

DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors have immense pleasure in presenting their Twenty-Fifth Annual Report on the business and operations of the Company together with audited financial statement for the financial year 2016-17.

FINANCIAL RESULTS

The Company's performance for the financial year ended 31st March, 2017 is summarized as below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Total Income	2855.90	5402	3633.99	5836.76
Profit before depreciation, Finance Costs and Tax	(229.38)	(126.69)	(227.95)	196.73
Less: Depreciation	186.35	185.57	350.92	418.35
Less: Finance Costs	1024.03	1001.34	1024.22	1027.02
Profit before tax & Exceptional Items	(1439.76)	(1313.6)	(1147.19)	(1248.64)
Less: Exceptional Items	(441.44)	0	0	0
Profit/(Loss) before Tax	(998.32)	(1313.6)	(1147.19)	(1248.64)
Less: Tax expenses				
Current Tax				
Deferred tax	1088.45	1088.45	1006.13	976.94
Profit/(Loss) after Tax	(2086.77)	(2402.05)	(2153.32)	(2225.58)
Less: Minority Interest in subsidiary	0	0	(1353.10)	114.45
Profit after Tax & Minority interest	(2086.77)	(2402.05)	(800.22)	(2340.03)
Add: Balance brought forward from previous year	(21,156.47)	(18,754.44)	(23,766.49)	(21,426.46)
Amount available for appropriation		0		0
Balance carried to Balance Sheet	(23,243.24)	(21,156.49)	(24,566.71)	(23,766.50)

Company's Performance

a) Standalone:

During the year under review, net sales of the Company had fallen to ₹ 2808.12 lakhs. (Previous Year ₹ 5303.64 Lakhs) This is largely due to the continued losses made by the company eroding the working capital in the system. Due to exceptional income the losses have been reduced to ₹ 2086.77 lakhs. (Previous Year ₹ 2402.05 Lakhs).

The Company continues to be focused in its efforts to improve sales which will automatically absorb a good amount of overhead cost to generate profits at the EBITDA level.

b) Consolidated:

The Company has been downsizing and has been focusing on the main business of writing instruments and as such the activities in the subsidiaries are negligible.

DIVIDEND

Your Company is making efforts to improve its performance. It is required to conserve the funds currently available. In view of the losses, your Directors are not recommending any dividend for the year under review.

TRANSFER TO RESERVES

In view of the losses made, your Directors do not propose to transfer any amount to the reserves during the year under review.

TRANSFER TO INVESTORS' EDUCATION AND PROTECTION FUND

The entire amount of Dividend which remained unpaid / unclaimed for a period over 7 years has been transferred by the Company to the Investor Education & Protection Fund (IEPF). Therefore, no claims shall lie against the fund or the Company and no payment shall be made regarding such claims.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return, in format MGT -9, for the Financial Year 2016-17 has been enclosed with this report as Annexure 1.

MEETINGS

During the year under review, four meetings of the Board of Directors, four meetings of the Audit Committee, and one meeting of the Independent Directors were held. Details of the meetings are given in detail in the Corporate Governance Report which forms a part of this Annual Report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis for the year under review is presented as a separate report constituting this Annual Report.

PARTICULARS OF LOANS, ADVANCES, GUARANTEES AND INVESTMENTS

Pursuant to section 186 of Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), disclosure on particulars relating to Loans, advances Guarantees and Investments are provided as part of financial statements.

PARTICULARS OF RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year under review, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

There are no materially significant related party transactions made by the Company with Promoters, Directors and KMPs which may have a potential conflict with the interest of the Company at large.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link:

<http://www.todays.co.in/files/documents/Policy-on-Materiality-of-RPTs-and-dealing-with-RPTs.pdf>

The Details of transactions with Related Parties are provided as Notes to Financial Statement forming a part of this Annual Report.

CORPORATE GOVERNANCE

Your Company has always endeavoured to adhere to high standards of Corporate Governance and ensured its compliance both in spirit and in law. The report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the statutory corporate governance requirement is attached to the report on Corporate Governance.

SUBSIDIARIES AND ASSOCIATES

The Consolidated Financial Statements of your Company and its Subsidiaries prepared in accordance with the relevant Accounting Standards of the Institute of Chartered Accountants of India, duly audited by the Statutory Auditors, forms part of the Annual report and are reflected in the Consolidated Accounts.

In accordance with section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary companies in Form AOC-1 is provided as **Annexure 2** to this report.

The Company has the following Subsidiaries as at 31st March, 2017:

Today's Stationary Mart Limited

This Company has ceased all operations since financial year 2012-13 and as such there is no activity. Eventually we will apply for closing of the Company and striking the name of the Company to Registrar of Companies.

Today's Infrastructure and Construction Limited

No fresh projects are being undertaken in view of the liquidity constraints faced by the Company.

Today's Petrotech Limited

During the year under review, the Company settled the dues of ICICI bank. There is not much of activity in the company and the Management is trying to evolve a viable business model to recoup the losses.

