pension Fund are accounted on accrual basis with corresponding contribution to relevant authorities.
- ii) Liabilities in respect of gratuity of employees are funded under the employees' group gratuity scheme with the Life Insurance Corporation of India
- iii) Encashment of leave lying to the credit of employees is not provided for on actuarial basis. It is accounted on cash basis. Therefore, it is not possible to ascertain the liability at the end of the accounting year.

i) Taxes On Income

Income tax is accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income". Taxes comprise both current and deferred tax.

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessments/appeals.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax assets are reviewed as at each balance sheet date.

j) Impairment Of Assets:

Impairment is ascertained at each balance sheet date in respect of the Company's fixed assets. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. This is in accordance with the "Accounting Standard 28" issued in this regard by the Institute of Chartered Accountants of India.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

k) Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on “Borrowing Costs” are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

l) Accounting For Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized in terms of Accounting Standard 29- “Provisions, Contingent Liabilities and Contingent Assets issued by the ICAI, when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets are not recognized in the financial statements.

m) Segment Reporting

The business of the Company falls under a single segment i.e., “ Writing Instrument and Stationeries”. In view of the general clarification issued by the Institute of Chartered Accountants of India for companies operating in single segment, the disclosure requirement as per Accounting Standard 17 “Segment Reporting” are not applicable to the Company.

n) Earnings Per Share

The Company reports Earnings Per Share (EPS) in accordance with Accounting Standard 20 on “Earning Per Share”. Basic EPS is computed by dividing the net profit for the year by the weighted average number of Equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year weighted average number of equity shares outstanding during the year as adjusted for the effect of all dilutive potential equity shares, except where the result are anti- dilutive.

o) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

d) Basis of Accounting :

The financial statements are prepared under the historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

e) Other Significant Accounting Policies:

There are set out in the notes under significant accounting policies for financial statement of respective companies, Todays Writing Instruments Limited, Today’s Stationery Mart Limited, Today’s Infrastructure and Construction Limited and Today’s Fluid Technologies Limited.

ii) Companies considered in the consolidated financial statement are as follows:

Sr. No.	Name of the Subsidiary Company	% voting power held as on 31.03.2013
1	Today’s Stationery Mart Limited	100
2	Today’s Infrastructure and Construction Limited.	100
3	Today’s Fluid Technologies Limited	100

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2 SHARE CAPITAL

Particulars	31-Mar-13		31-Mar-12	
	Number of Shares	(Amt. in ₹)	Number of Shares	(Amt. in ₹)
Authorised				
Equity shares of ₹ 10 each with voting rights	25000000	250,000,000	25000000	250,000,000
Issued, subscribed and fully paid - up				
Equity shares of ₹ each with voting rights, fully paid up	12813300	128,133,000	12813300	128,133,000
Total	<u>12813300</u>	<u>128,133,000</u>	<u>12813300</u>	<u>128,133,000</u>

Out of above 4125000 Equity Shares of ₹ 10 each are allotted as fully paid up pursuant to the scheme of amalgamation without payment being- received in cash]

a. Reconciliation of equity shares and amounts outstanding

Particulars	31-Mar-13		31-Mar-12	
	Number of Shares	(Amt. in ₹)	Number of Shares	(Amt. in ₹)
At the beginning of the year	12813300	128,133,000	1281330	128,133,000
At the end of the year	12813300	128,133,000	1281330	128,133,000

b. Terms /rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10. The equity shares have rights, preferences and restrictions which are in accordance provisions of law, in particular the Companies Act, 1956.

e Details of shareholders holding more than 5 % shares in the Company othe than as shown in (c) above.

Particulars	31-Mar-13		31-Mar-12	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Bennett Coleman & Company Limited	844400	6.59	844400	6.59

3 RESERVE AND SURPLUS

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Capital reserve		
Balance as at the beginning and end of the year	16,109,000	16,109,000
Securities premium account		
Balance as per Balance Sheet	85,933,960	85,933,960
Amalgamation reserve		
Balance as per Balance Sheet	45,686,384	45,686,384
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as at the beginning of the year	(1,530,145,063)	(514,085,812)
Add: Profit / (Loss) for the year	(144,497,326)	(1,016,059,251)
Balance as at the end of the year	<u>(1,674,642,389)</u>	<u>(1,530,145,063)</u>
Total	<u>(1,526,913,045)</u>	<u>(1,382,415,719)</u>

4 LONG- TERM BORROWINGS

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Secured loan From Banks	236,600,000	236,600,000
	<u>236,600,000</u>	<u>236,600,000</u>

Details of Security

The Company has created a mortgage on all its assets both current and fixed assets, both movable and immovable in favour of the lenders through SBI Trusteeship services (SBIT) vide security trust deed dated 19th March 2008 and accordingly the term lenders ICICI Bank Ltd and Axis Bank Ltd are secured by first paripassu charge on immovable and movable fixed assets

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(except those pertaining to the current assets charged in favour of working capital bankers) and second charge on current assets and movable assets. Further, the immovable assets of Premium Writing Products (PWP) has been charged to the term lenders through a guarantee by PWP to the extent of value of the immovable property of PWP, pending transfer to the Company. Also, personal guarantee of Mr. Rajesh Kumar Drolia have been provided to all secured lenders except ICICI Bank and Anita Drolia's personal guarantee is given only to SBI and Bank of India.

Terms of Repayment

5 OTHER LONG- TERM LIABILITIES (Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Unpaid interest on term liabilities of earlier years	55,504,180	31,147,245
Unpaid interest on working capital loan of earlier years	333,978,164	251,454,230
MVAT of earlier years	5,070,487	4,409,119
	<u>394,552,831</u>	<u>287,010,594</u>

6 LONG TERM PROVISIONS (Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Provision for employee benefits	5,563,275	4,699,687
Compensated absences	2,168,449	2,193,757
Provision for Income Tax (earlier years)	80,258,542	71,957,140
Total	<u>87,990,266</u>	<u>78,850,584</u>

7 SHORT TERM BORROWINGS (Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Secured:		
Loans repayable on demand from banks		
Cash credit	834,553,647	833,467,581
	<u>834,553,647</u>	<u>833,467,581</u>

Details of Security

The Company has created a mortgage on all its assets both current and fixed assets, both movable and immovable in favour of the lenders through SBI Trusteeship services (SBIT) vide security trust deed dated 19th March 2008 and accordingly the working capital lenders State Bank of India, Bank of India, ICICI Bank Ltd. and HSBC Bank Ltd. are secured by first pari passu charged on all current assets and movable assets (except those pertaining to the charged in favour of term lenders) and second charge on all immovable assets. Further, the Immovable assets of Premium Writing Products (PWP) has been charged to the term lenders through a guarantee by PWP to the extent of pending transfer of immovable property of PWP. Also, personal guarantee of Mr. Rajesh Kumar Drolia have been provided to all secured lenders except ICICI Bank and Anita Drolia's personal guarantee is given only to SBI and Bank of India.

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Unsecured:		
Loan Received from Directors & Relatives	110,976,000	115,165,080
Trade Deposits	1,000,000	1,450,000
Inter Corporate Deposit	27,290,757	15,795,026
Short Term Loans	328,438,000	328,438,000
	<u>467,704,757</u>	<u>460,848,106</u>
Total	<u>1,302,258,404</u>	<u>1,294,315,687</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

8 TRADE PAYABLES

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Other than acceptances		
Micro and small enterprise (Refer note 29)	2,596,139	4,876,391
Others	200,712,896	207,425,732
Total	203,309,035	212,302,123

9 OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Interest accrued but not due on borrowings	112,116,000	112,116,000
Unpaid Dividend	1,575,743	1,578,563
Employee related liabilities	12,488,324	11,797,251
Advances from customers	44,138,650	23,038,956
Other Sundry Creditors	1,072,042	1,907,675
Statutory dues payable	3,409,059	8,196,434
Total	174,799,817	158,634,879

10 SHORT TERM PROVISIONS

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Provision for employee benefits	1,527,148	956,090
Provision for income tax (net of advances)	10,032,481	10,590,070
Total	11,559,629	11,546,160

11. FIXED ASSETS

(Amt. in ₹)