Today's Fluid Technologies Limited

As per Section 560 of the Companies Act, 1956, the Company has been struck off from Register of Companies w.e.f 02.10.2016 under the Fast Track Exit Mode and the said Company is dissolved.

RISK MANAGEMENT POLICY

The Board has adopted a policy on risk management to mitigate inherent risks and help accomplish the growth plans of the Company. Accordingly, various potential risks relevant to the Company have been identified by the Company and the audit committee and the Board reviews the same periodically and suggest measures to mitigate and control these risks.

Broadly, the following risks are identified as risk which should be regularly discussed and mitigating steps to be taken even though they may not be of a nature which threatens the existence of the Company:

Market Risk

Financial Risk

Exchange Risk

Macro and micro economic Risk

Political Risk especially in export markets

Risk due to civil and military disturbances and natural calamities.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A) In terms of the provisions of the Companies Act, 2013, Mr. Rajesh Drolia (DIN: 00118827) , Chairman & Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.
- B) Mr. Ronald Netto, Managing Director tendered his resignation from the Directorship of the Company w.e.f. 30th March, 2016. The Board has placed on record its appreciation for the contribution made by Mr. Ronald Netto during his tenure of office.
- C) The Company has received declarations from all the Independent Directors of the Company, confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. None of the Directors are disqualified from being appointed as Directors as specified in section 164 of Companies Act, 2013.
- D) The profile of Directors seeking appointment/ re-appointment forms part of the Notice calling the Annual General Meeting.
- E) The Company has adopted a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178 (3). The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

EVALUATION OF THE BOARD AND OF THE DIRECTORS

In compliance with the Companies Act 2013, the performance evaluation of the Board and that of its Committees and Individual Directors have been carried out during the year under review.

The evaluation of performance was done by rating each individual director on 8 established attributes pertaining to his participation at the Board Meetings and the effectiveness of his participation. Similarly, performance of the Board and its Committees as a whole was done by evaluating the performance against the goals set for the Company.

The Independent Directors, in their separate meeting, conducted evaluation of performance of all non-independent directors and of the Board as a whole. At the same meeting, the Independent directors have also evaluated the performance of the Chairman of the Board. The Board in their meeting succeeding the separate meeting of Independent Directors noted the inputs given by the Independent Directors. The Board of Directors further conducted evaluation of every Individual Director (including Independent Directors) and of the Board as a whole.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a. in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

- b. the Directors have selected such accounting policies and applied them 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 March 31, 2017 and of the losses of the Company for the year ended on that date;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a 'going concern' basis;
- e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

REMUNERATION TO DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the details of the remuneration given to the Directors and Key Managerial Personnel is provided in the Annual Report. None of the other employees of the Company draw remuneration in excess of the limits set out in the said rules. None of the Directors receive remuneration or commission from subsidiaries of the Company.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

During the year under review, there were no significant and material orders passed by the Regulators or Courts of Tribunals in favour or against your Company.

DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

STATUTORY AUDIT & AUDITORS

M/s. Ajay Shobha & Co., Chartered Accountants will complete their term of 10 years at the conclusion of the Annual General Meeting in 2017. The company as part of rotation of Auditors is in process to appoint a statutory auditor. The Company has pending dues to be paid to the Auditor. The Auditor is not in a position to give the NOC for appointment of a new Auditor pending payment of his dues. Hence, it has been decided that a separate Extra ordinary general meeting shall be held for appointment of Auditor at a later stage.

SECRETARIAL AUDIT

The Board had appointed M/s. Hitesh Buch & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith, marked as Annexure 3 to this Report.

AUDIT COMMITTEE

The Audit Committee comprises of Ms. Shilpa Joshi (Non-executive Independent Director), Chairperson of the committee, Mr. Shreedhar Parande (Non-executive Independent Director), and Mr. Rajesh Drolia, Chairman & Non-Executive Director of the Company.

All recommendations made by the Audit Committee were accepted by the Board of Director.

Reply to the "Emphasis Matter" of the statutory audit report Statutory Auditor

Going Concern

Your Company is declared sick industrial concern and advised to submit rehabilitation scheme by BIFR to operating agency. In the meantime SICA 1985 has been repealed w.e.f. 01/12/2016 and all the Companies who were in BIFR had been advised to file fresh application with NCLT with six months. Your Company now proposes to file new petition before NCLT soon & hopeful to get positive & progressive resolution plan from Committee of Creditors(COC) and get positive & progressive resolution plan from COC and the Company will revive and grow in coming years.

Confirmation of Balances

The Auditor has stated that the confirmation of balances from debtors, creditors, advances, secured and unsecured lenders etc. are generally not received. The Company calls for confirmations and many of the parties do not respond. The parties being associated with the Company for a long while, their accounts are periodically reconciled. Hence, the balances reflect a true and fair view of the assets and liabilities.