Sr. No.	Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 01-04-2012	Addition	Deductions	As at 31/03/2013	As at 01-04-2012	Sales/ Adjustments	For the period	Up to 31-03-2013	As at 31.03.2013	As at 31.03.2012
	Tangible Assets (A)										
1	Freehold Land	14,840,108	-		14,840,108	-				14,840,108	14,840,108
2	Buildings	97,503,717			97,503,717	23,977,328	3,042,765	27,020,093	70,483,624	73,526,389	
3	Plant & Machinery	248,573,097	385,492		248,958,589	69,939,507	11,818,169	81,757,676	167,200,913	178,633,590	
5	Electrical Installations	8,984,866	77,200		9,062,066	3,958,348	427,815	4,386,163	4,675,903	5,026,518	
6	Moulds	393,142,896			393,142,896	391,447,897	-	391,447,897	1,694,999	1,694,999	
7	Office Equipments	7,220,050	55,300		7,275,350	2,653,161	359,946	3,013,107	4,262,243	4,566,889	
8	Computer	8,210,667	532,269		8,742,936	5,999,288	1,384,692	7,383,980	1,358,956	2,211,379	
9	Furniture and Fixtures	13,049,715	31,270		13,080,985	7,342,125	840,803	8,182,928	4,898,057	5,707,590	
10	Vehicles	20,042,560		2,542,976	17,499,584	9,853,896	1,210,222	1,855,072	10,498,746	7,000,838	10,188,664
	Total	811,567,676	1,081,531	2,542,976	810,106,231	515,171,550	1,210,222	19,729,262	533,690,590	276,415,641	296,396,126
	Previous Year	807,481,243	4,086,433		811,567,676	431,857,129		83,314,421	515,171,550	296,396,126	375,624,114
	Intangible Assets (B)										
4	Technical Knowhow	21,917,770			21,917,770	15,232,850	2,191,777	17,424,627	4,493,143	6,684,920	
	Total	21,917,770			21,917,770	15,232,850	2,191,777	17,424,627	4,493,143	6,684,920	
	Previous Year	21,917,770			21,917,770	13,041,073		2,191,777	15,232,850	6,684,920	8,876,697
	Grand Total (A+B)	833,485,446	1,081,531	2,542,976	832,024,001	530,404,400	1,210,222	21,921,039	551,115,217	280,908,784	303,081,046
	Previous Year (A+B)	829,399,013	4,086,433		833,485,446	444,898,202		85,506,198	530,404,400	303,081,046	384,500,811

* Building Include 5 Equity Shares of ₹ 50/- each fully paid up in Lamp Light Co. Housing Society Ltd., Mumbai

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

12 NON CURRENT INVESTMENT

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
INVESTMENT		
<u>Long Term Inverstmnts</u>		
(a) Non Traded, Unquoted		
(I) Investments in Subsidiaries		
(ii) Others		
i) Today's Petrotech Ltd. 27500 (Previous Year 27500) Equity Shares of face value of ₹ 10 each fully paid up	275,000	275,000
ii) Janata Sahakari Bank Limited 10040 (Previous Year 10040) Equity Shares of face value of ₹ 25 each fully paid up of Kalyan	251,000	251,000
iii) The Mogaveera Co-op Bank Limited 10 (Previous Year 10) Equity Shares of face value of ₹ 100 each fully paid up of	1,000	1,000
(iv) National Saving Certificate	55,000	55,000
(v) Investment in Partnership Firm	2,356,775	191,833
(vi) Investments in Properties	32,545,043	-
	<u>35,483,818</u>	<u>773,833</u>

13 LONG TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Deposits	3,006,837	3,049,549
Others	7,615,144	-
Total	<u>10,621,981</u>	<u>3,049,549</u>

14 OTHER NON CURRENT ASSETS

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Advance Income Tax & Tax receivable (earlier years)	32,937,858	24,105,136
VAT receivable	8,726,237	12,948,037
Prepaid Expenses	257,319	246,790
Total	<u>41,921,414</u>	<u>37,299,963</u>

15 INVENTORIES

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
At lower of cost and net realisable value		
Raw materials	15,396,826	19,285,156
Packing Material	7,139,993	8,286,501
Semi Finished Goods	8,479,218	8,567,608
Finished goods	15,534,629	17,380,653
Stores and spares	1,825,478	1,709,500
Total	<u>48,376,144</u>	<u>55,229,418</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

16 TRADE RECEIVABLE

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Trade receivable outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	24,051,391	31,519,140
Doubtful	587,254,839	587,254,839
	<u>611,306,230</u>	<u>618,773,979</u>
Less: Provision for doubtful trade receivables	587,254,839	587,254,839
	<u>24,051,391</u>	<u>31,519,140</u>
Others trade receivable	25,338,882	16,718,306
Unsecured, considered good		
Total	<u>49,390,273</u>	<u>48,237,446</u>

17 CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Cash on hand	4,115,384	3,666,602
Balances with banks		
In current accounts	11,807,008	6,018,434
In Unpaid dividend account	1,589,622	1,589,342
In Earmarked deposit Margin Money account	178,886,770	174,488,822
Total	<u>196,398,784</u>	<u>185,763,200</u>

18 SHORT TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Unsecured, considered good unless otherwise stated		
Loans and advances to related parties	96,425,512	80,457,630
Others	(20,628,233)	10,587,857
Loans and advances to employees.	3,401,255	689,550
Advance income tax {net of provision for income tax}	873,561	9,431,690
	<u>80,072,095</u>	<u>101,166,727</u>
Less: Provision for doubtful loans and advances	56,705,437	56,705,437
Total	<u>23,366,658</u>	<u>44,461,290</u>

19 OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Interest Accrued On Deposits	15,245,617	11,566,983
Total	<u>15,245,617</u>	<u>11,566,983</u>

20 REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
a. Sale of products		
Domestic sale	351,271,498	437,836,630
Export sale	140,429,847	140,382,854
Total	<u>491,701,345</u>	<u>578,219,484</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

21 OTHER INCOME

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Interest		
on bank deposits	15,429,813	2,330,322
Export incentive	6,070,509	8,705,770
Foreign Currency Gain	146,632	1,095,932
Scrape	3,000,000	-
Miscellaneous Income	670,796	4,986,542
Share of profit from Partnership Firm	2,164,942	-
Total	27,482,692	17,118,566

22 COST OF MATERIALS CONSUMED

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Raw Material Consumed		
Plastic Granules	1,26,239,476	158,497,130
Ball Pen Tips	40,325,594	66,428,564
Ink	27,724,511	58,466,997
Others	43,289,876	117,464,103
Packing Material Consumed	46,937,104	84,022,263
Total	284,516,561	484,879,057

23 PURCHASE OF TRADED GOODS

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Traded Goods Purchased	34,388,359	78,136,984
Total	34,388,359	78,136,984

24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK -IN -PROGRESS AND STOCK IN TRADE.

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Inventories at the beginning of the year		
Finished goods	17,380,653	201,973,327
Work in progress	8,567,608	165,187,489
	25,948,261	367,160,816
Inventories at the end of the year		
Finished goods	15,534,629	17,380,653
Work in progress	8,479,218	8,567,608
	24,013,847	25,948,261
Net decrease / (increase)	1,934,414	341,212,555

25 EMPLOYEE BENEFITS EXPENSES

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Salaries, wages and incentives	53,543,835	53,756,798
Contributions to provident and other funds	4,866,584	4,174,103
Staff welfare expenses	663,225	849,158
Total	59,073,644	58,780,059

26 FINANCE COST

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Interest expenses	116,234,298	114,327,350
Other Borrowing Costs	231,674	354,592
Total	116,465,972	114,681,942

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

27 OTHER EXPENSES

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Manufacturing Expenses		
Consumption of stores and spare parts	3,328,112	6,076,191
Repairs and maintenance		
Plant and machinery	11,824,000	8,768,464
Building	1,158,725	754,755
Others	992,600	1,844,528
Power and Fuel	9,078,670	10,399,369
Insurance	294,550	534,180
Rent	203,800	139,200
Other Manufacturing Expenses	54,987,372	55,778,384
Carriage inward & Transportation	2,856,235	12,277,898
Selling & Distribution Expenses		
Sales Promotion	13,461,519	24,143,925
Discount & Commission	25,767,444	20,258,377
Carriage, Sales Tax & Octroi	8,515,911	11,789,074
Advertisement and publicity Expenses	958,615	14,149,916
Bad Debts	-	718,065
Provision for Bad & Doubtful Debts	-	382,167,078
Establishment Expenses		
Travelling and Conveyance	2,288,485	3,722,112
Subscribing & Donation	671,525	304,890
Legal and Professional charges	9,064,308	7,807,602
Printing & Stationery	457,007	559,240
Loss on sale of Fixed Assets	879,424	-
Foreign Currency Loss	-	583,147
Loss From Partnership Firm	905,000	906,618
Provision for Bad & Doubtful Advances	-	56,705,437
Payment to Auditors		
As Auditors- Statutory audit	170,000	175,000
For taxation matters	75,000	75,000
Reimbursement of expenses	44,736	51,252
Miscellaneous Expenses	11,897,926	10,054,690
Total	159,880,964	630,744,391