Provision of interest

Under the current scenario where the Company has entered in to a broad settlement with the secured lenders and are in the process of commencing negotiation with other lenders the provision of interest does not affect the materiality of the profitability of the Company as these interests will be reversed once the settlement amount is fully paid to the lenders. Hence, the Company has continued with interest provisioning based on the earlier agreement with the lenders under the CDR mechanism.

Accounting of Employee benefits and Gratuity

The Company is not accounting these benefits on an accrual basis and is settled as and when an employee leaves the organization. The impact of such a mechanism is minimal and not material and hence it is not being accounted for on an accrual basis.

Regular deposit of statutory dues

In the annexure to the Auditors' report vide clause vii(a) and (b) it has been stated that the Company has not deposited undisputed dues of Provident fund, income tax, service tax, sales tax, excise duty and VAT etc. on time and there are serious delays. Your directors wish to state that at every board meeting these are periodically reviewed and every effort is made to reduce the same. The primacy of cash flow allocation in a sick Company is to ensure that the earnings are increased so that the statutory dues are paid at the earliest. Any cash flow surplus is used as a matter of policy to first clear statutory dues. The promoters have to the extent possible infused funds to clear statutory liabilities based on decision of the Board.

Reply to the "Observations" of the secretarial audit report

Appointment of Company Secretary

The Secretarial Auditor has stated that the Company has not appointed a Company Secretary per the requirements of section 203 of Company Act, 2013. Your Directors wish to state that your Company is a sick Company and after the resignation of the existing Company Secretary WEF 17th March 2015 we couldn't find a suitable person who would fit in to the budget of the Company. Hence, in order to ensure smooth functioning and ensure compliance we have appointed a qualified Company secretary as a Compliance officer and would be training her to assume the role of the Company Secretary in due course. In the meantime, the Company will explore the option of getting a suitable person to the post within the budget constraints of the Company.

Filing of form DPT-4

The Company is of the considered opinion that the outstanding liabilities in the name of the Promoters of the Company are a 'fait accompli' situation due to the sale of pledged shares of the promoters by the lenders to recover their dues. Hence, it is not a proactive action by the Company in seeking deposit from the promoters. Further, the amount infused later by the promoters are for meeting the working capital needs of the Company and would eventually form a part of the promoters contribution stipulation as per the guidelines issued by BIFR (Repealed) for rehabilitating the Company. The relevant explanation has been made in the note no 44 to accounts.

The amounts referred to above are brought in by the promoters/directors in addition to the amount that is owed to them by the Company due to sale of shares by the lenders are exempted deposits under clause 2(1)(viii) and 2(1)(xiii) of The Companies (Acceptance of Deposits) Rules, 2014 and as such there is no requirement of filing form DPT4.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, your Company has adopted a Whistle Blower Policy to provide a mechanism for the directors and employees to report genuine concerns about any unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. The provisions of this policy are in line with the provisions of section 177 of the companies Act and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Whistle Blower Policy can be accessed on your Company's website at the link: <http://www.todays.co.in/files/documents/Whistle-Blower-Policy.pdf>

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, your Company has constituted Internal Complaints Committees (ICC). No complaint has been received by the committee till date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. 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. The Company's working staffs has adopted energy efficient working habits. No capital investment was made on upgradation, purchase or installation of energy conservation equipments.

B. Technology Absorption:

The technology required for the operation of business of the Company has already been absorbed. No technology was imported during the last three years..

Expenditure incurred on research and development.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

On behalf of the Board of Directors
For Today's Writing Instruments Limited

Date: 12.08.2017
Place: Mumbai

Sd/-
Rajesh Kumar Drolia
Chairman

DIRECTORS' PROFILE

Mr. Rajesh Kumar Drolia, Chairman

Mr. Rajesh Kumar Drolia (57 years) is a Commerce graduate and a self-made young and dynamic entrepreneur having 35 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.

Mr. Rajiv Kumar Drolia, Managing Director

Mr. Rajiv Drolia (52 years) is a B.Com Graduate from the University of Calcutta and has been associated with the Writing Instrument Industry for over 30 years. He has deep knowledge of the processes and activities involved in managing a WRITING Instrument Industry. He is associated in looking after the everyday activities of the company.

Mr. Shreedhar Parande, Non-Executive & Independent Director

Mr. Shreedhar Parande (80 years) is a B.S.C gold Medalist along with other high profile qualifications like M. Sc., LLB, LLM. CAIIB, AIB. (London), Diploma in German Language, Certificate in French Language. He retired as Deputy Managing Director of SBI. 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.

Ms. Shilpa Joshi, Non-Executive Director & Independent Director

Ms. Shilpa Joshi (46 years) is a Commerce and Law (G) Graduate from the University of Mumbai. She is a member of the Institute of Company Secretaries of India and holds a Diploma certificate in Computer software from the Department of Technical Education, Mumbai. She is an independent professional who has over 23 years of work experience. She has expertise in handling challenging assignments in corporate, legal and compliance area. She is actively contributing in the area of law, management, administration, corporate governance and other disciplines related to Company's business.