28 CONTINGENT LIABILITIES:

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
a) Income tax matters disputed in appeal	1,03,283,133	103,283,133
b) Sales tax matter disputed in appeal	70,431,625	-
In all the above matters, the Company is hopeful of succeeding and as such does not expect any significant liability to crystallize.		
c) Bank guarantee		
i) Guarantee issued to various government departments and the Company is hopeful to meet its obligations.	12,800,900	12,800,900
ii) Corporate guarantee given on behalf of others - covered by indemnity under taking from Today's Petrotech Limited.	30,50,00,000	30,50,00,000

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

29 DISCLOSURES UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006.

(Amount in ₹)

Particulars	31-Mar-13	31-Mar-12
Principal amount remaining unpaid to suppliers as at the end year.	2,596,139	4,876,391
Interest due on the above mentioned principal amount remaining unpaid to any supplier as at the year end.	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-
Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSM Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the “suppliers” regarding their status under the Micro, small and Medium Enterprises Development Act, 2006.

30 EMPLOYEE BENEFITS PLANS:

Disclosure as required by Accounting Standard 15

Liability In respect of gratuity and leave encashment are accounted on payment basis which is not in conformity with Accounting Standard (AS)15 (Revised 2005) on Employee Benefits as issued by the Institute of Chartered Accountant of India, which requires that gratuity and Leave Encashment Liabilities be accounted for on accrual basis and as per actuarial basis.

(a) The amount recognized in the Statement of Profit and Loss are as follows:

DEFINED BENEFIT PLAN

(Amount in ₹)

Gratuity	31-Mar-13	31-Mar-12
Current Service Cost	1,527,148	956,090

Leave Encashment	31-Mar-13	31-Mar-12
Current Service Cost	-	-

Provident Fund	31-Mar-13	31-Mar-12
Current Service Cost	3,206,006	3,030,755

(b) The amount recognized in the Balance Sheet are as follows:

(Amt. in ₹)

Particulars	Gratuity (Amt. in ₹)	
	31-Mar-13	31-Mar-12
Opening defined benefits	5,655,777	4,699,687
Current service cost	1,527,148	956,090
Benefits paid during the year	92,502	-
Closing defined benefit obligation (as per actuarial valuation)	7,090,423	5,655,777
	<u>7,090,423</u>	<u>5,655,777</u>

Particulars	Leave Encashment (Amt. in ₹)	
	31-Mar-13	31-Mar-12
Opening defined benefits	2,193,757	2,284,414
Current service cost	-	-
Benefits paid during the year	25,308	90,657
Closing defined benefit obligation (as per actuarial valuation)	2,168,449	2,193,757
	<u>2,168,449</u>	<u>2,193,757</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

31 RELATED PARTY INFORMATION:

Related party information as required by AS 18 is given below:

Relationships:

Sr. No.	Nature of Relationship	Name of Related Parties
1)	Key Management Personnel	Shri Rajesh Kumar Drolia Shri Ronald Netto
2)	Associate Companies / Firms	Today's Petrotech Limited Millennium writing Products Private Ltd Premium Writing Products Jaidurga Engineering Company Tirupati Tips Industries
3)	Relatives of Key Management Personnel	Smt. Anita Drolia Rajesh Kumar Drolia (HUF) Shri. Chirag Drolia

a) Transactions during the year with related parties

(₹ in lacs)

Sr. No.	Nature of Transaction		Nature of Relationship			
			Key Management Personnel	Associates	Relatives	Total
1	Unsecured loan / Advance given	(2012-13)	-	-	-	-
		(2011-12)	-	(15.59)	-	(15.59)
2	Unsecured loan / Advance taken	(2012-13)	-	-	-	-
		(2011-12)	(74.52)	-	-	(74.52)
3	Service / Job work Charges Paid	(2012-13)	-	284.23	-	284.23
		(2011-12)	-	(287.87)	-	(287.87)
4	Directors Remuneration	(2012-13)	12.00	-	-	12.00
		(2011-12)	(12.00)	-	-	(12.00)
5	Repairs and Maintenance	(2012-13)	-	90.65	-	90.65
		(2011-12)	-	(39.62)	-	(39.62)
6	Sales	(2012-13)	-	-	-	-
		(2011-12)	-	(13.67)	-	(13.67)
7	Purchase	(2012-13)	-	-	-	-
		(2011-12)	-	(158.00)	-	(158.00)
8	Share of profit from firm	(2012-13)	-	21.65	-	21.65
		(2011-12)	-	-	-	-
9	Share of loss from firm	(2012-13)	-	9.05	-	9.05
		(2011-12)	-	(9.07)	-	(9.07)

b) Balance as at 31st March 2013 with related parties

(₹ in lacs)

Sr. No.	Nature of Transaction		Nature of Relationship			
			Key Management Personnel	Associates	Relatives	Total
1	Loans & Advances given	(2012-13)	-	80.98	13.72	94.70
		(2011-12)	-	(518.02)	-	(518.02)
2	Loans & Advances received	(2012-13)	131.96	27.80	-	159.76
		(2011-12)	(992.91)	-	-	(992.91)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Nature of Transaction	Nature of Relationship			
		Key Management Personnel	Associates	Relatives	Total
3	Advance due to (2012-13)	-	-	-	-
	(2011-12)	(3.65)	(118.21)	-	(121.86)
4	Advance due from (2012-13)	-	-	-	-
	(2011-12)	-	(580.94)	-	(580.94)
5	Investment in shares (2012-13)	-	-	-	-
	(2011-12)	-	(2.75)	-	(2.75)
6	Investment in Firm (2012-13)	-	23.57	-	23.57
	(2011-12)	-	(1.33)	-	(1.33)

32 Deferred Tax Liability / Assets

(Amount in ₹)

Particulars	March 31, 2013	March 31, 2012
Deferred Tax Liability		
Difference between book and tax depreciation	30,150,273	24,477,880
Total	30,150,273	24,477,880
Deferred Tax Asset		
Disallowances under Income Tax	340,726,737	310,522,273
Total	340,726,737	310,522,273
Deferred Tax Liability / (Assets) (Net)	(310,576,464)	(286,044,393)

33 EARNINGS PER SHARE:

(Amount in ₹)

Particulars	March 31, 2013	March 31, 2012
Basic earning per share		
Profit after tax (Amt. in ₹)	(144,497,326)	(1,016,059,252)
Weighted average no. of equity shares	12,813,300	12,813,300
Nominal value of each equity shares	10	10
Basic earning per share (in ₹)	(11.28)	(79.30)
Diluted earnings per share (in ₹)	(11.28)	(79.30)

34 Segment Reporting:

Primary (Business) Segment:

The segment of the Company has been identified in line with the Accounting Standard 17 on "Segmental Reporting" issued by the ICAI, taking into account the organization structure as well as the different risks and return of different segments. However during the period under review the company was operating in single segment "stationery and writing instruments", business activities of subsidiaries. were not in major operations hence segment reporting is not applicable.

35 Previous year figure have been regrouped / reclassified to confirm with current year presentation, whenever considered necessary.

In terms of our attached report of even date.

For Ajay Shobha & Co.
Chartered Accountants
(Registration No. 317031E)

Ajay Gupta
Partner
Membership No. 053071
Place : Mumbai
Date : 29th May 2013

For and on behalf of the Board of Directors

Rajesh Kumar Drolia **Ronald Netto**
Chairman Managing Director

Bhavika Shah
Company Secretary
Place : Mumbai
Date : 29th May 2013

PARTICULARS RELATING TO THE SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

1	Name of the Subsidiary Company	Today's Stationary Mart Limited	Today's Infrastructure and Construction Limited	Today's Fluid Technologies Limited
2	Financial Year of the Subsidiary	31-03-2013	31-03-2013	31-03-2013
3	Share of Subsidiary held by the Todays Writing Instruments Limited on the above date			
a)	Number & Face Value	40,00,000 fully paid up equity shares of ₹ 10/- each	50,000 fully paid up equity shares of ₹ 10/- each	50,000 fully paid up equity shares of ₹ 10/- each
b)	Extent of Holding	100%	100%	100%
4	Net aggregate amount of losses of the Subsidiary for the Financial year ended 31.03.2013 So far as they concern members of the Todays Writing Instruments Ltd (₹ in Lacs)			
a)	Dealt with in the accounts of the Todays Writing Instruments Limited for the year ended 31.03.2013	(2439084)	(16498)	0
b)	Not Dealt with in the accounts of the Todays Writing Instruments Limited for the year ended 31.03.2013	N.A.	N.A.	N.A.
5	Net aggregate amounts of the Profits for the previous financial year of the Subsidiary company since it became subsidiary so far as they concern members of the Todays Writing Instruments Limited as on 31.03.2013	N.A.	N.A.	N.A.

(In terms of the direction u/s 212 of the Companies Act, 1956 issued by the Ministry of Corporate Affairs vide General Circular no. 2/ 2011 dated February 8, 2011 (As on / for the ended March 31, 2013)

(Amt. in ₹)

Sr. No.	Particulars	Today's Stationary Mart Limited	Today's Infrastructure and Construction Limited	Today's Fluid Technologies Limited
1	Capital	40,000,000	500,000	500,000
2	Reserves (Including Dr. bal. of Profit & loss Account)	(67,811,459)	(4,866,708)	(500,000)
3	Total Assets (Excluding investment)	12,954,648	24,281,000	-
4	Total Liabilities (Excluding Capital & Reserve)	40,766,106	63,471,193	-
5	Investments	-	34,823,485	-
6	Total Income	-	2,164,942	-
7	Profit / (loss) before Taxation	(2,439,084)	10,264	-
8	Provision for Taxation	-	26,762	-
9	Profit / (loss) after Taxation	(2,439,084)	(16,498)	-
10	Proposed Dividend	Nil	Nil	Nil

In terms of our attached report of even date.

For Ajay Shobha & Co.

Chartered Accountants

(Registration No. 317031E)

Ajay Gupta
Partner

Membership No. 053071

Place : Mumbai

Date : 29th May, 2013

For and on behalf of the Board of Directors

Rajesh Kumar Drolia

Chairman

Ronald Netto

Managing Director

Bhavika Shah

Company Secretary

Place : Mumbai

Date : 29th May, 2013

TODAYS WRITING INSTRUMENTS LIMITED

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

ATTENDANCE SLIP

L.F.No.	
DPID	
Account ID	
No. Of Shares Held	

I/We hereby record my/our presence at the 21st Annual General Meeting of the Company to be held on Monday, the 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 - 396 193, Dadra & Nagar Haveli, (U.T.).

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

Notes:

You are requested to sign and handover this slip at the entrance.

If you are attending the meeting in person or by proxy, your copy of the Annual Report may please be brought by you/your proxy for reference at the meeting.

TODAYS WRITING INSTRUMENTS LIMITED

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

FORM OF PROXY

L.F.No.	
DPID	
Account ID	
No. Of Shares Held	

I/We _____

being a member/members of TODAYS WRITING INSTRUMENTS LIMITED hereby appoint _____

_____ of _____

_____ or

failing him _____ of _____ as my/our proxy to vote for me/us on my/our behalf at the 21st Annual General Meeting of the Company to be held on Monday, the 30th September, 2013 at 10.00 a.m. or at any adjournment thereof.

Signed this _____ day of _____ 2013

Note:

Please Affix Rupee One Revenue Stamp
--

This form in order to be effective should be duly stamped, completed and signed and must be lodged at the Registered Office of the Company not less than 48 hours before the meeting.

BOOK POST

If undelivered, please return to :

TODAYS WRITING INSTRUMENTS LIMITED

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

1	Format of covering letter of the annual audit report to be filed with the Stock Exchange	Today's Writing Instruments Limited
2	Name of the Company	31st March 2013
3	Annual financial statements for the year ended	Qualified
4	Type of Audit qualification	Repetitive since more than three years
5	Frequency of qualification	
5	<p>Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report; Additional comments from the board/audit committee chair:</p> <p>To be signed by-</p> <ul style="list-style-type: none"> • CEO/Managing Director • CFO • Auditor of the Company • Audit Committee Chairman 	<p>For Today's Writing Instruments Limited</p> <p><i>R. N. Neth</i></p> <p><i>[Signature]</i></p> <p><i>[Signature]</i></p>

1. The Auditor has made comment vide para a) of point 9 of the annexure to the Auditors' report (page 21 of A.R.) 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.

Management response at page no.5 of A.R. :- 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 (Page 21 of A.R.) 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.

Management response at page no.5 of A.R.:- 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 (page 21 of A.R.) that the Company has defaulted in repayment of dues to banks.

Management response at page no.5 of A.R.:- 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 Auditor has made comment vide Point 1 (d) of emphasis of matter of Auditors' Report (page 18 of A.R.) that Retirement benefits of employees are not accounted for as per accounting standard 15 (AS 15) prescribed by ICAI.

Management response at page no.5 of A.R. :- 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.

